



Australian Government  
Department of Industry and Science

**Business**

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## Customer Information Guide

# Next Generation Manufacturing Investment Programme

July 2015

This Guide explains the grants offered by the *Next Generation Manufacturing Investment Programme*, who can apply and how to apply. You should read this guide and any related documents before completing an application form.

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## 1 Programme overview

The Next Generation Manufacturing Investment Programme is a \$61.8 million programme which includes \$58.5 million for competitive merit-based grants. The programme provides grants to support capital investment projects in areas of high value manufacturing. It aims to stimulate economic activity and increase business competitiveness and sustainability.

Grants will be awarded on the basis of merit, with support aimed at manufacturers in Victoria and South Australia.

'High value activities' can include activities that:

- focus on niche manufacturing
- need a highly skilled workforce
- compete on quality, uniqueness, reliability and prestige
- use innovation
- use new composites and high performance materials such as bio-based sources
- use new technology in production processes such as computer-aided design and manufacturing.

This is not an exhaustive list of manufacturing activities that we consider to be high value. You can include other activities in your application, but make sure you show how your proposed project meets Programme requirements.

## 2 Grant amount and grant period

The grant amount will be up to 50% of eligible project costs. The minimum grant amount is \$500,000 and the maximum grant amount is \$5 million. The maximum grant period is 3 years.

## 3 Who can apply

To apply, your business must:

- be a trading corporation incorporated in Australia
- be registered for the Goods and Services Tax (GST)
- not be named by the [Workplace Gender Equality Agency](#)<sup>1</sup> as an organisation that has not complied with the *Workplace Gender Equality Act 2012 (Cth)*.

You must provide:

- evidence of support from the business' Board, or chief decision making body, indicating that the business can undertake the project and can commit to funding the share of the project costs not covered by grant funding
- a project funding strategy, including an Accountant Declaration confirming your business can fund its share of the project costs, or other evidence as specified in the application or by the Programme Delegate. You must use the Accountant Declaration form in Appendix C.

You are **not** eligible to apply if you are:

- an income tax exempt corporation

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<sup>1</sup> <https://www.wgea.gov.au/about-legislation/complying-act#noncompliant>

- an individual or partnership
- a Commonwealth, State and Local Government agency or body (including government business enterprises)
- registered under the Automotive Transformation Scheme or are eligible to apply for the Automotive Diversification Programme, while funding is available under the Automotive Diversification Programme.

## 4 Before you apply

Call the contact centre on 13 28 46, or contact us at [business.gov.au](http://business.gov.au) if you would like to speak with a customer service manager who will be able to provide advice on the eligibility and merit of the proposed project.

You should also read and understand the general funding agreement before completing an application. View the [funding agreement](#) at [business.gov.au](http://business.gov.au).

## 5 Eligible projects

To be eligible your project must:

- include eligible activities and eligible expenditure
- have at least \$1 million in total eligible expenditure
- take place at a manufacturing site based in South Australia or Victoria, and cannot involve the movement of business activity from other areas of Australia to either of these states.

You may apply for other Commonwealth granting programmes for the same project, however, if successful, the project can only be supported by either the Next Generation Manufacturing Investment Programme or one of the other Commonwealth granting programmes.

### 5.1 Eligible activities

Eligible activities can include:

- buying, installing and commissioning new machinery and equipment
- changing or extending your existing premises to accommodate the new machinery and equipment acquired through the project
- training in the use and maintenance of new machinery and equipment acquired through the project.

Other activities may also be approved.

### 5.2 Eligible expenditure

Grant funding will only be provided for eligible expenditure on an approved project.

- For guidelines on eligible expenditure, see Appendix A.
- For a list of ineligible expenditure, see Appendix B.

The guidelines on eligible expenditure may be updated. If your application is successful, the version that applies to your project will be the version that is current when your funding agreement is signed (by both the Commonwealth Government and you).

Project expenditure is only eligible if it is incurred between the project start and completion date. You may start your project from the date that we notify you that your application is eligible and complete. However, we will not provide grant funding to unsuccessful applicants, and we are not

responsible for any expenditure by successful applicants until a funding agreement is in place. If you choose to start your project before a funding agreement is signed, you do so at your own risk.

## 6 How to apply

You can only submit an application during a funding round. The opening and closing date for each round will be published on [business.gov.au](http://business.gov.au).

To apply, you must:

- complete the online Next Generation Manufacturing Investment Programme [application form](#) on [business.gov.au](http://business.gov.au)
- provide all the information that is needed for us to assess your application.

Note that any information you provide that is considered intentionally misleading or inaccurate may be investigated.

We will acknowledge all applications in writing within 10 working days of the closing date.

If you cannot submit online, contact us at [business.gov.au](http://business.gov.au) or 13 28 46.

## 7 The criteria you need to address

To be competitive, you will need to address each merit criterion in your application. At a minimum, your application will need to address the dot points listed beneath each merit criterion below. The amount of detail and supporting evidence you provide in your application should be commensurate with the project size, complexity and grant amount requested.

### 7.1 Merit Criterion 1

**The level of net economic activity to be generated by your project (25 points).**

- Describe the business case for your project. Outline how your project will improve the competitiveness of your business. Quantify any expected project benefits
- Describe the impact your project will have on the workforce (in terms of numbers, location and skills)
- Describe whether your project will provide new job opportunities for workers from the automotive industry
- Will your project create new markets and/or products for your business? If yes, describe the market opportunity and route to market
- Describe the benefits to the industry sector and the supply chain. Is there a strategy to work with local firms? Does your project create potential for more investment and expansion activity?
- Demonstrate the commercial viability of your project.

### 7.2 Merit Criterion 2

**The extent to which your project represents a new or expanded activity for your business, including whether your project can be: (25 points)**

- a. demonstrated as an area of high value; and**
- b. demonstrated as an area of opportunity or growth**

- Describe how your project will result in a transition to higher value-added operations
- Describe how your project will change the way your business competes (either in existing or new markets)

- Describe how new the product or process is to the world, Australia, the industry or your business
- Describe your business operations before and after your project.

### 7.3 Merit Criterion 3

#### **The value for money offered by your project (20 points).**

- Describe the impact the grant will have on your project in terms of the size and timing, the project pay-back period, and expected future growth in business operations
- Will your project go ahead without the grant and if not, why not? (This might include reasons such as availability of other finance sources, internal hurdle rates for return on investment and/or payback period etc)

### 7.4 Merit Criterion 4

#### **The demonstrated capacity and capability of your business to access and capture market opportunities (20 points).**

- Describe the capacity and capability of key staff to successfully implement your project. Who are the key management and technical staff involved in your project? What experience and or expertise does the project team have in successfully implementing similar projects? Discuss in terms of track record and relevant project management experience
- Demonstrate your business has the resources required to deliver your project including integrating the project outcomes into your ongoing business operations. Provide evidence that you have access to infrastructure, capital equipment, technology, intellectual property, and any required regulatory approvals
- Attach your business plan (it should refer to your project)
- Attach a detailed project plan, including milestones and budget
- Demonstrate the ongoing financial viability and sustainability of your business.

### 7.5 Merit Criterion 5

#### **The expected productivity improvement and sustainability for your business generated by your project (10 Points).**

- Describe the expected productivity improvements. This can include expected improvements to the structure of your business, business innovation, organisation or manufacturing process improvements, knowledge management, information technology, etc .

### 7.6 Other considerations

Applications will only be assessed against other applications for projects in the same state.

Projects that provide new job opportunities for workers from the automotive industry will attract additional weighting in the consideration of merit criterion 1.

Assessments will take into account the extent to which the project might compromise competitive neutrality.

## 8 How we assess your application

We will first assess your application against the eligibility criteria. If your application is eligible, we will assess it against the merit criteria and refer your application to the Next Generation Manufacturing Investment Programme Advisory Committee, an independent committee of experts.

The committee will assess your application against the merit criteria and the related indicators and compare it to other eligible applications before recommending which projects are funded.

Your application will be scored out of 100 and must score highly against each merit criterion to be recommended for funding. While all applications will be assessed against the same merit criteria, we will score your application relative to the project size, complexity and grant amount requested. We expect larger and more complex projects to include more detailed supporting evidence.

Note, applications that have a higher level of contribution by the applicant may be considered more meritorious against merit criterion 3.

## **8.1 Final decision**

The Minister for Industry, in consultation with the relevant State Minister, will make the final decision on which projects will be funded.

If you are successful, you will receive a written offer.

If you are unsuccessful, you will be notified in writing and be given an opportunity to discuss the outcome with us. You can submit a new application for the same project (or a similar project) in any future funding rounds. You must include new or more information to address the weaknesses identified in your previous application.

The Minister's decision is final in all matters, including:

- the approval of applications
- the size of funding to be awarded
- the terms and conditions of funding.

There is no review of decisions.

## **9 If your application is successful**

### **9.1 Funding agreement**

You must enter into a funding agreement with the Department of Industry, acting on behalf of the Commonwealth.

You will have 30 days from the date of offer to execute a funding agreement with the Commonwealth ('execute' means both you and the Commonwealth Government have signed the agreement). We may withdraw the offer if the funding agreement is not executed within this time.

Note grant payments will not be made until there is an executed funding agreement in place.

An offer of funding may be subject to special conditions.

The Commonwealth may recover grant funds if there is a breach of the funding agreement.

### **9.2 How the grant will be paid**

The funding agreement will state the:

- maximum grant amount to be paid
- grant ratio which is the proportion of eligible project costs covered by the grant.

The maximum grant amount cannot be exceeded under any circumstances. If you incur extra eligible expenditure, you must meet it yourself.

Grant funding will be paid after agreed milestones are achieved. The amount of each payment will be based on the:

- eligible expenditure incurred that is directly related to the project
- agreed funding ratio for the project.

Twenty per cent of the total grant funding is set aside for the final payment. This is paid when a satisfactory final report is received.

### **9.3 Project reporting**

You must submit progress and financial reports as described in the [funding agreement](#). You will be provided with templates during the funding agreement process.

Milestone reports must:

- include the agreed evidence
- identify the total eligible expenditure incurred in achieving the milestone
- be submitted within 4 weeks of completing a milestone (you can submit reports ahead of time if you have completed the milestone).

If the time between two milestones is more than six months, you may need to submit an additional progress report. Grant payments will only be made when satisfactory milestone reports have been received.

You must submit the final project report within 3 months of completing your project and must include an independent audit certificate of your total eligible expenditure. The audit certificate ensures grant funds and your matching financial contributions were expended on the approved project.

### **9.4 Project variations**

We recognise that unexpected events may affect project progress. In these circumstances, you can request a project variation, including:

- changing project milestones
- extending the project but within the maximum three year period.

If the project is delayed so that milestone achievement and payment dates move to a different financial year, you will need a variation to the funding agreement. We can only move funds between financial years if there is enough funding in the relevant year to accommodate the revised payment schedule.

You should not assume that a variation request will be successful. We will consider the request in the context of factors such as:

- impacts on the project outcome
- changes to the timing of grant payments
- availability of programme funds.

The programme does not allow for an increase to the agreed amount of grant funds.

### **9.5 Tax obligations**

Grants are subject to the Goods and Services Tax (GST). Grant payments are increased to compensate for GST payments.



Grants are treated as assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations. We do not provide advice on tax.

## 10 Other things you should know

### 10.1 Conflicts of interest

A conflict of interest in the context of the programme involves a conflict between the duties and responsibilities of departmental staff, technical experts and other third parties who have a role in the administration of the programme and their private interests, where the relevant individual's private interests could improperly influence that individual's ability to impartially perform their role under the programme. A conflict of interest may be real, apparent or potential.

An apparent (or perceived) conflict of interest exists where it appears that an individual's private interests could improperly influence an individual's ability to impartially assess an application but this is not in fact the case.

A potential conflict of interest arises where an individual has a private interest which is such that an actual conflict of interest would arise if the individual were to be involved in the assessment of an application or other decision in relation to the programme.

The Department's procedures for managing disclosure of interest are in accordance with the requirements of the APS Code of Conduct (*section 13 (7) of the Public Service Act 1999*) and are published on the Departmental website.

The Department will manage Advisory Committee member conflicts of interest through a process that requires declaration of any conflict of interest by Committee Members and the exclusion of that member(s) from the application assessment if it is determined that the conflict of interest is material.

In circumstances where it is determined that there would be a material conflict of interest if the Minister made a decision under the Programme, the Parliamentary Secretary for the Department of Industry will assume the Minister's responsibility as the final decision maker.

### 10.2 Confidentiality

The use and disclosure of information provided to the Department is regulated by legislation and the common law. Without limitation, relevant legislation includes the *Public Service Act 1999 (Cth)*, the *Public Service Regulations*, the *Privacy Act 1988 (Cth)*, the *Crimes Act 1914 (Cth)* and the *Criminal Code Act 1995 (Cth)*.

Only information which satisfies **all** of the four criteria listed below will be treated by the Commonwealth as confidential information:

- The information is clearly identified by the Applicant as confidential and reasons for the confidentiality are provided by the Applicant
- The information is commercially sensitive
- The disclosure of the information would cause unreasonable detriment to the Applicant or another party
- The Applicant provided the information under an understanding that it would remain confidential.

Information which does not satisfy the above requirements will not be treated as confidential.

Even if the information is confidential the Department may disclose the information as follows :

- to the Programme Advisory Committee and other Commonwealth employees and contractors for the purposes of administering the programme
- to employees and contractors of the Department for the purposes of research, evaluation, monitoring and analysis of the Department's programmes and activities
- to other Commonwealth, state, territory or local government agencies for the purposes of reporting and consultation
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister
- to a House or a Committee of the Parliament of the Commonwealth of Australia.

Confidential information may also be disclosed if the Commonwealth is otherwise required or permitted by law to do so, where the consent of the applicant to the release of information is obtained prior to its disclosure, or where the information enters the public domain due to the actions of someone other than the Commonwealth.

### **10.3 Use and disclosure of Personal Information**

The Department and its staff are required to treat Personal Information in accordance with the *Privacy Act 1988* (the 'Privacy Act') as amended from time to time. The Privacy Act, among other things requires the Department to inform individuals of why their Personal Information is being collected and to whom the Department will disclose the Personal Information.

Personal Information means the same as in the *Privacy Act 1988 (Cth)*.

In the course of administering the programme, the Department will collect Personal Information from applicants for the purposes of the administration of the programme and for the purposes of research, evaluation, monitoring and analysis of the Department's programmes and activities.

The Department may provide Personal Information collected in the course of administering the programme to Departmental employees and contractors, Programme Advisory Committee and other Commonwealth employees and contractors for the purposes of the administration of the programme and for the purposes of research, evaluation, monitoring and analysis of the Department's programmes and activities.

The Department and/or the Minister may announce publicly the names of successful applicants and may include this information on the Department's internet site.

Please refer to the Department's [Privacy Policy](#)<sup>2</sup> which is available on the Department of Industry's website, for further information on how the Department collects, uses, stores and discloses applicants' personal information and the way in which an applicant can access and correct its Personal Information.

### **10.4 Freedom of Information**

All documents created or held by the Department with regard to the programme are subject to the *Freedom of Information Act 1982*. Unless a document falls under an exemption provision, or is conditionally exempt and it is not in the public interest to give access to the document, it will,

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<sup>2</sup> <http://www.industry.gov.au/Pages/PrivacyPolicy.aspx>

subject to any obligations of third party consultation, be disclosed in response to a request under the *Freedom of Information Act 1982*.

## 11 Public announcement

Successful projects may be publicly announced by the Minister and may include:

- name of the applicant
- title of the project
- description of the project and its aims
- amount of grant funding awarded.

Details of successful projects will also be published on the [Department of Industry<sup>3</sup>](#) website.

## 12 Feedback

The [AusIndustry Customer Service Charter](#) is available at [business.gov.au](#). AusIndustry uses customer satisfaction surveys to improve its business operations and service.

If you have a complaint, call the contact centre on 13 28 46 or contact us at [business.gov.au](#). Your complaint will be referred to the appropriate manager.

If you are not satisfied with the way your complaint is handled, you can contact:

Head of Division  
AusIndustry - Business Services  
GPO Box 9839  
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman<sup>4</sup>](#) with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

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<sup>3</sup> <http://www.industry.gov.au/Pages/default.aspx>

<sup>4</sup> <http://www.ombudsman.gov.au/>

## Appendix A. Guidelines on eligible expenditure

This section provides guidelines on the eligibility of expenditure. These guidelines will be updated from time to time, so you should make sure you have the current version from the [business.gov.au](http://business.gov.au) website before preparing your application.

The Programme Delegate, an employee of the department who has been authorised by the Minister to administer the programme makes the final decision on what is eligible expenditure and may issue additional guidance on eligible expenditure if required.

To be considered an eligible expenditure for the grant, the expenditure must:

- be incurred by the recipient of the grant (the grantee)
- be a direct cost from the project
- meet the eligible expenditure guidelines.

### How eligible expenditure is verified

If your application is successful, you will be asked to verify the project budget that you provided in your application when negotiating your funding agreement. You will need to provide evidence for major cost items such as labour, plant and equipment and commissioning. Evidence can include:

- quotes
- purchase orders
- supply agreements
- sales catalogues
- details of all employees working on the project, including name, title, function, time spent on the project and salary.

The funding agreement will also include details of the evidence you will need to provide once certain milestones have been achieved in your project. This may include evidence related to eligible expenditure, including:

- supply agreements
- leasing or purchasing arrangements
- invoices
- associated payments.

If requested, you will need to provide the agreed evidence along with your milestone achievement reports.

You must also keep records of all eligible expenditure that has been paid for, and must be able to explain how the costs relate to agreed project milestones and activities. At any time, you may be asked to provide records of your paid expenditure. If these records are not provided, the expense may not qualify as eligible expenditure.

At the end of the project, you will be required to provide an independent financial audit of all eligible expenditure from the project.

### Plant and equipment expenditure

Costs of acquiring and construction of plant and equipment, as well as any related commissioning costs can be considered eligible expenditure. Commissioning costs must be listed as a separate

item within the project budget in the application form, and on reports of expenditure during project milestones.

Any expenditure paid before the project start date cannot be considered eligible expenditure. For any plant and equipment items that are not considered to be eligible expenditure, any related commissioning and installation costs also cannot be considered eligible expenditure.

Plant and equipment may be purchased, leased (finance lease or operating lease under certain conditions) or built. You can only claim the purchase price of capital items, taking out any costs associated with financing, including interest. You can also claim related freight and installation costs where they are considered capital expenditure.

Costs for plant and equipment will normally need to be on your balance sheet in order to be considered eligible.

Where the costs for plant and equipment are not on your balance sheet, but is a cost of the project with an operating lease, they will only be considered an eligible expenditure if all of these conditions are met:

- the plant or equipment will be integrated into your manufacturing process
- the plant or equipment cannot be transferred and the lease period is at least 4 years
- the expenditure is approved during the time your application is being considered for funding.

If plant and equipment is financed through an operating lease, a draft lease agreement identifying the capital cost of the items and the lease period must be provided with your application.

Where staged payments are required to purchase capital items (for example deposits, payment on installation, or payment on commissioning), the grant amount for the items can be claimed progressively in multiple milestone payments up to the end of the project period. Alternatively, you can choose to claim the full amount in a single milestone payment, once the capital item has been paid for.

For leased items, you will need to show an executed copy of the lease which identifies the capital cost of the item and the lease period. You can receive a single payment of the full grant entitlement when:

- the capital item has been received
- you have entered into a formal lease agreement, and
- the initial payment has been made.

Expenditure on plant and equipment may be shown by providing evidence of:

- purchase price
- payments (e.g. tax invoices and receipts from suppliers confirming payment)
- commitment to pay for the capital item (e.g. supplier contract, purchase order or executed lease agreement)
- receipt of capital items (e.g. supplier or freight documents)
- associated costs such as freight and installation (e.g. supplier documents)
- the capital item on your premises (e.g. date stamped photographic evidence).

If you claim expenditure for the construction of plant and equipment, it is limited to:

- the costs of materials
- direct construction labour salary costs

- contractor costs
- freight and establishment costs.

Evidence for construction expenditure may include:

- purchase orders
- invoices
- payment documentation
- photographic evidence (date stamped) of the capital item in your premises
- details of labour costs.

There may be particular tax implications associated with grant payments for capital items. It is recommended that you consult independent professional advice on tax related matters.

### **Labour expenditure**

Eligible labour expenditure for the grant covers the direct labour costs of employees who are directly employed on the core elements of the agreed project. A person is considered an employee when they are paid a regular salary or wage, out of which regular tax instalment deductions are made.

Costs for technical, but not administrative, project management activities can also be considered as eligible labour expenditure. However, these costs are limited to 10 per cent of the total amount of eligible labour expenditure claimed.

Labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) are not considered eligible expenditure, even if they are undertaking project management tasks.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the Australian Taxation Office (ATO). Salary-sacrificed superannuation contributions are considered part of an employee's salary package if the amount is more than what is required by the Superannuation Guarantee.

The maximum salary for an employee, director or shareholder, including packaged components, that you can claim through the grant, is \$150,000 a year. This is counted as each full financial year (July-June) of the project period.

For periods of the project that do not make a full financial year, the maximum salary amount you can claim will be reduced in proportion to the amount of time in the part financial year the project was taking place.

Eligible salary costs are incurred only when an employee is working directly on agreed project activities during the agreed project period.

### **Labour on-costs and administrative overhead**

Eligible salary costs can be increased by an additional 30% allowance to cover on-costs such as employer paid superannuation, payroll tax and workers compensation insurance, and overheads such as office rent and the provision of computers.

Eligible salary costs must be calculated using the formula below:

$$\text{Eligible salary costs} = \text{Annual salary package} \times \frac{\text{Weeks spent on project}}{52 \text{ weeks}} \times \text{percentage of time spent on project}$$

Figure 1 Eligible salary costs formula

### Example

Tim, an engineer, is paid a total annual salary package of \$130,000. Tim will spend 14 weeks commissioning a new gas fired furnace. During commissioning Tim will work on eligible project activities 60 per cent of the time. The remaining 40 per cent of Tim's time will be spent on other non-project activities. Therefore eligible salary expenditure for Tim is calculated as follows:

$$130,000 \times 14/52 \times 0.60 = \$ 21,000$$

**Plus** 30 per cent allowance for on costs and overhead

$$\$21,000 + (21,000 \times 0.30) = \$27,300$$

Therefore, total eligible salary expenditure that may be claimed for Tim is \$27,300

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

### Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual (who is not an employee, but engaged under a separate contract).

All contractor project work must have a written contract prior to the work being started—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work to be performed
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense as if you had claimed it directly (without engaging a contractor). The costs must also be reasonable and appropriate for the activities performed.

Evidence to be provided by applicants may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase order
- supply agreements

- invoices and payment documents.

As stated in the funding agreement, you are required to ensure all project contractors keep a record of the costs of their work on the project. You may be required to obtain and provide a contractor's records of its costs of doing project work. If such records are not provided, the relevant contract expense may not qualify as eligible expenditure.

### **Other eligible expenditure**

Other eligible expenditures for the project may include:

- commissioning
- building modifications - note that modifications to leased buildings can be considered eligible if you own the asset being modified, for example the new production equipment. The leased building must be used for activities related to your manufacturing process.
- staff training that directly supports the achievement of project outcomes
- financial auditing of project expenditure
- costs you incur in order to obtain planning, environmental or other regulatory approvals during the project period. However, associated fees paid to the Commonwealth, State, Territory and Local governments are not eligible.
- contingency costs up to a maximum of 10% of the eligible project costs. Note that payments are made based on actual costs incurred.

Other specific expenditures may be eligible as determined by the Programme Delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.



## Appendix B. Ineligible expenditure

Examples of ineligible expenditure include:

- costs of finance, including interest
- depreciation of plant and equipment
- costs of purchasing, leasing, depreciation of, or development of land
- cost of construction of new buildings
- infrastructure development costs, including development of road, rail, port or fuel delivery networks beyond the manufacturing site
- site preparation activities which are not directly related to, or for, the main purpose of transitioning to higher value and/or niche manufacturing
- opportunity costs relating to any production losses as a result of allocating resources to the agreed grant project
- costs of manufacturing production inputs
- costs related to obtaining resources used on the project, including interest on loans, job advertising and recruiting, and contract negotiations
- routine administration expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and back charges
- costs related to preparing the grant application, preparing any project reports (except costs of independent audit reports) and preparing any project variation requests
- activities you paid for using non-cash considerations.

Other specific expenditure may be ineligible as determined by the Programme Delegate.

## Appendix C. Next Generation Manufacturing Investment Programme - Accountant Declaration

Role of person making declaration [Accountant or Chief Financial Officer(CFO)]

Name

Contact details

Qualification

- Chartered Accountant
- Certified Practising Accountant
- CPA Australia
- Institute of Chartered Accountants in Australia
- Institute of Public Accountants

Membership Number

Applicant's Name

Applicant's ABN

I declare that:

1. On the basis of the evidence [Applicant Name] has supplied to me, I consider that [Applicant Name] is able to fund its share of the cost of the proposed project from the following source of funding [insert source of funding].
2. This opinion is based on the applicants share being [insert amount] out of total project expenditure of [insert amount].

The applicant is part of a consolidated group for tax purposes\*

Yes  No

Signature

Signed on this                      day of 20