

# Appendix D: Abbreviations, acronyms and glossary

**Acronyms** We use the following acronyms in this report:

## Acronym

ACSC	Australian Cyber Security Centre
CPI	consumer price index
EFTSL	equivalent full-time student load
FTE	full-time equivalent
Go8	Group of Eight
HELP	Higher Education Loan Programme
IT	information technology
VAGO	Victorian Auditor-General's Office

**Glossary** This glossary includes an explanation of the types of engagements we perform:

## Term

Reasonable assurance	We achieve reasonable assurance by obtaining and verifying direct evidence from a variety of internal and external sources about an agency's performance. This enables us to express an opinion or draw a conclusion against an audit objective with a high level of assurance. We call these audit engagements. See our <a href="#">assurance services fact sheet</a> for more information.
Limited assurance	We obtain less assurance when we rely primarily on an agency's representations and other evidence generated by that agency. However, we aim to have enough confidence in our conclusion for it to be meaningful. We call these types of engagements assurance reviews and typically express our opinions in negative terms. For example, that nothing has come to our attention to indicate there is a problem. See our <a href="#">assurance services fact sheet</a> for more information.
Clear opinion	A 'clear' or 'unmodified' audit opinion means we have reviewed an entity's financial report and believe it is reliable and complies with relevant reporting requirements.
Consumer price index	The CPI is a measure of the change over time in prices paid for goods and services. It reflects inflation and provides an indication of changes in the cost of living. The Australian Tax Office uses CPI figures as produced by the Australian Bureau of Statistics in March of each year for calculating the increase on HELP debts.
Controlled entity	A controlled entity is an entity that another party has the power to govern and make financial and operating decisions about.
Depreciation and amortisation	Depreciation and amortisation are when an entity spreads the cost of a long-term asset (either tangible or intangible) over the period of time that it plans to use it.

## Term

Equivalent full-time student load	One EFTSL represents one full-time study load for one year. Universities calculate EFTSL as per the <i>Higher Education Support (Administration) Guidelines 2022</i> .
Fair value or Fair value accounting	Fair value accounting is when an entity values an asset based on its current price in the market. The entity also needs to consider how future events and conditions could affect the asset's value.
Financial instruments	Financial instruments are assets and liabilities created by contracts or agreements between 2 parties. It represents a form of ownership of a party, or a future cashflow between the 2 parties. Shares, bonds, trade payables, and borrowings are all examples of financial instruments. Financial assets that are held for income generation or capital gain are commonly called 'investments'.
Going concern	Going concern means that an entity is expected to be able to pay its debts when they fall due and continue to operate without any intention or need to liquidate or otherwise wind-up its operations.
Group of Eight	According to its website, the Go8 'comprises Australia's leading research-intensive universities – the University of Melbourne, the Australian National University, the University of Sydney, the University of Queensland, the University of Western Australia, the University of Adelaide, Monash University and UNSW Sydney'. It further states the Go8 is 'focused on, and is a leader in, influencing the development and delivery of long-term sustainable national higher education and research policy, and in developing elite international alliances and research partnerships'.
Higher Education Loan Programme	HELP is an Australian Government initiative that provides a loan to eligible students in Australia to pay for their tuition fees. Repayment is deferred until their income reaches certain thresholds.
Intangible asset	An intangible asset is a non-financial asset without physical substance. It is controlled by an entity and is expected to generate future economic benefits. Examples includes software and patents.
Investing and financing cashflows	Investing cashflows are an entity's cash receipts and payments from purchasing or disposing of long-term assets and investments. Financing cashflows are an entity's cash receipts and payments from getting or repaying funds from lenders or owners.
Lease liabilities	Leases are contractual arrangements granting the right to use an asset in exchange for payments over an agreed period. The value of payments owed under these arrangements are lease liabilities.
Liquid assets	A liquid asset is an asset that an entity can easily change to cash. It includes cash equivalents such as term deposits, current assets, and non-current investments such as listed shares and managed funds redeemable at call.
Material	We consider an error material if misstating it or not including it could influence a user's decision or understanding.
Microcredential course	Microcredential courses are short courses that allow a student to learn new skills relevant to their job quickly, and at a TAFE or university level. According to the National Microcredentials Framework, they 'must be outcome-based, responsive to industry-need, tailored to support lifelong learning, and transparent and accessible'.
Operating cashflows	Operating cashflows include cash that an entity gets from its core business activities, such as receipts from students and the Australian Government, and payments it makes to run these activities, such as payments to suppliers and employees.
Patches	Patches are changes to a piece of software (including operating systems) or ICT equipment to remedy security vulnerabilities, improve usability, or improve performance.
Revenue and income	Revenue is money or a benefit that an entity gets through a contract with another party. The entity records revenue when it fulfils its commitments in the contract. For example, when a university has delivered tuition to a student. Income is money or a benefit that an entity gets from any other source. In most cases, the entity records income immediately when it receives it. For example, when a university gets a cash donation or when one of its investments goes up in value.

## Term

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Student revenue	<p>Student revenue is revenue that a university gets from running courses.</p> <p>Most of this revenue is fees and charges from international students and Australian Government student grants for 'Commonwealth-supported places'.</p> <p>A Commonwealth-supported place is when the Australian Government pays for part of a student's course fees.</p>
Unrealised fair value losses	<p>Universities can choose to record fair value changes for some investments in their net result when they happen or when they sell the asset.</p> <p>Most universities record fair value changes within their net result for the year. They do this even if they have not sold the investment. This means their net result is susceptible to fair value changes each year.</p> <p>When an investment's fair value goes down, but a university has not sold it, it is called an 'unrealised fair value loss'.</p>

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