

SAAFE Limited Valuation Principles for Contributions

This document is intended to be read alongside the SAAFE Limited In-Kind Policy

Labour in-kind contributions in projects

- 1.1 Labour In-kind contributions are valued using principles supplied by the CRC Program Office whereby the calculation consists of the salary plus an additional (maximum) 30% allowance. This allowance covers direct on-costs (e.g., superannuation, payroll tax) and indirect overheads (e.g., office rental, provision of usual computing).

By way of example, a person with salary of \$120,000 per annum who intends to work on the project in-kind at 0.2 Full time equivalent (FTE) per year for 3 years can claim:

$$\text{In-kind value} = (\$120,000 \times 0.2 \times 3) \times 1.3 = \$93,600.$$

Non-staff In-kind Contributions in projects

- 1.2 SAAFE Co, or the CRC Program Office, does not prescribe a specific formula to determine the value of non-staff in-kind contributions. The CRC Program Office advises that: (non-staff in-kind valuations) “... *must be realistic, justifiable and valued proportionally to their use on the project...*”. The value of non-staff in-kind is determined by the using this principle and the guidance provided below.
- 1.3 Valuations must be realistic, justified and in Australian dollars.
- 1.4 Valuations of non-staff in-kind contributions provided as access to large capital items must be valued proportionally to the usage for the CRC SAAFE Activities and based on the running costs and depreciation of the capital item. Valuations may include fee for access but must not be for the total cost of the resources.
- 1.5 The following table lists the various types of contributions which may generally be provided for CRC SAAFE Activities, and summarises the intended approach to valuation and minimum valuation evidence as agreed between SAAFE Co and its Auditors.

Contribution Type	Valuation Methodology	Minimum Valuation Evidence ¹
Provision of specialist computing hardware ** excludes desktop computers and laptops	Annual depreciation/amortisation based on useful life x CRC SAAFE Activities % use; or Market Rental/leasing rate if appropriate.	Depreciation: evidence of cost base and useful life from partner, estimate of CRC SAAFE Activities usage % from the partner. Market Rental: in writing from partner along with basic evidence of charge rates.
Software Licences	Commercial/ market value of license per annum	In writing from partner.

¹ Where possible, to show evidence of ‘market rate’, partners can provide a sanitised copy of a previous invoice to a third party.

Training Services	Market rate per day of training reasonably charged to independent third parties.	In writing from partner, reasonableness reviewed by SAAFE Co.
Provision of specialist computing facilities/ infrastructure	Market rate reasonably charged to independent third parties and valued proportionally to the usage by the project and based on the running costs and depreciation of the item.	In writing from partner, reasonableness reviewed by SAAFE Co.
Facilities, large Capital items, specialist equipment.	Market rate reasonably charged to independent third parties and valued proportionally to the usage by the project and based on the running costs and depreciation of the item.	In writing from partner, reasonableness reviewed by SAAFE Co.
Other	Market value preferred wherever possible.	In writing from partner, reasonableness reviewed by SAAFE Co.

General

- 1.6 All Contributions, whether financial or in-kind, must be made, valued and accounted for in accordance with the Grant Agreement and the Guidelines.
- 1.7 The CRC Board may supplement these principles with additional policies or guidelines from time to time.
- 1.8 Capitalised terms used in this document take the meaning given to them in the CRC SAAFE partners agreement or project agreement to which this document forms a schedule, annexure or attachment.