

Interpreting financial data

School financial data provide valuable information about a school's capacity to support educational outcomes for its students.

In April 2009, education ministers resolved that financial information for each Australian school would be included from the 2010 release of the *My School* website onwards.

The Australian Curriculum, Assessment and Reporting Authority (ACARA) established the Finance Data Working Group (FDWG) to develop a methodology to support a nationally consistent system for the reporting of school level financial data. The FDWG consists of a representative of each of the government education departments and a representative from the Catholic and independent sectors as well as from ACARA. The methodology developed by the FDWG focused on providing comparable data across individual schools.

ACARA also appointed an independent accounting firm to provide accounting expertise and advice regarding the collection and reporting of school financial data.

The methodology and data collected were reviewed and advice provided to ACARA confirmed that, with the exception of a small number of specific limitations, the methodology supports the education ministers' objective to disclose comparable recurrent income and capital expenditure information by school nationally.

Details of the limitations are provided in the Letter of Accounting Advice available on the ['More information' page](#) of the *My School* website.

Explanations of financial terms used are available on the ['Glossary' page](#) of the *My School* website.

Data presented on the website

The *My School* website reports information on each school's recurrent income and capital expenditure for each calendar year, starting with 2009 data.

The 'School finances' page of *My School* includes total cumulative capital expenditure for each school that has data for a minimum of three consecutive calendar years.

Information on recurrent income is presented as both a 'total amount' and as 'income per student'. The per student calculations use enrolment figures collected from the annual school census, which provides a snapshot of student numbers on census day, and are supplemented with additional enrolment information, where appropriate, in respect of children below Year 1 minus 1 who have contributed income to the school. The per student calculations presented provide additional contextual

information on the relative size of the school. It should not be assumed that each category of income reported on *My School* relates to every student at the school.

Each school's capital expenditure will generally reflect its building program expenditure over the reported calendar year. This incorporates such factors as the school's age, upgrade works and targeted capital works programs and enrolment growth profile. A significant influence on a school's capital expenditure over 2009–2011 may include funding from the Australian Government's Building the Education Revolution Program.

Comparing school data

The financial resources available to schools are directly influenced by the characteristics of the school (such as its location and student profile), its programs and operations. Caution should be taken in using this information to make direct funding comparisons between schools.

The [ACARA FDWG Financial Data Reporting Methodology paper](#) provides detailed information about factors that should be taken in to consideration when viewing these data.