

ANNEXURE E

CRC STANDARDS

INFORMATION ONLY

1. REPORTS

1.1 Definitions

In this Agreement, unless the context requires otherwise, definitions are contained in this sub-clause 1.1 and in Annexure D.

‘Externally Audited Financial Statement’ means an audited financial statement prepared by an external Qualified Accountant on behalf of the Research Provider in accordance with Australian Accounting Standards and which must include a definitive statement as to whether the financial information for the Project represents the financial transactions fairly and is based on proper accounts and records together with supporting documentation.

‘Internally Audited Financial Statement’ means an audited financial statement prepared by employee(s) of the Research Provider who is a Qualified Accountant in accordance with Australian Accounting Standards and which must include a definitive statement as to whether the financial information for the Project represents the financial transactions fairly and is based on proper accounts and records together with supporting documentation.

‘Statutory Declaration’ means a legal document defined under the law within Australia declaring that expenditure was incurred by the Research Provider in line with the terms of this Agreement.

1.2 Sub-clauses 1.3, 1.4, 1.5 and 1.6 only apply if the Research Provider is identified as the Lead Participant as per Annexure B – Activity Schedule or unless otherwise stated.

1.3 The Research Provider must provide, for each Project in Annexure B – Activity Schedule, a **Quarterly Report** to CRC by:

- (a) the date described in the Annexure B – Research Activity Schedule; or
- (b) a date otherwise agreed in writing by the CRC.

Each Quarterly Report must be in a form as required by CRC and contain:

- (i) a summary of the work undertaken for each Project during the quarter;
- (ii) a summary of any significant costs incurred for each project during the quarter;
- (iii) a Financial Report for each Project detailing actual expenditure and in-kind costs as per the project financials in Annexure B – Activity Schedule;
- (iv) a description of the achievements of each Project, including whether Milestones are on track and whether the Project objectives have been achieved;
- (v) a detailed explanation for any delays or cost overruns that has or is expected to impact the project and any steps taken to mitigate this impact;
- (vi) an updated assessment of each Project risk, and Ethics and Regulatory Approvals;
- (vii) a detailed commentary regarding any other possible variation to Annexure B – Activity Schedule;
- (viii) a declaration by the Lead Participant as nominated in Annexure B – Activity Schedule stating the information submitted is true and correct and certifying that the Fees have been expended only for Commonwealth Funded Activities and otherwise in accordance with the Agreement; and
- (ix) any other information reasonably requested by CRC from time to time.

1.4 The Research Provider must provide, for each Project in Annexure B – Activity Schedule, an **Annual Report** to CRC by:

- (a) the date described in the Annexure B – Research Activity Schedule; or
- (b) a date otherwise agreed in writing by the CRC.

INFORMATION ONLY

Each Annual Report must be in a form as required by CRC and contain:

- (i) a summary of the work undertaken for each Project during the Financial Year;
- (ii) a summary of any significant costs incurred for each project during the Financial Year;
- (iii) Financial Reports for each Project in accordance with the following requirements:
 - (a) For cash expenditure:
 - (i) If the Research Provider is a State, Territory, Federal Government Department or Agency, or Tertiary Institution, an Internally Audited Financial Statement must be provided.
 - (ii) For all other Research Providers, if their financial budget expenditure for the project is:
 - (A) Less than or equal to \$10,000, a Statutory Declaration must be provided.
 - (B) Over \$10,000, an Externally Audited Financial Statement must be provided
 - (b) For in-kind expenditure:
 - (i) The Lead Participant must provide a Statutory Declaration on behalf of all In-Kind Contributors on the Project.
 - (c) Both Internally and Externally Audited Financial Statements must be in provided in accordance with sub-clause 1.7 and in a format acceptable to the CRC.
- (iv) a summary for each Project outlining all communication activities, including publicity material, publications, reports of meetings and attendance records, online and social media;
- (v) an update for each Project of any commercialisation activities, generated IP and ethics approvals;
- (vi) an assessment for each Project of any risks that eventuated over the financial year;
- (vii) an outline for each Project of any education and training activities over the financial year;
- (viii) detailed commentary regarding any other possible variation to Annexure B – Activity Schedule;
- (ix) a declaration by the Lead Participant as nominated in Annexure B – Activity Schedule stating the information submitted is true and correct and certifying that the Fees have been expended only for Commonwealth Funded Activities and otherwise in accordance with the Agreement; and
- (x) any other information reasonably requested by CRC from time to time.

1.5 The Research Provider must provide, for each Project in Annexure B – Activity Schedule, a **Final Report** to CRC by:

- (a) the date described in the Annexure B – Research Activity Schedule; or
- (b) a date otherwise agreed in writing by the CRC.

Each Final Report must be in a form as required by CRC and contain:

- (i) a summary of the work undertaken for the Project highlighting achievements, outcomes and outputs, and outlining how the Pathway to Impact was achieved, the current and expected impact;
- (ii) a summary of any significant costs incurred during the life of the project;
- (iii) Financial Reports for each Project in accordance with the following requirements:
 - (a) For cash expenditure:
 - (i) If the Research Provider is a State, Territory, Federal Government Department or Agency, or Tertiary Institution, an Internally Audited Financial Statement must be provided.
 - (ii) For all other Research Providers, an Externally Audited Financial Statement must be provided.
 - (b) For in-kind expenditure:
 - (i) The Lead Participant must provide a Statutory Declaration on behalf of all In-Kind Contributors on the Project.

- (c) Both Internally and Externally Audited Financial Statements must be in provided in accordance with sub-clause 1.7 and in a format acceptable to the CRC.
 - (iv) a status report of all milestones and outputs, including whether the Project objectives have been achieved and rationale for variations;
 - (v) a contact for ongoing impact tracking and follow up activities;
 - (vi) a summary of any commercialisation activities, assets and IP generated through the research, including future ownership arrangements, as agreed with the CRC;
 - (vii) a summary of all communication activities, including publicity material, publications, reports of meetings and attendance records, online and social media;
 - (viii) a summary of any education and training programs;
 - (ix) a declaration by the Lead Participant as nominated in Annexure B – Activity Schedule stating the information submitted is true and correct and certifying that the Fees have been expended only for Commonwealth Funded Activities and otherwise in accordance with the Agreement; and
 - (x) any other information reasonably requested by CRC from time to time.
- 1.6 The Research Provider must provide, for each Project in Annexure B – Activity Schedule, in addition to the above-mentioned reports, an **Interim Financial Report** within ten (10) Business Days on receiving a request from CRC.
- Each Interim Financial Report must contain:
- (a) Internally Audited Financial Statement prepared in accordance with Australian Accounting Standards in respect of the funding and the Other Contributions (if any) (separately and in the context of the Research Provider's overall financial position), which must include a definitive statement as to whether the financial information for the Project represents the financial transactions fairly and is based on proper accounts and records; and
 - (b) any other information reasonably requested by CRC from time to time.
- 1.7 Where an Externally Audited Financial Statement or an Internally Audited Financial Statement is required under this Agreement, that Statement must include:
- (A) A Project income and expenditure statement for the Financial Year to date and Project to Date (compared with the Project Budget);
 - (B) a statement of the Project Funds and Other Contributions (if any) received to date including the amount spent and the amount remaining in the account or ledger in the Research Provider's financial system which relates to the Project; and
 - (C) a schedule of the Assets created, acquired written-off or disposed of during the Financial Year to date (compared with the Budget).
- 1.8 With each Quarterly, Annual and Final Report, the Research Provider must provide CRC copies of publicity material, publications, reports of meetings and attendance records produced during the reporting period or since the last Annual Financial Report or any other supporting documents related to the reports as reasonably requested by CRC.
- 1.9 If the Research Provider is not identified as the Lead Participant for reporting purposes in Annexure B – Activity Schedule, the Research Provider acknowledges and agrees that it is required to contribute at its own costs towards the Quarterly, Annual, Final and Interim Financial Report Reports applicable to the relevant projects that the Research Provider is involved in.
- 1.10 Regardless of whether the Research Provider is identified as the Lead Participant for reporting purposes in Annexure B – Activity Schedule or not, the Research Provider must provide within a reasonable time any other information or written report reasonably requested in writing by CRC.

2. VARIANCE REPORTING

- 2.1 The Research Provider must notify CRC as part of each report provided to the CRC under the Research Agreement of any Shortfall in participant contributions or third-party contributions for the corresponding Financial Year.

- 2.2 In addition to the Research Provider's specific reporting obligations under the Research Agreement, the Research Provider must notify CRC at any other times that the Research Provider becomes aware of any anticipated or actual Shortfall in participant contributions or third-party contributions for the corresponding Financial Year.
- 2.3 For the purpose of this clause:
- (a) "**Shortfall**" means any deficit equal to or greater than the Shortfall Threshold in the total contributions received by the Research Provider during a financial year and the contributions which should have been received by the Research Provider pursuant to the terms of this Research Agreement during that financial year.
 - (b) "**Shortfall Threshold**" means 10% of the value of the:
 - (i) Fee;
 - (ii) non-staff in-kind Research Provider Contributions (whether cash or in-kind); or
 - (iii) staff in-kind contributions,specified in the Research Agreement.
- 2.4 The notification of any Shortfall must include:
- (a) the amount and value of the Shortfall;
 - (b) the reason for the Shortfall;
 - (c) any remedial action proposed or undertaken; and
 - (d) any impact the Shortfall is expected to have on the current or future capacity of the Research Provider to undertake the Activities and/or to meet its obligations under the Agreement.

3. LATE REPORTING

Without limiting sub-clause 1.10, if the Research Provider has breached a provision of the Agreement, including but limited to missing a milestone, the Research Provider must continue to provide, for each Project in Annexure B – Activity Schedule, a Quarterly Report to CRC by a date otherwise agreed in writing by the CRC.

If the Research Provider does not submit a Quarterly Report as required, the CRC may at its discretion, withhold payment of any monies due, either past or present, until such time as the outstanding Quarterly Report is submitted and accepted by CRC.

4. RESEARCH PROVIDER CONTRIBUTIONS

- 4.1 Where the Research Provider is required to provide a Research Provider Contribution to the CRC, the Research Provider must provide the Research Provider Contribution:
- (a) by the payment date specified in Annexure B – Research Activity Schedule; or
 - (b) within fourteen (14) days of the date of the CRC invoice if no such date is specified in Annexure B.

5. MULTIPLE PROJECTS/MILESTONES

- 5.1 CRC and the Research Provider agree that:
- (a) it is an essential term of this Agreement that the Research Provider delivers all deliverables and completes all milestones that the Research Provider is named in this Agreement to deliver or complete within the timeframe(s) set out in Annexure B;
 - (b) should the Research Provider not deliver a deliverable or not complete a milestone that the Research Provider is named in this Agreement to deliver or complete within the timeframe(s) set out in Annexure B ("the **Missed Deadline**"), CRC may in its reasonable discretion suspend all further payments payable to the Research Provider under this Agreement due on or from the date of the Missed Deadline until the Research Provider has completed all deliverables and milestones which are due under Annexure B; and

(c) CRC's rights under this clause 5.1(b) are in addition to CRC's other rights and powers under this Agreement should the Research Provider default in performing any of its obligations under this Agreement.

5.2 This clause 5 only applies if the Agreement governs multiple Projects or Milestones or if a variation in the Agreement results in the Agreement governing multiple Projects or Milestones.

6. MULTIPLE MILESTONE ACHIEVERS

6.1 Where the Research Provider is not listed as the primary milestone achiever for a particular milestone or deliverable listed in the Agreement, the Research Provider must use reasonable endeavours to assist all other research providers listed in the Agreement to achieve their respective milestones or deliverables.

6.2 This clause 6 only applies if the Agreement involves multiple Milestone achievers or if a variation in the Agreement results in the Agreement involving multiple Milestone achievers.