

Useful Financial Terms

As a self-managed NDIS participant, it's important to understand financial terms. You may already know some of these words, but here's a quick reference guide to help you with the most common terms.

- **Account Number:** The number your bank gives to your account. This number works with the BSB (Bank State Branch Number) to identify your account.
- **Australian Business Number (ABN):** A number that shows a business is registered. Providers must have an ABN for you to use their services.
- **Balance:** The amount of money left after you take away your expenses from your income.
- **Bank Account:** An account at a bank where you can deposit or withdraw money. You should have a separate account to manage your NDIS funds.
- **BSB:** Stands for Bank State Branch. It's a six-digit number shows a specific branch of a bank in Australia. The BSB and Account Number together find your account.
- **Budget:** A plan that shows how much money you expect to earn and spend over a certain time. For the NDIS, it tells you how much money you can use during your plan.
- **Claiming:** The process of requesting reimbursement from the NDIS for services or supports you have paid for. You submit claims through the [myplace portal](#).
- **Cooling-off Period:** A time when you can cancel a contract for buying goods or services without penalty. The rules can be different in each state or territory. You should find details about the cooling-off period included in all contracts, service agreements, and invoices from providers.
- **Debit Card:** A plastic card that lets access your bank accounts via ATMs and EFTPOS machines.
- **Direct Debit:** A way for service providers to take money from your account regularly without needing your approval each time.
- **Deficit:** This happens when you spend more money than you have, meaning your expenses are higher than your income.

- **Expenses:** The costs you pay for goods and services.
- **Expense Tracking:** This involves keeping a record of all your expenses related to your NDIS funding. Tracking expenses helps you stay within your budget and ensures that you are using your funds appropriately.
- **Fixed Expenses:** Costs that stay the same over a specific time (e.g., monthly bills).
- **Funding Categories:** These are the different areas within your NDIS budget where you can allocate funds, such as Core Supports, Capacity Building, and Capital Supports. Understanding these categories helps you plan how to use your funding effectively.
- **Grace Period:** Extra time after the due date when you can pay without getting charged a penalty.
- **Goods and Services Tax (GST):** A [tax of 10%](#) on most goods and services sold in Australia.
- **Income:** The money that comes in from different sources. For the NDIS, this is the funding you have in your plan. This funding can be used in your budget for various categories of support.
- **Invoice:** A formal request for payment for a service or product, usually given by the seller or service provider.
- **Irregular Expense:** These are costs that do not happen regularly, making them less predictable. Irregular expenses can include things like car maintenance, holiday spending, or annual subscriptions. Since these expenses can catch you off guard, it's important to plan for them in your budget. You can identify irregular expenses by reviewing past spending and setting aside money each month to cover them when they arise.
- **Plan Management:** This refers to the financial support you can receive to help manage your NDIS funds. A [plan manager](#) can assist with paying your providers, tracking your budget, and submitting claims to the NDIS on your behalf.
- **Receipt:** Proof of payment for a service or product.
- **Reimbursement:** Money paid back to you, often for expenses you've already paid with your own money.

- **Service Agreement:** A [formal contract](#) between you and a service provider that outlines what services will be provided, how much they will cost, and other important details. Having a service agreement helps ensure clarity and accountability.
- **Surplus:** This happens when you spend less money than you expect. It means you have money left over after paying expenses.
- **Value for Money:** This term means getting the best quality of service for the amount you are spending. As a self-manager, it's important to ensure that the supports you purchase provide good value relative to their cost.
- **Variable Expenses:** Costs that change from one period to the next (e.g., groceries).

References

National Disability Insurance Agency (NDIA). (2024). [Self-management](#).

National Disability Insurance Agency (NDIA). (2024). [Glossary](#).

National Disability Insurance Agency (NDIA). (2024). [Key NDIS Concepts in Auslan \[video\]](#).