

PART E - SERVICES REQUIREMENTS

E1. DESCRIPTION OF THE SERVICES

Context

The Sydney Catchment Authority (SCA) is required under section 34 of the *Sydney Water Catchment Management Act 1998* to prepare a Statement of Financial Framework, which is to include provisions for or in respect of, among other things, payment of tax-equivalents.

Taxation liability is assessed by the SCA according to the National Tax Equivalent Regime (NTER) of the NSW Treasury, which proposes as far as practicable the adoption of the Commonwealth *Income Tax Assessment Act 1936* (as amended) as the basis for determining taxation liability.

The SCA currently undertakes five research programs, with total expenditure of \$8.8m in 2005-06.

Scope

The role of the contractor will be to:

- provide advice on the eligibility of the SCA's research activities for inclusion in the Research and Development Activity Registration Application (the Application);
- review the assumptions underlying the calculation of the amounts claimed in the Application; and
- review the descriptions of project activities in the Application for compliance with requirements.

The SCA will be responsible for preparing the Application, including the calculations to support the amounts included, and lodging the Application with the NTER Administrator.

The Application will be prepared in accordance with the following timetable:

| Task | Description | Due Date |
|------|---|----------|
| 1. | Familiarisation with the SCA's research activities and personnel. | May |
| 2. | Review of new and existing research activities to determine eligibility of research activities for inclusion in the Application. | 30 June |
| 3. | Review of preliminary calculations based on calculations provided by SCA, including advice on eligibility of new overhead activities for inclusion. | 31 July |
| 4. | Review of final calculations based on audited trial balance. | 30 Sept |

The Contractor may also be contacted during the contract period for advice on matters related to the preparation of the Application.

Term

The contract is to provide expert advice for the 2006-07 and 2007-08 financial years. The contract would apply from the date of signature to 31 October 2008.

Where the contractor's performance is assessed by the SCA as satisfactory, the contract may be extended for a further one year (i.e. the 2008-09 financial year) on the agreement of both parties.