Australian Government
Department of Industry, Science and Resources

Commonwealth Simple Grant Agreement

between the Commonwealth of Australia represented by

Department of Industry, Science and Resources

and

<Grantee>

The Commonwealth Acknowledges the Aboriginal and Torres Strait Islander Peoples throughout Australia and their continuing connection to land, water, culture and community. We pay our respects to the Elders both past and present. We acknowledge that our services are provided on many Indigenous lands. We continue to recognise that to achieve true reconciliation we need to work together with Aboriginal and Torres Strait Islander peoples, communities, staff and stakeholders to ensure that we are meeting the needs of the community.

NB: This is an example grant agreement intended for use with the <Grant opportunity name>. The Commonwealth reserves the option to amend or adjust the form of the grant agreement.

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Sample

Grant Agreement <grant number>

Once completed, this document, together with the Grant Details and the Commonwealth General Grant Conditions (Schedule 1), forms an Agreement between the Commonwealth of Australia (the Commonwealth) and the Grantee.

Parties to this Agreement

The Grantee

Full legal name of Grantee	<entity name>
Legal entity type (e.g. individual, incorporated association, company, partnership, etc)	<ABR entity type>
Trading or business name	<trading name>
Any relevant licence, registration or provider number	Not applicable
Australian Business Number (ABN) or other entity identifiers	<ABN>
Australian Company Number (ACN)	<ACN>
Registered for Goods and Services Tax (GST)?	<GST status + if statement>
Date from which GST registration was effective?	<GST registered date>
Registered office address	<ABR registered address> <city> <state> <postcode>
Relevant business place	<business street address> <city> <state> <postcode>

The Commonwealth

The Commonwealth of Australia represented by the
Department of Industry, Science and Resources
of 10 Binara Street CANBERRA ACT 2600
ABN 74 599 608 295

The Department of Industry, Science and Resources will manage the Agreement on behalf of the Department of Defence.

Background

The Commonwealth has agreed to enter this Agreement under which the Commonwealth will provide the Grantee with a Grant for the purpose of assisting the Grantee to undertake the associated Activity.

The Grantee agrees to use the Grant and undertake the Activity in accordance with this Agreement and the relevant Grant Details.

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Scope of this Agreement

This Agreement comprises:

(a) this document;

(b) the Supplementary Terms (if any);

(c) the Commonwealth General Grant Conditions (Schedule 1);

(d) the Grant Details;

(e) any other document referenced or incorporated in the Grant Details.

If there is any ambiguity or inconsistency between the documents comprising this Agreement in relation to a Grant, the document appearing higher in the list will have precedence to the extent of the ambiguity or inconsistency.

This Agreement represents the Parties' entire agreement in relation to the Grant provided under it and the relevant Activity and supersedes all prior representations, communications, agreements, statements and understandings, whether oral or in writing.

Certain information contained in or provided under this Agreement may be used for public reporting purposes.

Sample

Grant Details <grant number>

A. Purpose of the Grant

The Grant is being provided as part of the <grant opportunity name>.

<Grant opportunity objectives>

<Grant opportunity outcomes>

B. Activity

The Activity is made up of the Grantee's project and all eligible project activities as specified in these Grant Details.

Project title

<project title>

Project scope and description

<detailed project description>

Project outcomes

<project outcomes>

In undertaking the Activity, the Grantee must comply with the requirements of the grant opportunity guidelines (as in force from time-to-time).

The Grantee must notify the Commonwealth about events relating to the project and provide an opportunity for the Minister or their representative to attend.

C. Duration of the Grant

The Activity starts on <project start date> and ends on <project end date>, which is the **Activity Completion Date**.

The Agreement ends on <agreement end date> which is the **Agreement End Date**.

Activity Schedule

In undertaking the Activity, the Grantee will meet the following milestones by the due dates.

Milestone number	Milestone name and description	Due date
<No>	<milestone name> <milestone description>	<dd/mm/yyyy>

D. Payment of the Grant

The total amount of the Grant is <grant amount> (plus GST if applicable).

The Grant will be provided at up to <grant percentage> per cent of eligible expenditure as defined in the grant opportunity guidelines.

Sample

The Grant will be paid over the following financial years subject to sufficient Program funding being available. The Commonwealth is not obliged to make a payment if it would result in the amount paid in a financial year exceeding the annual capped amount for that financial year as specified in this table.

Financial year	Annual capped amount (GST excl)
<financial year as yyyy/yy>	$<amount>
<financial year as yyyy/yy>	$<amount>
Total	$<total grant amount>

An initial payment will be made on execution of the Grant Agreement. Subsequent payments will be paid approximately six monthly in arrears, based on actual eligible expenditure. Payments are subject to satisfactory progress on the project and compliance by the Grantee with its obligations under this Agreement.

A final payment of at least 10 per cent of the Grant will be withheld until the Grantee submits a satisfactory end of project report demonstrating end of project reporting obligations have been met.

Invoicing

The Grantee agrees to allow the Commonwealth to issue it with a Recipient Created Tax Invoice (RCTI) for any taxable supplies it makes in relation to the Activity.

The Grantee agrees not to issue tax invoices in respect of any taxable supplies.

The Grantee acknowledges that where it is registered for Goods and Services Tax (GST) it will notify the Commonwealth if it subsequently ceases to be registered for GST.

GST means a tax that is payable under GST law as defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

E. Reporting

The Grantee agrees to provide the following reports to the Commonwealth representative in accordance with the reporting requirements (Schedule 2).

Report type	Period start date	Period end date	Agreed evidence	Due date
<report type>	<dd/mm/yyyy>	<dd/mm/yyyy>	<agreed evidence>	<report due date>
<report type>	<dd/mm/yyyy]	<dd/mm/yyyy>	<agreed evidence>	<report due date>

During the Agreement period, the Commonwealth may ask the Grantee for ad-hoc reports on the project. The Grantee must provide these reports in the timeframes notified by the Commonwealth.

Sample

F. Party representatives and address for notices

Grantee's representative and address

Grantee’s representative name	<primary contact name>
Position	<primary contact position>
Address	<primary contact address>
Business hours telephone	<phone number>
Mobile	<mobile phone>
Email	<primary contact email address>

Commonwealth representative and address

Name of representative	<CSM name>
Position	<CSM position>
Postal address	GPO Box 2013 CANBERRA ACT 2601
Physical address	<CSM physical address> If blank 10 Binara Street CANBERRA ACT 2600
Business hours telephone	<CSM phone>
Email	<program email address>

The Parties' representatives will be responsible for liaison and the day-to-day management of the Grant, as well as accepting and issuing any written notices in relation to the Grant.

G. Supplementary Terms

G1 Other Contributions

G1.1 Other Contributions means financial contributions other than the Grant as set out below:

Contributor	Nature of Contribution	Amount (GST exclusive)	Timing
Grantee	< insert description of contribution, e.g., cash, access to equipment etc>	$<insert amount>	<project end date>

Sample

Contributor	Nature of Contribution	Amount (GST exclusive)	Timing
<name of third party providing the Other Contribution>	<insert description of contribution, e.g., cash, access to equipment etc>	$<insert amount>	<insert date or Milestone to which the Other Contribution relates>
Total		$<total other contributions>	

G1.2 The Grantee agrees to provide, or to ensure the provision of, the Other Contributions and to use them to undertake the Activity. If the Other Contributions are not provided in accordance with this clause, then the Commonwealth may:

(a) suspend payment of the Grant until the Other Contributions are provided; or

(b) terminate this Agreement in accordance with clause 18 of the General Grant Conditions.

G2 Activity budget

G2.1 The Grantee agrees to use the Grant and any Other Contributions and undertake the Activity consistent with the following budget.

<budget table>

Figures in the above table are GST inclusive amounts less GST credits that can be claimed in relation to the expenditure.

G3 Record keeping

G3.1 The Grantee agrees to:

(a) maintain records that identify the receipt and expenditure of the Grant and any Other Contributions separately within the Grantee's accounts and records so that at all times the Grant is identifiable; and

(b) keep financial accounts and records relating to the Activity so as to enable all receipts and payments related to the Activity to be identified and reported; and

G3.2 The Grantee agrees to maintain the records for five years after the Activity Completion Date and provide copies of the records to the Commonwealth representative upon request.

G3.3 Term G3 survives the termination, cancellation or expiry of the Agreement.

G4 Audit and acquittal

G4.1 The Grantee may be required to provide the Commonwealth with an independent audit report verifying that the Grant was spent in accordance with this Agreement.

G4.2 Independently audited financial acquittal reports must be audited by:

(a) a Registered Company Auditor under the *Corporations Act 2001* (Cth); or

(b) a Certified Practising Accountant; or

(c) a member of the Institute of Public Accountants; or

sample

(d) a member of Chartered Accountants Australia and New Zealand

who is not a principal member, shareholder, officer or employee of the Grantee or a related body corporate.

G5 Activity Material

Not applicable

G6 Access

G6.1 The Grantee agrees to give the Commonwealth, or any persons authorised in writing by the Commonwealth, access to premises where the Activity is being performed and to permit those persons to inspect and take copies of any Material relevant to the Activity.

G6.2 The Auditor-General and any Information Officer under the *Australian Information Commissioner Act 2010* (Cth) (including their delegates) are persons authorised for the purposes of clause G6.1.

G6.3 Term G6 does not detract from the statutory powers of the Auditor-General or an Information Officer (including their delegates).

G7 Equipment and Assets

G7.1 The Grantee agrees to obtain the Commonwealth's prior written approval to use the Grant to purchase any equipment or Asset for more than $10,000 (including GST), apart from those listed in the Budget and/or detailed below:

<Equipment and Assets table> or (a) Not applicable

G7.2 The Grantee agrees to maintain a register of all equipment and Assets purchased for $10,000 (including GST) or more with the Grant in the form specified below and to provide the register to the Commonwealth upon request.

Item number	Description	Total cost (including GST)
Reference	*Description of the equipment or asset*	*Total cost of the equipment or asset*

G7.3 The Grantee agrees to use the equipment and Assets for the purposes of the Activity.

G7.4 The Grantee must ensure that it owns any equipment and Assets purchased with the Grant for the purposes of the Activity.

G7.5 The Grantee agrees that the proceeds of any equipment and Assets purchased with the Grant disposed of during the Activity, must be treated as part of the Grant and used for the purposes of the Activity.

G8 Relevant qualifications or skills

Not applicable

G8A Child safety

Not applicable

Sample

G9 Activity specific legislation, policies and industry standards

G9.1 Without limiting the generality of Item G11 below, the Grantee agrees to comply with the requirements of the following legislation, policies and industry standards when undertaking the Activity:

(a) The *Work Health and Safety Act 2011* (Cth), any corresponding regulations made under that Act and any relevant Code of Practice approved for the purpose of that Act ('WHS Laws').

Note: The Grantee must ensure the Activity is undertaken in a safe manner. The Grantee must not, and must ensure its Personnel do not, by act or omission place the Commonwealth in breach of its obligations under the WHS Laws or any other relevant State or Territory legislation.

(b)

G9A Fraud

G9A.1 In this Agreement, Fraud means dishonestly obtaining a benefit, or causing a loss, by deception or other means, and includes alleged, attempted, suspected or detected fraud.

G9A.2 The Grantee agrees to ensure that its personnel and subcontractors do not engage in any Fraud in relation to the Activity.

G9A.3 If the Grantee becomes aware of:

(a) any Fraud in relation to the Activity; or

(b) any other Fraud that has had or may have an effect on the performance of the Activity,

the Grantee agrees to report the matter to the Commonwealth and all appropriate law enforcement and regulatory agencies within 5 business days.

G9A.4 The Grantee agrees to investigate any Fraud referred to in clause G9A.3 at its own cost and in accordance with the Australian Government Investigations Standards available at www.ag.gov.au.

G9A.5 The Commonwealth may, at its discretion, investigate any Fraud in relation to the Activity. The Grantee agrees to co-operate and provide all reasonable assistance at its own cost with any such investigation.

G9A.6 This clause survives the termination or expiry of the Agreement.

G10 Commonwealth Material, facilities and assistance

Not applicable

G11 Jurisdiction

G11.1 This Agreement is governed by the law of the Australian Capital Territory.

G12 Grantee trustee of a Trust (if applicable)

G12.1 In this clause, 'Trust' means the trust specified in the Parties to the Agreement section of this Agreement.

G12.2 The Grantee warrants that:

(a) it is the sole trustee of the Trust

Sample

(b) it has full and valid power and authority to enter into this Agreement and perform the obligations under it on behalf of the Trust

(c) it has entered into this Agreement for the proper administration of the Trust;

(d) all necessary resolutions, consents, approvals and procedures have been obtained or duly satisfied to enter into this Agreement and perform the obligations under it; and

(e) it has the right to be indemnified out of the assets of the Trust for all liabilities incurred by it under this Agreement.

Sample

Signatures

Executed as an agreement:

Commonwealth

Signed for and on behalf of the Commonwealth of Australia as represented by the Department of Industry, Science and Resources.

Name	<name>
Position	<position >
Date	<date >

Grantee

Full legal name of the Grantee	<name of the grantee> ABN <ABN of the grantee>
Name of Authorised Representative	<name of authorised representative>
Date	<date of acceptance>

Sample

Schedule 1: Commonwealth General Grant Conditions

1. Undertaking the Activity

1.1 The Grantee agrees to undertake the Activity in accordance with this Agreement.

1.2 The Grantee must meet the eligibility requirements relating to the National Redress Scheme[1] set out under the relevant grant opportunity guidelines at all times during the term of this Agreement.

2. Acknowledgements

The Grantee agrees to acknowledge the Commonwealth's support in Material published in connection with this Agreement and agrees to use any form of acknowledgment the Commonwealth reasonably specifies.

3. Notices

3.1 Each Party agrees to notify the other Party of anything reasonably likely to adversely affect the undertaking of the Activity, management of the Grant or its performance of its other requirements under this Agreement.

3.2 A notice under this Agreement must be in writing, signed by the Party giving notice and addressed to the other Party's representative.

3.3 The Commonwealth may, by notice, advise the Grantee of changes to the Agreement that are minor or of an administrative nature provided that any such changes do not increase the Grantee's obligations under this Agreement. Such changes, while legally binding, are not variations for the purpose of clause 7.

4. Relationship between the Parties

A Party is not by virtue of this Agreement the employee, agent or partner of the other Party and is not authorised to bind or represent the other Party.

5. Subcontracting

5.1 The Grantee is responsible for the performance of its obligations under this Agreement, including in relation to any tasks undertaken by subcontractors.

5.2 The Grantee agrees to make available to the Commonwealth the details of any of its subcontractors engaged to perform any tasks in relation to this Agreement upon request.

6. Conflict of interest

The Grantee agrees to notify the Commonwealth promptly of any actual, perceived or potential conflicts of interest which could affect its performance of this Agreement and agrees to take action to resolve the conflict.

7. Variation

This Agreement may be varied in writing only, signed by both Parties.

8. Payment of the Grant

8.1 The Commonwealth agrees to pay the Grant to the Grantee in accordance with the Grant Details.

8.2 The Commonwealth may by notice withhold payment of any amount of the Grant where it reasonably believes the Grantee has not complied with this Agreement or is unable to undertake the Activity.

8.3 A notice under clause 8.2 will contain the reasons for any payment being withheld and the steps the Grantee can take to address those reasons.

8.4 The Commonwealth will pay the withheld amount once the Grantee has satisfactorily addressed the reasons contained in a notice under clause 8.2.

9. Spending the Grant

9.1 The Grantee agrees to spend the Grant for the purpose of undertaking the Activity only.

9.2 The Grantee agrees to provide a statement signed by the Grantee verifying the Grant was spent in accordance with the Agreement.

10. Repayment

10.1 If any of the Grant has been spent other than in accordance with this Agreement or any amount of the Grant is additional to the requirements of the Activity, the Grantee agrees to repay that amount to the Commonwealth unless agreed otherwise.

10.2 The amount to be repaid under clause 10.1 may be deducted by the Commonwealth from subsequent payments of the Grant or amounts payable under another agreement between the Grantee and the Commonwealth.

11. Record keeping

The Grantee agrees to maintain records of the expenditure of the Grant.

12. Intellectual Property

12.1 Subject to clause 12.2, the Grantee owns the Intellectual Property Rights in Activity Material and Reporting Material.

12.2 This Agreement does not affect the ownership of Intellectual Property Rights in Existing Material.

12.3 The Grantee gives the Commonwealth a non-exclusive, irrevocable, royalty-free licence to use, reproduce, publish and adapt Reporting Material for Commonwealth Purposes.

13. Privacy

When dealing with Personal Information in carrying out the Activity, the Grantee agrees not to do anything which, if done by the Commonwealth, would be a breach of an Australian Privacy Principle.

14. Confidentiality

The Parties agree not to disclose each other's confidential information without prior written consent unless required or authorised by law or Parliament.

15. Insurance

The Grantee agrees to maintain adequate insurance for the duration of this Agreement and provide the Commonwealth with proof when requested.

[1] The National Redress Scheme can be found at https://www.nationalredress.gov.au

Sample

16. Indemnities

16.1 The Grantee indemnifies the Commonwealth, its officers, employees and contractors against any claim, loss or damage arising in connection with the Activity.

16.2 The Grantee's obligation to indemnify the Commonwealth will reduce proportionally to the extent any act or omission involving fault on the part of the Commonwealth contributed to the claim, loss or damage.

17. Dispute resolution

17.1 The Parties agree not to initiate legal proceedings in relation to a dispute unless they have tried and failed to resolve the dispute by negotiation.

17.2 The Parties agree to continue to perform their respective obligations under this Agreement where a dispute exists.

17.3 The procedure for dispute resolution does not apply to action relating to termination or urgent litigation.

18. Termination for default

The Commonwealth may terminate this Agreement by notice where it reasonably believes the Grantee:

(a) has breached this Agreement; or

(b) has provided false or misleading statements in their application for the Grant; or

(c) has become bankrupt or insolvent, entered into a scheme of arrangement with creditors, or come under any form of external administration.

19. Cancellation for convenience

19.1 The Commonwealth may cancel this Agreement by notice, due to

(a) a change in government policy; or

(b) a Change in the Control of the Grantee, which the Commonwealth believes will negatively affect the Grantee's ability to comply with this Agreement.

19.2 The Grantee agrees on receipt of a notice of cancellation under clause 19.1 to:

(a) stop the performance of the Grantee's obligations as specified in the notice; and

(b) take all available steps to minimise loss resulting from that cancellation.

19.3 In the event of cancellation under clause 19.1, the Commonwealth will be liable only to:

(a) pay any part of the Grant due and owing to the Grantee under this Agreement at the date of the notice; and

(b) reimburse any reasonable expenses the Grantee unavoidably incurs that relate directly to the cancellation and are not covered by 19.3(a).

19.4 The Commonwealth's liability to pay any amount under this clause is subject to:

(a) the Grantee's compliance with this Agreement; and

(b) the total amount of the Grant.

19.5 The Grantee will not be entitled to compensation for loss of prospective profits or benefits that would have been conferred on the Grantee.

20. Survival

Clauses 10, 12, 13, 14, 16, 20 and 21 survive termination, cancellation or expiry of this Agreement.

21. Definitions

In this Agreement, unless the contrary appears:

- **Activity** means the activities described in the Grant Details.
- **Activity Completion Date** means the date or event specified in the Grant Details.
- **Activity Material** means any Material, other than Reporting Material, created or developed by the Grantee as a result of the Activity and includes any Existing Material that is incorporated in or supplied with the Activity Material.
- **Agreement** means the Grant Details, Supplementary Terms (if any), the Commonwealth General Grant Conditions and any other document referenced or incorporated in the Grant Details.
- **Agreement End Date** means the date or event specified in the Grant Details.
- **Asset** means any item of property purchased wholly, or in part, with the use of the Grant, excluding Activity Material and Intellectual Property Rights.
- **Australian Privacy Principle** has the same meaning as in the *Privacy Act 1988.*
- **Change in the Control** means any change in any person(s) who directly exercise effective control over the Grantee.
- **Commonwealth** means the Commonwealth of Australia as represented by the Commonwealth entity specified in the Agreement and includes, where relevant, its officers, employees, contractors and agents.
- **Commonwealth General Grant Conditions** means this document.
- **Commonwealth Purposes** does not include commercialisation or the provision of the Material to a third party for its commercial use.
- **Existing Material** means Material developed independently of this Agreement that is incorporated in or supplied as part of Reporting Material or Activity Material.
- **Grant** means the money, or any part of it, payable by the Commonwealth to the Grantee as specified in the Grant Details and includes any interest earned by the Grantee on that money once the Grant has been paid to the Grantee.
- **Grantee** means the legal entity specified in the Agreement and includes, where relevant, its officers, employees, contractors and agents.
- **Grant Details** means the document titled Grant Details that forms part of this Agreement.
- **Intellectual Property Rights** means all copyright, patents, registered and unregistered trademarks (including service marks), registered designs, and other rights resulting from intellectual activity (other than moral rights under the *Copyright Act 1968*).

Sample

- **Material** includes documents, equipment, software (including source code and object code versions), goods, information and data stored by any means including all copies and extracts of them.
- **Party** means the Grantee or the Commonwealth.
- **Personal Information** has the same meaning as in the *Privacy Act 1988.*
- **Reporting Material** means all Material which the Grantee is required to provide to the Commonwealth for reporting purposes as specified in the Grant Details and includes any Existing Material that is incorporated in or supplied with the Reporting Material.

Sample

Schedule 2: Reporting requirements

Appendix 1

<grant opportunity name> - progress report requirements

You will need to provide the following information in your progress reports. The Commonwealth reserves the right to amend or adjust the requirements.

You must complete and submit your report on the business.gov.au portal. You can enter the required information in stages and submit when it is complete.

Project progress

a. Report against each milestone shown in your grant agreement.
    i. Estimated end date
    ii. Actual end date
    iii. Progress comments – Activities undertaken and impact of any delays

b. Other completed project activities

c. Is the overall project proceeding in line with your grant agreement?
    i. If no, changes or anticipated issues

d. Planned events to report on
    i. Details of event including date, time, purpose of the event and key stakeholders expected to attend

e. What is the most significant risk during this progress reporting period to completing your project in accordance with the budget and schedule indicated in your grant agreement and how is this risk being mitigated?

f. Did you process security clearance applications or vetting fees as an eligible activity in this reporting period?
    i. If yes, please confirm the employment status of each pending or cleared personnel

Project outcomes

a. Outline the project outcomes achieved to date.

b. Since the start of your project, have any new security issues, breaches or security challenges arisen?
    i. If so, please describe
    ii. Describe how you intend to address them.

c. Since the beginning of your project have there been any broader or new benefits for your business or the defence industry?
    i. If so, please describe

Sample

Project expenditure

Provide information about your eligible project expenditure. Eligible expenditure is divided into the same categories as the budget in your application.

We may ask you to provide evidence of costs incurred.

If you are registered for GST, provide the GST exclusive amount. If you are not registered for GST, provide the GST inclusive amount.

a. Eligible expenditure claimed in this reporting period

b. Estimated eligible expenditure for the next reporting period

c. Estimated total eligible expenditure for the project

d. Is the expenditure broadly in line with the activity budget in the grant agreement?

e. Give reasons for changes between the forecast and actual expenditure for this reporting period. Explain any significant changes to the forecast budget for the remainder of the project.

Project funding

a. Provide details of contributions to your project other than the grant. This includes your own contributions as well as any contributions from project partners or others.

b. Was the project funded in line with the grant agreement?

    i. If no, explain how you funded the project.

Bank account details

a. Have your bank account details changed since your last payment or since you last provided them?

Attachments

a. Attach any agreed evidence required with this report to demonstrate project progress.

b. Attach copies of any published reports and promotional material, relating to the project.

c. Where an Inaugural Security Officer was hired as an eligible activity, provide a copy of the Employment Contract (if not previously provided) and a copy of the most recent payslip.

d. Where a formal report, certification or accreditation is required as a condition for completion of an eligible activity, provide a copy of the appropriate document when applicable to the completed milestone.

Declaration

You must ensure an authorised person completes the report and can declare the following:

- The information in this report is accurate, complete and not misleading and that I understand the giving of false or misleading information is a serious offence under the *Criminal Code 1995* (Cth).

Sample

- The activities identified in this report are for the purposes stated in the grant agreement.
- I am aware of the grantee's obligations under their grant agreement, including the need to keep the Commonwealth informed of any circumstances that may impact on the objectives, completion and/or outcomes of the agreed project.
- I am aware that the grant agreement empowers the Commonwealth to terminate the grant agreement and to request repayment of funds paid to the grantee where the grantee is in breach of the grant agreement.

Sample

Appendix 2

<grant opportunity name> - end of project report requirements

You will need to provide the following information in your end of project report. The Commonwealth reserves the right to amend or adjust the requirements.

You must complete and submit your report on the business.gov.au portal. You can enter the required information in stages and submit when it is complete.

Project achievements

a. Report against each milestone shown in your grant agreement.
    i. Estimated end date
    ii. Actual end date (if applicable)
    iii. Current % complete
    iv. Progress comments – Activities undertaken and impact of any delays
b. Other completed project activities
c. Did you process security clearance applications or vetting fees as an eligible activity in this final reporting period?
    i. If yes, please confirm the employment status of each pending or cleared personnel

Project outcomes

a. Project outcomes achieved by the project end date
b. Do the achieved outcomes align with the grant agreement?
c. If no, explain why program outcomes have changed.
d. Planned events to report on
    i. Details of the event including date, time, purpose of the event and key stakeholders expected to attend
e. To what extent did the project help you establish and maintain security accreditation and controls for your business in line with the Defence Industry Security Program and in accordance with the Defence Security Protection Framework?
f. How did your project contribute to the development or enhancement of one or more of the Sovereign Defence Industrial Priorities?
    i. Please detail which of the 7 Sovereign Defence Industrial priorities (SDIPs) your project contributed? Maintenance, repair, overhaul and upgrade (MRO&U) of Australian Defence Force aircraft, Continuous naval shipbuilding and sustainment, Sustainment and enhancement of the combined-arms land system, Domestic manufacture of guided weapons, explosive ordnance and munitions, Development and integration of autonomous systems, Integration and enhancement of battlespace awareness and management systems, and Test and evaluation, certification and systems assurance.

Sample

ii. Provide details on what change or improvements have occurred as a result of the grant project in relation to defence opportunities, customers, collaboration, maturity of commercial negotiations, timing and size of the opportunity.

g. Since beginning your project, have there been any broader or new benefits for your business or the defence industry?

Project benefits

a. What benefits has the project achieved?

b. What ongoing impact will the project have?

c. Did the project result in any unexpected benefits?

   i. Details of unexpected benefits

d. Did the project result in any unexpected negative impacts?

   i. Details of unexpected negative impacts

e. Is there any other information you wish to provide about your project?

Project expenditure

Provide information about your eligible project expenditure. Eligible expenditure is divided into the same categories as the budget in your application.

We may ask you to provide evidence of costs incurred.

If you are registered for GST, enter the GST exclusive amount. If you are not registered for GST, enter the GST inclusive amount.

a. Eligible expenditure claimed in this reporting period

b. Total eligible expenditure for the project

c. Is expenditure broadly in line with the grant agreement?

d. Outline the reasons for any overspend or underspend or any other significant changes to the budget.

Project funding

a. Provide details of all contributions to your project other than the grant. This includes your own contributions as well as any contributions from project partners or others.

b. Was the project funded in line with the grant agreement?

   i. If no, explain how you funded the project.

Updated business indicators

a. Provide the following financial data for your organisation for your latest complete financial year.

   These fields are mandatory and entering $0 is acceptable if applicable.

   - Financial year completed
   - Sales revenue (turnover)

Sample

- Export revenue
- R&D expenditure
- Taxable income
- Number of employees including working proprietors and salaried directors (headcount)
- Number of independent contractors (headcount)

Bank account details

a. Have your bank account details changed since your last payment or since you last provided them?

Attachments

a. Attach any agreed evidence required with this report to demonstrate progress or successful completion of your project.

b. Attach copies of any published reports and promotional material, relating to the project.

c. Where an Inaugural Security Officer was hired as an eligible activity, provide a copy of the Employment Contract (if not previously provided) and a copy of the most recent payslip.

d. Where a formal report, certification or accreditation is required as a condition for completion of an eligible activity, provide a copy of the appropriate document when applicable to the completed milestone

Declaration

You must ensure an authorised person completes the report and can declare the following:

- The information in this report is accurate, complete and not misleading and that I understand the giving of false or misleading information is a serious offence under the *Criminal Code 1995* (Cth).
- The grant was spent in accordance with the grant agreement.
- I am aware of the grantee's obligations under their grant agreement, including survival clauses.
- I am aware that the grant agreement empowers the Commonwealth to terminate the grant agreement and to request repayment of funds paid to the grantee where the grantee is in breach of the grant agreement.

Sample

Sample

Appendix 3

Independent audit report

Background

These templates assist Grantees (and their auditors) to understand the audit requirements under a Commonwealth grant agreement administered by the Department of Industry, Science and Resources. For further information contact us on 13 28 46 or at business.gov.au.

When an independent audit report is required under our grant agreements the Grantee must provide us with:

- a statement of grant income and expenditure against the expenditure categories under the grant agreement (attachment A)
- an independent audit report on the statement of grant income and expenditure (attachment B)
- certification of certain matters by the auditor (attachment C).

You can find additional information on the grant opportunity relevant to your grant at business.gov.au or by calling us on 13 28 46.

Eligible expenditure

Advice on eligible expenditure for projects under the grant opportunity can be found in grant opportunity guidelines. These guidelines are revised from time to time and therefore more than one version of the document may exist. The relevant guidelines are those that were effective at the time the Grantee's application was accepted.

It is essential that Grantees and their auditors understand the eligible expenditure requirements because these determine whether, and the extent to which, certain costs are reportable and claimable.

The amount of grant funding we approve is based on the Grantee's estimated eligible expenditure, as provided in their application. However, the grant funding any Grantee is ultimately entitled to receive is determined against actual eligible expenditure incurred and paid for on the project. The grant amount specified in the grant agreement is the **maximum** amount the Grantee may be paid.

The expenditure reported in the 'statement of grant income and expenditure' at attachment A must represent actual 'eligible expenditure' paid on the project during that period.

Sample

Attachment A – Statement of grant income and expenditure

Grant opportunity name	[grant opportunity name]
Project number	[project number]
Grantee	[organisation]
Project title	[project title]
Reporting period start date	[project start date or other reporting period start date]
Reporting period end date	[project end date or other reporting period end date]

This statement of grant income and expenditure must be prepared by the Grantee and contain the following:

- Statement of funds, Grantee contributions and other financial assistance*
- Statement of eligible expenditure*
- Notes to the statement of eligible expenditure, explaining the basis of compilation
- Certification by directors of the Grantee

*We will compare this information to that detailed in the grant agreement.

1. Statement of funds, Grantee contributions and other financial assistance

Complete the following table for all cash [and in-kind] contributions for your project for the period in question, including

- the grant
- other government funding
- your own contributions
- partner or other third party contributions
- any additional private sector funding.

Insert rows as required.

Contributor	Cash amount (GST excl)	[Estimated in-kind amount (GST excl)]	Total (GST excl)
Grant	$[enter amount]	$[enter amount]	$[enter amount]
Grantee	$[enter amount]	$[enter amount]	$[enter amount]
[enter contributor]	$[enter amount]	$[enter amount]	$[enter amount]
[enter contributor]	$[enter amount]	$[enter amount]	$[enter amount]
Total	$[enter amount]	$[enter amount]	$[enter amount]

Sample

2. Statement of eligible expenditure

You must provide detail of the eligible expenditure that has been incurred and paid for during the reporting period in a 'Statement of eligible expenditure' that contains the following information.

No. of expenditure item	Eligible expenditure category (as per grant agreement)	Eligible expenditure item	Supplier name	Supplier invoice number	Supplier invoice date	Invoice amount GST exclusive	Date invoice paid (if applicable)

Comment on any variance between the expenditure items and amounts detailed in the grant agreement and the actual items and amounts detailed in the attached statement of eligible expenditure.

[enter details]

3. Note to the statement of eligible expenditure

3.1 Eligible expenditure

The eligible expenditure as reported in the statement of eligible expenditure is in accordance with the grant opportunity guidelines.

3.2 Basis of compilation

This statement of eligible expenditure has been prepared to meet the requirements of the grant agreement between [enter Grantee name] and the Commonwealth represented by the Department of Industry, Science and Resources. Significant accounting policies applied in the compilation of the statement of grant income and expenditure include the following:

[enter details]

Sample

4. Certification by directors [if not director, replace with appropriate equivalent]

[Grantee name]

[Project number]

For the period [dd/ mm/yyyy] to [dd/ mm/yyyy]

We confirm that, to the best of our knowledge and believe, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Statement of grant income and expenditure

a. We have fulfilled our responsibilities for the preparation of the statement of grant income and expenditure in accordance with the cash basis of accounting and the terms of the grant agreement with the Commonwealth, represented by the Department of Industry, Science and Resources dated [enter date]; in particular, the statement of grant income and expenditure presents fairly in accordance therewith.

b. All events subsequent to the date of the statement of grant income and expenditure which require adjustment or disclosure so as to present fairly the statement of grant income and expenditure, have been adjusted or disclosed.

c. [Where applicable] The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the statement of grant income and expenditure as a whole. A list of the uncorrected misstatements is attached to this representation letter.

d. That all Grantee contributions and other financial assistance were spent for the purpose of the project and in accordance with the grant agreement and that the Grantee has complied with the grant agreement and relevant accounting policies.

e. That salaries and allowances paid to persons involved in the project are in accordance with any applicable award or agreement in force under any relevant law on industrial or workplace relations.

Signature .....

Name [enter name]

Director

Date [dd/mm/yyyy]

Signature .....

Name [enter name]

Director

Date [dd/mm/yyyy]

Sample

5. For Auditor use only

I certify that this statement of grant income and expenditure is the one used to prepare my independent audit report dated [enter date] for the Department of Industry, Science and Resources.

Signature .....

Name	[enter name]
Position	[enter position]
Auditor's employer	[enter employer name]
Date	[dd/mm/yyyy]

Sample

Attachment B - Independent audit report

Background for auditors

The purpose of the independent audit report is to provide us with an auditor's opinion on the Grantee's statement of grant income and expenditure. The statement of grant income and expenditure is prepared by the Grantee to correspond with the expenditure reported to the department by the Grantee for the same period, in the process of claiming grant payments.

The independent audit report must be prepared by a person who is an approved auditor.

An approved auditor is a person who is:

a. registered as a company auditor under the *Corporations Act 2001* or an appropriately qualified member of Chartered Accountants Australia and New Zealand, or of CPA Australia or the Institute of Public Accountants; and

b. not a principal, member, shareholder, officer, agent, subcontractor or employee of the Grantee or of a related body corporate or a Connected Entity.

The audit should be undertaken and reported in accordance with Australian Auditing Standards.

The independent audit report must follow the required format and include any qualification regarding the matters on which the auditor provides an opinion. We may follow up any qualifications with the Grantee or auditor. The independent audit report must be submitted on the auditor's letterhead.

Auditors must comply with the professional requirements of Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants in the conduct of their audit.

If the auditor forms an opinion that the statement of grant income and expenditure does not give a true and fair view of the eligible expenditure for the period, the independent audit report should be qualified and the error quantified in the qualification section of the independent audit report.

The required independent audit report format follows.

Sample

Auditor's report

Independent audit report in relation to [Grantee name]'s statement of grant income and expenditure to the Commonwealth, represented by the Department of Industry, Science and Resources (the department).

We have audited:

a. the accompanying statement of grant income and expenditure of [Grantee name] for the period [dd/mm/yyyy] to [dd/mm/yyyy], a summary of significant accounting policies and other explanatory information, and management's attestation statement thereon (together "the financial statement"). The financial statement has been prepared by management using the cash basis of accounting described in note 3.2 to the financial statement; and

b. [Grantee name]'s compliance with the terms of the grant agreement between [Grantee name] and the Commonwealth dated [date of agreement] for the period [dd/mm/yyyy] to [dd/mm/yyyy] (the grant agreement).

We have:

a. reviewed [Grantee name]'s statement of labour costs in support of its claim of eligible expenditure[; and

b. performed limited assurance procedures on [Grantee name]'s statement of employee numbers under the grant agreement].

Management's responsibility

Management is responsible for:

a. the preparation and fair presentation of the financial statement in accordance with the basis of accounting described in note 3.2, this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in accordance with the grant agreement;

b. compliance with the terms of the grant agreement;

c. the preparation of the statement of employee numbers and labour costs in support of eligible expenditure; and

d. such internal control as management determines is necessary to:

    i enable the preparation of the financial statement and the statement of [employee numbers and]labour costs that are free from material misstatement, whether due to fraud or error; and

    ii enable compliance with the terms of the grant agreement.

Auditor's responsibility

Our responsibilities are:

a. To express an opinion, based on our audit, on:

    i the financial statement; and

    ii [Grantee name]'s compliance, in all material respects, with the terms of the grant agreement; and

Sample

b. To conclude based on:

   i our review procedures, on the statement of labour costs; and

   ii our limited assurance procedures on the statement of employee numbers.

We conducted our audit of the financial statement in accordance with Australian Auditing Standards; our audit of compliance with the grant agreement in accordance with ASAE 3100, our review of the statement of labour costs in accordance with ASRE 2405[; and our limited assurance procedures on employee numbers in accordance with ASAE 3000]. The applicable Standards require that we comply with relevant ethical requirements and plan and perform our work to:

a. obtain reasonable assurance about whether the financial statement is free from material misstatement and that [Grantee name] has complied, in all material respects, with the terms of the grant agreement; and

b. obtain limited assurance as to whether anything has come to our attention that causes us to believe that the statements of employee numbers and labour costs are materially misstated.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement and about the Grantee's compliance with the grant agreement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Grantee's preparation and fair presentation of the financial statement, and to the Grantee's compliance with the grant agreement, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Grantee's internal control. An audit also includes evaluating the appropriateness of accounting policies used by management, as well as evaluating the overall presentation of the financial statement.

A review consists of making enquiries and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the statement of labour costs.

A limited assurance engagement undertaken in respect of the statement of employee numbers, in accordance with ASAE 3000 involves [level of detail about procedures to be determined by the auditor]. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion, review and limited assurance conclusions.

Opinion

In our opinion:

a. the financial statement presents fairly, in all material respects, the grant income and expenditure of [Grantee name] for the period [dd/mm/yyyy] to [dd/mm/yyyy] in accordance with the cash basis of accounting described in note 3.2 and the terms of the grant agreement, dated [date of agreement], with the Commonwealth; and

Sample

b. [Grantee name] has complied, in all material respects, with the requirements of the grant agreement between the organisation and the Commonwealth dated [date of agreement], for the period [dd/mm/yyyy] to [dd/mm/yyyy].

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to note 3.2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to the department in accordance with the grant agreement, dated [date of agreement]. As a result, the financial statement may not be suitable for another purpose.

Use of Report

This report has been prepared for [Grantee name] and the department in accordance with the requirements of the grant agreement between [Grantee name] and the Commonwealth, dated [date of agreement]. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than [Grantee name] and the department, or for any purpose other than that for which it was prepared.

Conclusions

Based on:

a. Our review, which is not an audit, nothing has come to our attention that causes us to believe that the statement of labour costs in the period [dd/mm/yyyy] to [dd/mm/yyyy] is not, in all material respects, fairly presented in accordance with the grant agreement dated [date of agreement] with the Commonwealth[; and

b. The procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the statement of employee numbers as at [dd/mm/yyyy] is not prepared, in all material respects, in accordance with the grant agreement dated [date of agreement] with the Commonwealth].

Auditor's signature	.....
Name	[enter name]
Auditor's employer	[enter employer name]
Employer's address	[enter address]
Qualifications	[enter qualification]
Position	[enter position]
Date	[dd/mm/yyyy]

Sample

Attachment C - Certification of certain matters by the auditor

The department also requires a certification of certain matters by the auditor in addition to the independent audit report. This should be submitted with the statement of grant income and expenditure and independent audit report.

The auditor who signs this certification must also initial and date a copy of the Grantee's statement of eligible expenditure. The department will not accept an independent audit report that lacks this attachment.

The required format of certification is on the following page.

Sample

[print on auditor letterhead]

[addressee]
Department of Industry, Science and Resources
GPO Box 2013
Canberra ACT 2601

I understand that the Commonwealth, represented by the Department of Industry, Science and Resources and [Grantee name] have entered into a grant agreement for the provision of financial assistance under the [grant opportunity name] to the Grantee for the project. A condition of funding under the grant agreement is that the Grantee provides a statement of grant income and expenditure certifying that expenditure on approved project items has been incurred within the relevant audit period and paid in accordance with the grant opportunity guidelines, and is supportable by appropriate documentation.

In fulfilment of the condition, I hereby certify that:

a. I am a member of Chartered Accountants Australia and New Zealand/ CPA Australia/ the Institute of Public Accountants (as a Public Practice Certified Member).

b. I have prepared the independent audit report on [Grantee name]'s, statement of grant income and expenditure in accordance with the details of the grant agreement between the Grantee and the Commonwealth, project no [project no] dated [dd/mm/yyyy].

c. I have reviewed the grant agreement between the Grantee and the Commonwealth, project no [project no] dated [dd/mm/yyyy], and related grant opportunity guidelines and understand the requirements pertaining to financial reporting and eligible expenditure contained therein.

d. I have signed the attached copy of [Grantee name]'s statement of eligible expenditure that I used to prepare the independent audit report.

e. I have complied with the professional independence requirements of Chartered Accountants Australia and New Zealand/ CPA Australia/the Institute of Public Accountants. I specifically certify that I:

    i am not, and have not been, a director, office holder, or employee of [Grantee name] or related body corporate of [Grantee name]

    ii have not been previously engaged by [Grantee name] for the purpose of preparing their [grant opportunity name] application or any report required under the grant agreement

    iii have no financial interest in [Grantee name].

Signature .....

Name [enter name]

Qualifications [enter qualification]

Position [enter position]

Date [dd/mm/yyyy]

Sample