

ANNUAL REPORT

2021 - 2022



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EXECUTIVE SUMMARY

SmartCrete is a Cooperative Research Centre focused on unlocking Australia's innovation capacity to guarantee the long-term viability of vital concrete infrastructure in Australia.

We are truly industry-led, working with our industry participants to map pressing industry problems, improve supply chain security, lower costs and carbon footprint, and improve durability.

The CRC will deliver material change, enable innovative solutions, improve asset management and supply chain sustainability, provide new export markets and standards as well as implement knowledge transfer pathways to support a technology ready workforce.

Our Key Achievements this year:

- Launched 9 new projects across three research programs, engaging with 45 industry participants.
- Launched the Cement and Concrete sectoral Decarbonisation Roadmap.
- Completed a review of concrete artificial reef infrastructure in collaboration with the Blue Economy CRC.
- Welcomed a new CEO and Executive team.
- Launched a new Industry-Led Challenge Design process.
- Secured 86% of partner contracts towards cash and in-kind targets.
- Completed 4 Commonwealth milestones with significant progress towards many others.

ABOUT SMARTCRETE CRC

SmartCrete CRC is an Australian Government Funded Cooperative Research Centre focused on unlocking Australia's innovation capacity to guarantee the long-term viability of vital concrete infrastructure.

We work in problem spaces that no one business can solve alone.

Problem spaces that require a cooperative approach. By collaborating, we reduce the risk of investing in research and innovation. Working together we can delivery fit for purpose outcomes more effectively and with greater focus towards impact.



SmartCrete CRC is a truly industry led collaborative research partnership bringing together the leading industry, SMEs, research, agencies and associations from across Australia and globally, to focus on innovation covering engineered solutions, asset management and sustainability.



CHAIR'S REPORT

In the spirit of reconciliation, SmartCrete CRC acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

This has been a year of transition and new direction for SmartCrete CRC. We have welcomed a new CEO who brings fresh energy



and new ideas for the structure and operations of the program. We have launched nine new projects and completed two. In particular, we are proud to have launched our Cement and Concrete Decarbonisation Roadmap, a seminal report mapping our sectoral pathway towards net-zero. As Australia continues to progress a national agenda towards climate change mitigation, the cement and concrete ecosystem plays a vital role in lowering total emissions. The products, tools and technologies of the late 20th and early 21st century will not be enough to reach our national net-zero targets. We need an innovation approach, radically transitioning our pre-set perceptions on how our built environment is designed, constructed and maintained. Unlocking Australia's world-leading research capacity is key to this agenda. SmartCrete CRC is driving industry research collaboration to unlock the new knowledge required to guarantee the long term viability of Australia's vital concrete infrastructure.

We are pleased to be partnering with participants across the cement and concrete ecosystem, setting research objectives which demonstrate a clear pathway to impact through collaborative engagement. Our network of 10 of Australia's leading research institutions provides access to high quality, multi-disciplinary research capabilities and diverse facilities, solving real-world problems in novel ways.

Our research pipeline has been design to maximise impact potential. The new program process established by our incoming executive team, sees us working with industry partners to define shared impact objectives, and challenges or barriers towards achieving those objectives with current knowledge. These challenges are then pitched into our research community to call for innovative proposals which may provide new directions and shift paradigms on the way things have always been done. Our first challenges are scheduled for release in FY23.

SmartCrete is committed to driving a diversity and engagement agenda and is actively striving to incorporate diversity into all internal and external activities. We believe in the power of diversity to drive innovation, through exposure to new perspectives and experiences. We are pleased to see this commitment reflected in many of our partner organisations, driving Australia towards a more inclusive future.

On behalf of the SmartCrete Board, I would like to thank our partners for your support, engagement and participation. Together we can achieve great strides towards our impact objectives. I would also like to thank the Commonwealth Government's CRC program for its support of our CRC activities.

We look forward to continuing our partnership towards our ambitious priorities in FY23 and hope to see you at a Challenge Design workshop soon!

Emeritus Professor Elizabeth Taylor AO FAICD

Independent Chair

CEO'S REPORT



SmartCrete is inspired by Australia's traditional owners and their connection to land and sea. As we consider our national trajectory towards a sustainable future, there is a great deal we can learn from their custodianship and harmony with the natural environment.

I am thrilled to have joined the SmartCrete team, leading a transformation to create a Cooperative Research Program which truly represents the core values of the program, driving industry - research

collaboration towards outcomes which create meaningful change for Australia's cement and concrete ecosystem. Australia's innovative research sector holds significant potential value for Australian industry if we can find a way to unlock industry-research collaboration. Our new program structure seeks to optimise this cooperative capacity by working initially with industry partners to map opportunities and challenges, then calling for research proposals from our research partners which specifically address industry need. By engaging industry and research participants in different components of the project design process, we can achieve applied, innovative and impact focused collaborations.

Innovation exists on a continuum. To generalise: On one end of the continuum, research organisations undertake pure science which is discovery in nature, testing new horizons to discover new frontiers of knowledge. On the other end, businesses with defined product lines, facilities and equipment, supply chains and customers, often work on innovation projects driven towards operational efficiency leading to incremental improvements. Our role as a Cooperative Research Centre is to operate in between these two ends. We encourage our research partners to think about the application of their research, driving research objectives towards meeting specific industry impact targets, and we promote innovative new thinking with our industry partners, encouraging out of the box thinking and radical transformation. By clearly defining each participants role in the innovation process, we can ensure our research

collaborations are driven towards generating real-world impact.

SmartCrete has two core functions in serving our network. The first being the management of our innovation pipeline, crafting, co-funding and supporting collaborative research. The second is communicating innovation outcomes, sharing stories of cooperative engagement, disseminating new knowledge generated and celebrating shared success. I am very pleased to have built an executive team at SmartCrete who have the skills and experience needed to deliver a high quality CRC program. I am excited to roll out the engagement activities we have planned for FY23.

As we shift our investment focus towards industry-led challenges, we look forward to working with the diverse SmartCrete partner network to map out challenge sets which represent critical barriers to achieving our sectoral objectives. By pitching these challenges into the full SmartCrete research community, we are looking forward to seeing diverse and innovative research proposals uncovered, shifting preconceptions about the way things are done to approach challenge sets in novel ways.

As a learning organisation, we highly value feedback from our partners on your experience with the program. I would like to thank all the members of the SmartCrete community for extending me such a warm welcome to the cement and concrete ecosystem and embracing a new approach to cooperative research design!

I look forward to continuing to work with you towards a bright cement and concrete future in FY23!

Clare Tubolets

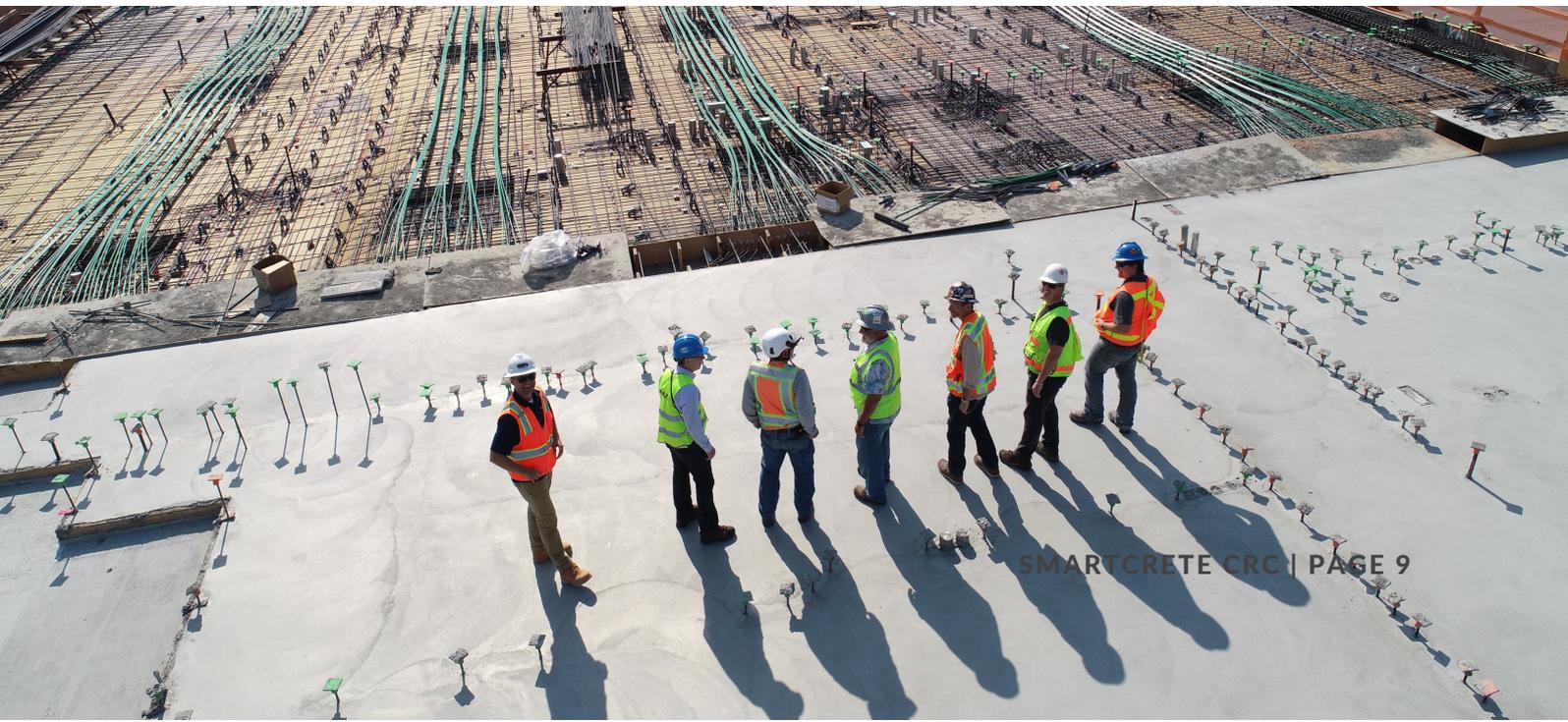
Chief Executive Officer

PROGRAM OBJECTIVES

Smartcrete CRCs success will include:

- Delivering tangible outcomes in:
 - *reduced cost*
 - *improved construction methods*
 - *supply chain logistics*
 - *skills development through education and industry associations*
 - *competitive procurement*
 - *increased application of new sensor technology,*
 - *improved asset durability and lower maintenance costs through predictive asset management and new commercial process facilities including 3D printing*
 - *an accelerated approach to Australian Standards, codes and specifications*
 - *improved confidence in the supply chain*
 - *providing alternative materials from waste streams for Australia and export markets that result in circular economy benefits from repurposed waste materials*
 - *lowering CO2 emissions*
 - *providing a portal for international best practice and Australian trade export opportunities.*

Our facilitated industry-challenge-design process allows us to be truly industry led. Investigating challenges and opportunities which are designed by industry and then solved with an innovative research-backed approach.



CORE PARTNERS



PARTNERS

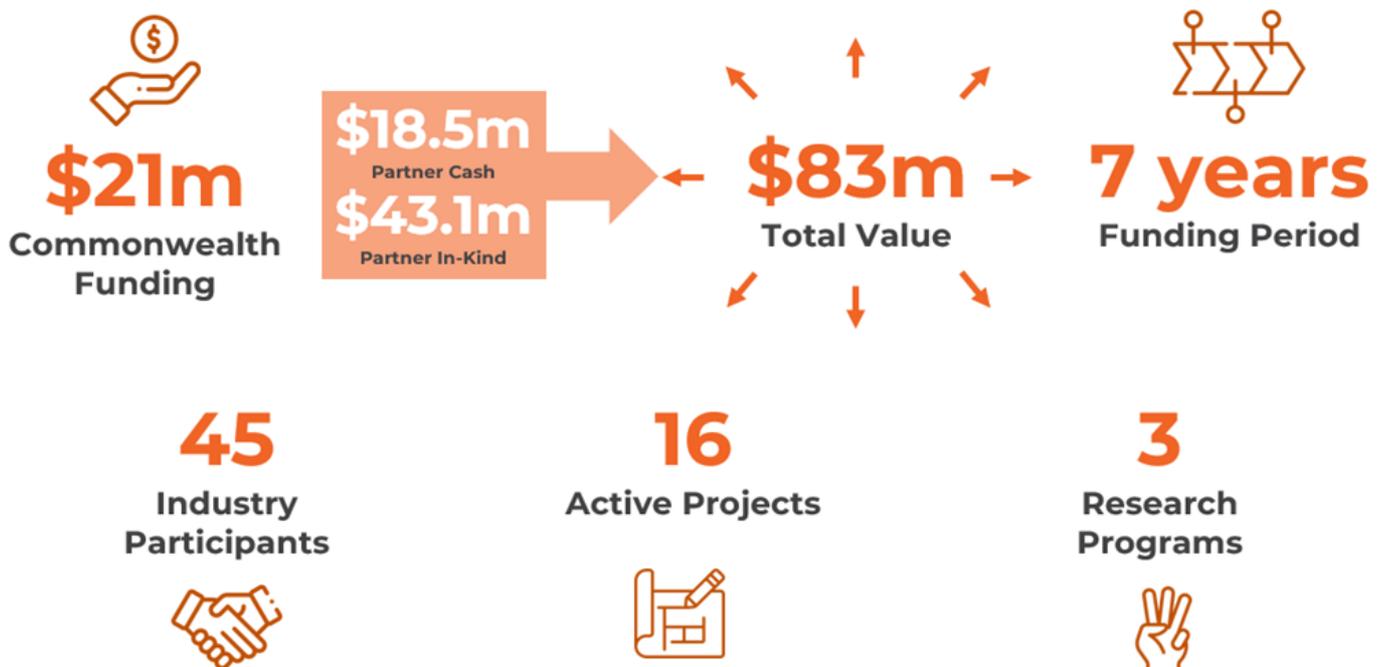


PARTNERS



PROGRAM OVERVIEW

SMARTCRETE CRC LEVERAGES \$83 MILLION TOWARDS COLLABORATIVE RESEARCH, ENABLED BY A STRONG NETWORK OF INDUSTRY PARTNERS AND INNOVATIVE RESEARCH ORGANISATIONS.



PERFORMANCE

WE KICKED OFF
9 NEW PROJECTS
DURING FY22



WE DEPLOYED
\$3.3M OF CASH
INTO NEW PROJECTS



OUR PROJECTS HIT
4 COMMONWEALTH
MILESTONES
DURING FY22





The Benefits of Cooperative Research

Reduce the risk of
investing in research
through co-investment

Access extensive
Research skills,
technology and facilities

Access the R&D Tax
Incentive to reduce
overall cost of investment

Leverage additional
resources through in-kind
support from Research
Participants

How we Work

1 Theme Selection

Working with our **industry participants**, we identify core themes of interest which align with the mission of the CRC. We create a general overview of the theme which helps us to determine who should participate in a **design workshop** to uncover industry challenges which may be solved or improved through an experimental, scientific process.



2 Challenge Design

We bring together supply chain participants in a **facilitated design workshop** to create a shared vision of the future for the sector and a clear set of **barriers** or **challenges** towards achieving that future. Together we determine our innovation priorities and set a notional research budget to help attract high quality research teams to undertake the research.



3 Reverse Pitch

SmartCrete with the support of industry participants crafts a '**Reverse Pitch**' which is shared with the entire SmartCrete research community, comprising **10 Australian Universities**. The reverse pitch contains the objectives of the challenge, calling for expressions of interest from a diverse and multidisciplinary research cohort.



4 Industry Panel

Industry participants are brought back together in an industry **review panel** to consider curated research expressions of interest and choose which projects to invest in toward meeting the **shared objectives**. Once finalised, the projects are presented to SmartCrete's Investment and Impact Committee and then Board to approve SmartCrete investment.



5 Agile Delivery

All SmartCrete projects are managed through the principles of **Agile Project Management**. We celebrate **regular showcases**, **fast failure** and **pivoting** based on new knowledge to ensure projects achieve the intended impact. Our Portfolio Director works with project teams to implement Agile principles into the daily project operations.



RESEARCH SUMMARY

Net-zero focus globally... why our research programs are so important

The core themes of SmartCrete CRCs research programs were developed through a series of industry partner workshops that identified three industry problem areas.



Prof. Vute Sirivivatnanon
Research Director

The program themes are as follows.

Program 1 - Engineered Solutions (products and applications):

New cementitious materials and construction methodologies to improve engineered structures. This program includes three themes:

1. New materials for improved durability
2. New construction and maintenance processes
3. Accelerated standards development.

The outcomes of the program will be the reduced cost of concrete and labour through improved formulations, construction methods, supply chain logistics, skills, capability and competition in procurement.



Building Collaborative,
Impact Focused
Research Partnerships
for the Cement and
Concrete sector



RESEARCH SUMMARY

Program 2 - Asset Management (predictive management):

Improve whole of life concrete infrastructure. This program includes three themes:

1. Sensor solution modelling
2. New sensor system development
3. Lifetime predictive modelling.

The outcomes of the program will be improved whole of life asset durability, performance and use of real time data and lower maintenance costs.

Program 3 - Sustainability (alternative materials):

Developing alternatives to raw materials at risk, reduce cement use by incorporating additives derived from domestic and industrial waste streams which account for and can reduce our carbon footprint. This program includes three themes:

1. Circular economy
2. Supply chain optimisation and quantification
3. Reduction of carbon footprint.

The outcomes of the program will be the improved business confidence in the supply chain, lower costs, viable repurposed materials from the waste stream and lower CO2 emissions.

PROJECTS

Pipeline

Kicked off in FY22

- Innovative and economical photonic sensor interrogation
- Recycled Waste in Concrete for Municipal Applications
- Cost-effective, deployable photonic sensor system
- Selecting Low Carbon Concrete for transport infrastructures - Now and future
- Feasibility study into floating artificial reefs using smart concrete
- Ground improvement using recycled concrete aggregates as semi-rigid inclusion columns
- Polymer modified concrete from recycled waste latex paint
- Embedded sensing system for continuous crack monitoring in concrete pavements

Completed projects

- Decarbonisation Pathway for the Australian Cement and Concrete Sector
- Australian Low Carbon Concrete Centre Scoping Study

Read about all our active projects at:
www.smartcretecrc.com.au

PROJECTS

Looking Ahead

Projects to be kicked off in FY23

- Development of a concrete sewer maintenance hole inspection system
- Use of returned concrete aggregate as replacement of virgin aggregate
- Development of eco-friendly concrete using industrial by-products
- Development of design guides for advanced fastenings into innovative concrete products
- Protocol development for intelligent monitoring of concrete corrosion in marine environments
- Digital twin of reinforced concrete infrastructure for intelligent asset management
- Use of Construction and Demolition Waste and Recycled Glass Materials in Sealed and Unsealed Roads
- Using drinking water treatment alum sludge to make greener and durable concrete
- Decision Support Tools for Life Cycle Management of Water Infrastructure Assets
- Sustainable and Fit for Purpose Concrete Materials for Construction of Assets
- Development of digital twin model based on physico-chemical and biosensors to estimate end-of-service life of sewers
- Low carbon footprint supplementary cementitious materials for concrete and blended cement use from mineral carbonation
- Sustainable Low Carbon Concrete for Future Concrete Infrastructure



RISKS & IMPEDIMENTS

As a cooperative research centre managing Commonwealth funds we have governance and compliance requirements in the management and distribution of those funds, as well as the operation of our program in general.

Risk and risk management at SmartCrete is recognised as a core priority and is overseen by our Audit, Risk, Privacy and Finance Committee (ARPF Committee). In addition, the CRC's Risk Management activities are supported by a comprehensive Risk Management Plan and Risk Register. This work identified risk categories/descriptions and initial mitigation strategies.

The SmartCrete Board has endorsed several significant policies including Whistleblower Policy and Procedure and Conflict of Interest Policy to meet our legislative obligations.



RISKS & IMPEDIMENTS

Key risks of FY22 and their mitigation

CEO Transition

SmartCrete CRC had major staffing changes this financial year with the resignation of the CEO, Warren South in January 2022. Warren spent his 18-month tenure transitioning SmartCrete from the establishment to operational stage, securing a broader portfolio of partners, commencing the first wave of research to meet our Commonwealth milestones.

Stephen Harmer, a SmartCrete Independent Director, stepped in as Acting CEO until Clare Tubolets took the helm in May 2022. Her appointment brought excitement and energy to the CRC with her strong network and relationship skills. Clare is a CRC expert with experience as a CRC industry and research participant, CRC Chief Operating Officer, and government program manager. Since her commencement of the CEO role, she has introduced a renewed focus on innovation, collaboration and engagement.

Project Progress

Contracting new projects alongside multiple parties is a challenge that all CRCs face. The CRC's Chief Operating Officer has established a new process of collaborative document review, leveraging cloud-based tools which enable secure multiple-user editing on documents - leading to a much more streamlined process.

Project Governance

The CRC's inflight projects portfolio is growing rapidly, and therefore new focus has been applied to delivery risk management. With project reporting systems having been set up in previous years, the CRC is shifting focus to driving collaborative project delivery. The new role of Portfolio Director has been created to support project delivery best practice, collaboration, communication and effective governance - critical for cooperative projects.

EDUCATION & TRAINING

Our Education and Training program focuses on finding avenues for knowledge transfer which build capability across the cement and concrete ecosystem.

SmartCrete is working to establish key relationships with impact enablers such as vocational education training providers who can help us to create training and engagement programs to disseminate research outputs across the cement and concrete ecosystem, to allow rapid and wide adoption of new innovations.

SmartCrete is engaging with each active project to map out knowledge transfer pathways and engage with training providers to create fit-for-purpose training material.



EDUCATION & TRAINING

Training the future leaders of our sector is a priority for SmartCrete.

We are proud to have supported the engagement of three PhD students in FY22 and we look forward to growing our student co-hort in FY23!



HDR student (Supervisor)	Commencement date	Expected completion date	Research program	Project title	Research Institute	Student's country of origin
Alvaro Amezquita Vaca (Rebecca Gravina)	2/8/21	28/2/25	Sustainability	Recycled Waste in Concrete for Municipal Applications	RMIT & UQ	Colombia
Steven Mullens (Paul Pigram)	1/2/22	30/11/22	Asset Management	Cost-effective, deployable photonic sensor system	Latrobe U	Australia
Youli Lin (Farshid Maghool, Arul Arulrajah)	30/7/20	20/9/2023	Sustainability	Ground improvement using recycled concrete aggregates as semi-rigid inclusion columns	Swinburne U	Australia

INTELLECTUAL PROPERTY (IP) MANAGEMENT

IP management continues to be a priority to ensure maximum impact is generated through each project investment.

Our default position is for the CRC to own the IP generated by the projects, to ensure public benefit is prioritised. We work with each project to map out the best IP ownership and licencing structure to achieve the project objectives and maximise impact.

To that end, SmartCrete CRC's ultimate goal is for the outcomes, outputs and IP from our projects to be utilised in industry at scale – generating positive industry impacts and through the application of solutions, new knowledge and innovations resulting from our research projects.

Appropriate access to IP is managed and negotiated prior to commencement of projects and includes the development of IP transfer of ownership mechanisms and the granting of access to IP via licencing arrangements.

Our IP operating principles are consistent with the principles of the National Principles of Intellectual Property Management for Publicly Funded Research.



WHAT'S NEXT?

SmartCrete is passionate about our research programs and the pathways identified through our strategic partnership on the industry Decarbonisation Pathways Report.



The coming year will see the roll out of our new Industry Challenge Design process, ensuring that we are truly engaging with the cement and concrete ecosystem to understand needs that we can then pair with world-leading research capabilities to create game-changer new innovation.

Join us to help design an industry challenge brief, or to respond to a call for challenge research proposals!



CYBER SECURITY

SmartCrete CRC remains committed to stringent cyber security management, ensuring information is managed and protected appropriately. With that in mind, the CRC continues to follow the Cyber Security Guidelines outlined in Australian Government Information Security Manual provided by the Australian Cyber Security Centre (ACSC).

SmartCrete CRC has identified the Australian Cyber Security Centre's Essential Eight model as a technical standard against which to assess the organisation's current technical and non-technical controls. Based on the risk profile of the organisation and assessed threat levels, Maturity Level One is the nominated maturity level against which the organisation is assessed.

In addition to ensuring we achieve and maintain the desired maturity level of the Essential Eight, SmartCrete CRC has nominated the Microsoft Secure Score metric as secondary way to track progress of security given the heavy reliance on Microsoft systems for data storage and security management. While acknowledging that this metric does not have a fixed reference point against which to compare, it allows us to track progress over time.

Further, SmartCrete CRC implemented a Cyber Security Policy, Cyber Security Strategy and Cybersecurity Incidence Response Plan. This is a formal set of guidelines to enhance protection of information and mitigate cyber security risks.



COMMUNICATIONS

This year, SmartCrete has implemented a new Communications Plan with three core objectives:

1. Build our Community
2. Showcase Innovation
3. Share Knowledge and Insights



We have implemented several new regular communications activities including an improved website, a weekly newsletter, a regular networking breakfast (SmartCrete Connect) and a monthly webinar (Clinker Chat).



Clinker Chat

SmartCrete CRC hosts a monthly webinar series with guest researchers and members of our industry network to share innovation and collaboration stories across the cement and concrete ecosystem.

Previous episodes can be accessed on our website:

<https://smartcretecrc.com.au/sm/>

SmartCrete Connect

SmartCrete CRC hosts a bi-monthly networking event which brings together our community to connect in a casual setting to discuss innovation and collaboration progress. This is an opportunity for our network to connect, see research outputs in action and share visions for future collaborations.



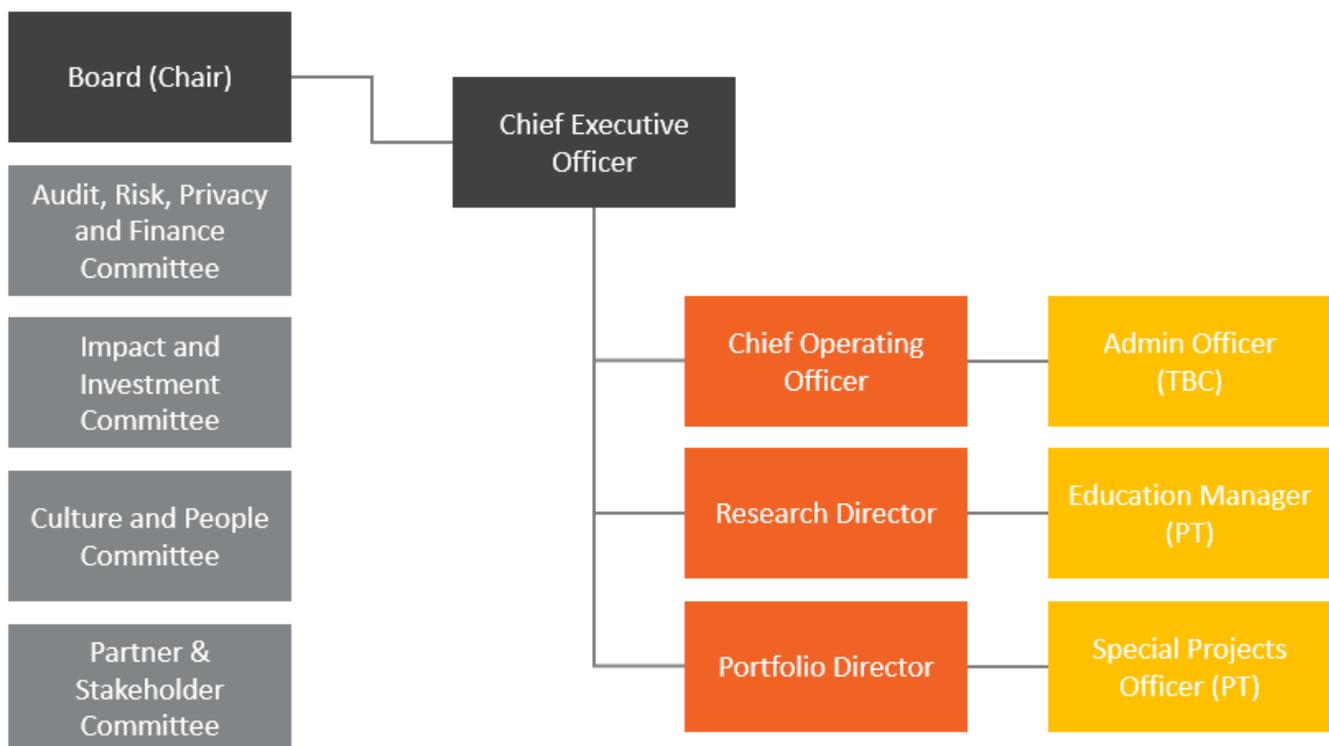
GOVERNANCE

SmartCrete CRC is a Company Limited by Guarantee, registered with the Australian Not-For-Profit and Charity Commission. Taxation exemption is applied from the date of commencement of the CRC.

SmartCrete CRC was established on 16 June 2020 as a company limited by guarantee.

The management and governance structure has been established consistent with structures set out in the Commonwealth and Participants Agreement, under which the CRC was created.

CORPORATE AND COMMITTEE STRUCTURE



SmartCrete CRC has a Special Purpose Nominations and Remuneration Committee for recommending new Directors for election. This Committee meets as needed. Each year, rotation of Directors is facilitated by a method of staggered resignations.

OUR TEAM



Clare Tubolets
Chief Executive Officer



Prof. Vute Sirivivatnanon
Research Director



Megan Cetinic
Chief Operating Officer



Hugh Ong
Portfolio Director



Estelle Clapham
Special Projects & Content
Manager



Vanissorn Vimonsatit
Education Outreach Manager

OUR BOARD



Em Professor Elizabeth Taylor AO

Independent Chair

Em Professor, Hon.DEng (UNSW) BE LLB(Hons),
HonFIEAust FTSE FAICD

Key Skills: Governance, Strategy Risk, Education,
Technology.

Dr Gunilla Burrowes

Independent Director

FTSE HonFIEAust GAICD

Key Skills: Entrepreneurship, Commercialisation,
Technology Innovation, Business Strategy,
Governance.



Catherine Ferrari

Independent Director

B.Bus, MLM, FCPA, GAICD

Key Skills: Governance, Stakeholder Engagement,
Communications, Strategic Planning, Business
Management.



OUR BOARD

Stephen Harmer

Independent Director

BComm (Marketing), GAICD

Key Skills: Construction, Concrete, Marketing, Business Development, Government relations, Governance, Sustainability, Senior Management.



Elizabeth Whitelaw

Independent Director

BA LLB

Key Skills: Risk and Compliance, Financial Performance, Intellectual Property, Commercialisation.

Peter Williamson

Independent Director

BSc (Hons), MBA, MAUSIMM, GAICD

Key Skills: Domain Knowledge, Intellectual Property, Commercialisation, Relationships



BOARD COMMITTEES

Audit, Risk, Privacy and Finance

The Audit, Risk, Privacy and Finance Committee. ARPF meet 5 times a year to review budgets and organisational risks.

Membership:

Elizabeth Whitelaw (Chair)
Catherine Ferrari
Sally Vardy

Meetings held this year: 5

Culture & People

The Culture & People Committee meet quarterly to review and provide feedback on human resources, culture and remuneration structures.

Membership:

Gunilla Burrowes (Chair)
Elizabeth Taylor
Catherine Ferrari

Meetings held this year: 4

Partners & Stakeholders

The Partners & Stakeholders Committee meet as required to review partner network representation and partner engagement.

Membership:

Catherine Ferrari (Chair)
Stephen Harmer

Meetings held this year: 3

Investment & Impact Committee

The Investment & Impact Committee meet as required to review investment proposals before going to the Board.

Membership:

Peter Williamson
Gunilla Burrowes

Meetings held this year: 8

FINANCIAL MANAGEMENT



The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Em Prof Elizabeth Taylor AO
Dr Gunilla Burrows
Catherine Ferrari
Stephen Harmer
Elizabeth Whitelaw
Peter Williamson

Objectives

The objectives of the company are to promote scientific and engineering research for the development of Australia's concrete industry, including without limitation, developments within the concrete supply chain and associated industries for the public benefit.

- Improve the way concrete structures are engineered to enhance sustainability, longevity and fit for purpose design.
- Improve the sustainability of new infrastructure as well as the longevity and durability of existing concrete structures.
- Improve the monitoring and managing of our concrete assets to better understand health, use, structural integrity and degradation rates.

Principal activities

The principal activities undertaken this year within SmartCrete CRC involved the development and investment in collaborative research projects that promote scientific and engineering research for the development of Australia's concrete industry, including without limitation, developments within the concrete supply chain and associated industries for the public benefit.

Information on directors

Name:

Em Prof Elizabeth Taylor AO

Title:

Director

Qualifications:

Em Professor, Hon.DEng (UNSW) BE LLB(Hons), HonFIEAust FTSE FAICD

Experience and expertise:

Elizabeth Taylor specialises in governance effectiveness and ecosystem analysis.

Following a career in industry as a design and construction engineer, Elizabeth moved into academe, finishing her academic career as Pro Vice-Chancellor and Executive Dean, Faculty of Sciences, Engineering and Health, CQUniversity. Since 2013 she undertaken numerous independent assurance reviews and smart buyer analysis of complex engineering projects.

Over her career Elizabeth has built extensive Board-level leadership in professional organisations and innovative technology entities. Currently she is Chair of SmartCrete Cooperative Research Centre (focused on concrete) and Chair, Washington Accord, and Deputy Chair, Governing Group, of the International Engineering Alliance, a suite of international agreements governing the recognition of engineering educational qualifications and professional competence.

Elizabeth has always engaged in diverse pro-bono work. Currently she is Chair of the Cambodian Children's Trust Australia. She recently retired as Chair of RedR Australia, an humanitarian response agency, standby partner to 14 UN agencies and manager of Australia Assists, the Australian Government's humanitarian civilian deployment program, She was Chair of RedR International until May 2021. In 2021 she was the recipient of the Peter Nicol Russell Memorial Medal, Engineers Australia's highest Career Achievement Award.

Special responsibilities:

Board Chair

Member of Culture and People Committee

Name: **Dr Gunilla Burrowes**
Title: Director
Qualifications: FTSE HonFIEAust GAICD
Experience and expertise: An electrical engineer with a broad range of industry and academic experience, Gunilla is passionate about innovation, entrepreneurship, technology commercialisation and improving diversity and inclusion in the workplace.

In 2000, she founded an underwater tech company, BlueZone Group with her husband which now has two offices in Newcastle and Perth. Gunilla is also co-founder of a consultancy, Gender Matters that advises organisations on gender equity and has a unique approach to mitigating cognitive bias in decision-making.

Gunilla is the inaugural Chair of Eighteen04 (an inspirational co-working and incubator space for companies scaling in the clean tech and smart city area) and inaugural board member of Hunter iF project (an open consortium of leading organisations in the Hunter that supports the growing startup ecosystem in the region). She is a member of the Hunter Angels and has been an Angel Investor for over 10 years. Gunilla has graduated from the AICD Directors Course and is on numerous company boards including the Blue Economy CRC. She has been a National Vice President of Engineers Australia, awarded an Honorary Fellow of Engineers Australia in 2017 and invited as a Fellow of the Australian Academy of Technology and Engineering in 2019.

Special responsibilities: Chair of Culture and People Committee
Member of Investment and Impact Committee

Name: **Catherine Ferrari**
Title: Director
Qualifications: B.Bus, MLM, FCPA, GAICD
Experience and expertise: Catherine has had an extensive career holding a range of senior executive roles as well as non-executive director roles. Most recently Catherine was the General Manager Customer and Community at the Water Corporation. Previous roles include CEO of the West Australian Symphony Orchestra and State Director of CPA Australia (Western Australia). Catherine is currently the Deputy Chair of the West Australian Opera, a Director of Racing and Wagering WA, a Trustee of the Legal Contribution Trust and Chair of the Government House Foundation (WA).

As an experienced senior management professional Catherine has a record of developing and growing organisational culture and vision and has extensive experience in the effective development and implementation of strategy, planning, policy, budgeting, reporting, marketing, advertising and all aspects of customer and public relations.

With 20+ years' experience of Board roles, in a diverse range of sectors and industries, and also of working with boards at senior executive level Catherine is well versed in governance principles and has experience in high level board decision making and advisory input.

Special responsibilities: Chair of Partner and Stakeholder Committee
Member of Audit Risk Privacy & Finance (ARPF) Committee
Member of Culture and People Committee

Name: **Stephen Harmer**
Title: Director
Qualifications: BComm (Marketing), GAICD
Experience and expertise: Stephen brings over 40 years' experience in general management, strategy development and business development and marketing of fast-moving consumer goods, industrial, B2B and services markets and, significant supply chain and procurement network relationships across the construction and infrastructure sectors including directly applicable experience in the concrete market.

Stephen is the Director of Insight Business Strategy Advisory (InsightBSA) specialising in business strategy advisory services to the corporate and government sectors, which creates value for clients through the delivery of sustainable strategies, achievable execution plans, leadership mentoring and governance.

Governance experience includes Not For Profit roles as Board member / Treasurer/ Chair Finance, Risk and Audit Committee Sydney Drug Education & Counselling Centre (SDECC) which specialises in providing counselling and support for young people aged 12 -25 with problematic alcohol and other drugs (AOD) use, and past Board Member and Chair of the Fund Raising Committee of Bipolar Australia and Deputy Chair / Board member with Northern Beaches Interchange a disability service provider, while Commercial experience includes Chair Advisory Board with LR&M Construction a SA Civil Contracting business, past Chair of Lendlease's NSW Government Relations Committee, Chair Advisory Board with Girvan Group a boutique Building Construction and Fit Out company and Interim Board member with SmartCrete CRC. Complimentary skills include qualifications as a Mental Health First Aid Officer and Infrastructure Sustainability Assessor.

Special responsibilities: Chair of Audit Risk Privacy & Finance (ARPF) Committee (to 4 February 2022)
Member of Partner and Stakeholder Committee

Name: **Elizabeth Whitelaw**
Title: Director
Qualifications: BA LLB
Experience and expertise: For 32 years Elizabeth was a lawyer specialising in property, commercial and construction transactions. As a senior partner in Australia's largest Tier One firm Elizabeth was also a Chair of Partners and a member of the firm's International Partnership Board for many years.

Elizabeth Whitelaw has established a strong reputation as a highly motivated and effective board member, performing both chair and non-executive director roles for government-owned corporations, commercial partnerships, advisory bodies and not-for-profit organisations.

She has a deep understanding of legislation surrounding board activities as well as her duties as a director which assists her in making informed decisions and participate in the development of project frameworks and assessments.

As the Director of CRC Space Environment Research Centre Ltd (SERC), Elizabeth became familiar with the CRC program which provided funding for this Canberra based company. She worked alongside industry sector and university participants. Like SmartCrete, SERC was a not-for-profit organisation with charitable status and Elizabeth was a major contributor to its start-up phase and governance. She was also responsible for developing policies and audit and risk management. Her experience in interacting with universities, her understanding of the government environment and CRC programs means that Elizabeth brings a solid base of skills and knowledge to her role on the SmartCrete CRC Board.

Special responsibilities: Member of Audit Risk Privacy & Finance (ARPF) Committee (to 4 February 2022)
Chair of Audit Risk Privacy & Finance (ARPF) Committee (from 4 February 2022)

Name: Peter Williamson
Title: Director
Qualifications: BSc (Hons), MBA, MAUSIMM, GAICD
Experience and expertise: Peter is a highly energetic company Director with proven international business experience in the global technology, engineering, and resource sectors. Peter offers a rare combination of outstanding operational, strategic, financial, and technical skills. He is passionate about science, innovation and the translation of new thinking and technology from creative idea through to real world impact and economic and social benefit.

Utilising his strong interpersonal skills and hands on capabilities, he has directed a range of mineral resource, resource-related technology companies and innovative manufacturing companies and initiatives from research and concept through grass roots organic growth to international commercialisation and profitability.

In the early part of his career, he was awarded the Boral Magna Carta Award for Innovation for leading Boral's Asia-focused initiative to complete late stage Australian concrete systems R&D and commercialise across the region.

Peter's current consulting focus is on innovation effectiveness in SME's, business scale up capabilities, and corporate governance. He sits on the advisory board of UTS Techcelerator and he chairs the Advisory Boards of an Australian resource-focused, globally operating environmental consultancy and a specialist agency supporting the financial services sector.

Peter is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and a Graduate Member of the Australian Institute of Company Directors.

Special responsibilities: Chair of Investment and Impact Committee

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board		Culture and People Committee		Audit, Risk, Privacy and Finance Committee*	
	<u>Held</u>	<u>Attended</u>	<u>Held</u>	<u>Attended</u>	<u>Held</u>	<u>Attended</u>
Em Prof Elizabeth Taylor AO	8	8	4	4	-	-
Dr Gunilla Burrowes	8	7	4	4	-	-
Catherine Ferrari	8	8	4	4	5	5
Stephen Harmer	7	7	-	-	3	3
Elizabeth Whitelaw	8	7	-	-	5	5
Peter Williamson	8	8	-	-	-	-
			Investment and Impact Committee		Partners and Stakeholders Committee	
			<u>Held</u>	<u>Attended</u>	<u>Held</u>	<u>Attended</u>
Dr Gunilla Burrowes			8	8	-	-
Catherine Ferrari			-	-	3	3
Stephen Harmer			-	-	3	3
Peter Williamson			8	8	-	-

Held: represents the number of meetings held during the time the director held office and was eligible to attend.

* Committee includes other non-Director members

Review of Operations

The company has generated a surplus of \$2,862,578 for the year (From 16 June 2020 to 30 June 2021: Surplus \$4,880,443)

SmartCrete CRC recognised revenue from the Commonwealth grant and partners' contribution. The expenditure for the year relates predominantly to research and development activities as well as staff resource cost for program administration. The impact of COVID-19 on the operating environment resulted in a delay to the signing of partner agreements and consequently, delayed research expenditure.

Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$50 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$400 (2021: \$500), based on 8 (2021: 10) current ordinary members.

Company Officers

Sally Vardy has served as the Company Secretary since 16 June 2020.

Details of Indemnity Insurance

A premium of \$3,046 has been paid for the period 1 July 2021 to 30 June 2022 for a Business Protection Management Liability policy. Coverage extends to the areas of Directors and Officers liability, employment practices liability, statutory liability and company liability.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Elizabeth Whitelaw
Director

19 October 2022



Gunilla Burrowes
Director

19 October 2022



LBW & Partners

Chartered Accountants & Business Advisors
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Partners

Elias Y Bader

Rupa Dharmasiri

George P Rochlos

Mark W Willock

SmartCrete CRC Ltd
ABN 71 641 784 161

Auditor's Independence Declaration to the Directors of SmartCrete CRC Ltd

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor of SmartCrete CRC Ltd for the year ended on 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Dated this 18th day of October 2022

SmartCrete CRC Ltd
Statement of income and retained earnings
For the year ended 30 June 2022



	Note	2022 \$	16 June 2020 to 30 June 2021 \$
Revenue	4	8,946,768	9,655,920
Expenses			
Research and development expenses:			
- In-kind partner contributions		(2,849,619)	(2,758,420)
- Other		(1,376,571)	(52,500)
Employee benefits expense		(1,071,835)	(641,161)
Consulting expenses		(152,752)	(662,584)
Other expenses		(633,413)	(660,812)
Total expenses		<u>(6,084,190)</u>	<u>(4,775,477)</u>
Surplus before income tax expense		2,862,578	4,880,443
Income tax expense		-	-
Surplus after income tax expense for the year		2,862,578	4,880,443
Retained surpluses at the beginning of the financial year		<u>4,880,443</u>	-
Retained surpluses at the end of the financial year		<u><u>7,743,021</u></u>	<u><u>4,880,443</u></u>

The above statement of income and retained earnings should be read in conjunction with the accompanying notes

SmartCrete CRC Ltd
Statement of financial position
As at 30 June 2022



	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	6	7,775,279	5,054,736
Trade and other receivables	7	307,917	273,858
Prepayments		20,370	14,991
Total current assets		<u>8,103,566</u>	<u>5,343,585</u>
Non-current assets			
Property, plant and equipment		10,203	13,216
Total non-current assets		<u>10,203</u>	<u>13,216</u>
Total assets		<u>8,113,769</u>	<u>5,356,801</u>
Liabilities			
Current liabilities			
Trade and other payables	8	347,100	313,399
Partner contributions received in advance		-	129,417
Employee benefits	9	23,648	33,542
Total current liabilities		<u>370,748</u>	<u>476,358</u>
Total liabilities		<u>370,748</u>	<u>476,358</u>
Net assets		<u>7,743,021</u>	<u>4,880,443</u>
Equity			
Retained surpluses		7,743,021	4,880,443
Total equity		<u>7,743,021</u>	<u>4,880,443</u>

The above statement of financial position should be read in conjunction with the accompanying notes

SmartCrete CRC Ltd
Statement of cash flows
For the year ended 30 June 2022



	Note	2022 \$	16 June 2020 to 30 June 2021 \$
Cash flows from operating activities			
Grant received from Commonwealth Government		3,465,000	4,565,000
Partner cash contributions received		3,056,331	2,569,824
Receipt from other sources		110	300,500
Payments to suppliers and employees		(3,799,187)	(2,362,467)
Net cash from operating activities		<u>2,722,254</u>	<u>5,072,857</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(1,711)</u>	<u>(18,121)</u>
Net cash used in investing activities		<u>(1,711)</u>	<u>(18,121)</u>
Cash flows from financing activities			
Proceeds from loan from related party		-	550,000
Repayment of loan to related party		-	(550,000)
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		2,720,543	5,054,736
Cash and cash equivalents at the beginning of the financial year		<u>5,054,736</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>7,775,279</u></u>	<u><u>5,054,736</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover SmartCrete CRC Ltd as an individual entity. The financial statements are presented in Australian dollars, which is SmartCrete CRC Ltd's functional and presentation currency.

SmartCrete CRC Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. It is registered as a charity with Australian Charities and Not-for-profits Commission.

Its registered office and principal place of business is:

CRC Innovation Hub
Level 1, 3 Innovation Road
Macquarie University
Macquarie Park, NSW 2113

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 19 October 2022.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Australian Accounting Standards - Simplified Disclosures* issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparative figures

Comparative figures are for the period from 16 June 2020 to 30 June 2021. Certain comparative figures have been reclassified to confirm with current year presentation.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Note 2. Significant accounting policies (continued)

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB1058)

Income from grants or other sources that generally do not have sufficiently specific performance obligations are recognised at the fair value of the asset when such asset is received. The company considers whether there are any related liabilities or equity items associated with the asset – these are recognised in accordance with the relevant accounting standard and once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Revenue recognition policy for specific revenue sources are as follows:

Grants

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised in accordance with AASB 15 when control of each performance obligations is satisfied. Where control is transferred over time, generally the input method being costs or time incurred is deemed to be the most appropriate methods to reflect the transfer of benefit.

For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, income is recognised upon receipt of the grant in line with AASB 1058.

Partner cash contributions

Partner cash contributions are recognised as revenue upon invoicing in line with the terms of the partnership agreement.

Partner in-kind contributions

In-kind contributions comprise of staffing and other administrative costs and outgoings incurred by the partners in relation to the CRC program as per terms of the partnership agreements with the company. The contributions are recognised directly in the profit and loss as revenue and equal amount is recognised as research and development expenses in the profit and loss.

In-kind staff contributions are recognised based on calculations in accordance with Cooperative Research Centre (CRC) project guidelines. In-kind non-staff contributions are outgoings incurred by the partners in connection with the project activities.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the company is a charity in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with financial institutions.

Financial instruments

Financial instruments include the financial assets and financial liabilities of the company. These are recognised initially on the date that the company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

The company's financial assets in the Statement of financial position comprise of trade receivables and cash and cash equivalents.

On initial recognition these assets are measured at amortised cost. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Note 2. Significant accounting policies (continued)

Financial liabilities

The financial liabilities of the company comprise of trade and other payables.

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis. Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivables and multiplied this by the amount of the expected loss arising from default.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a written down value basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office equipment	3 years
------------------	---------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases

The company's office space is provided by its member and core project partner Macquarie University with no formal lease in place. The company is not required to pay any rent or outgoings for use of the space. The amount of rent and outgoings associated with this arrangement is included in the non-staff in-kind contributions reported by the University as a project partner.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the activities, customers, suppliers, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Grants income

For the grants received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company have been accounted under AASB 1058 based on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

Note 4. Revenue

	2022 \$	16 June 2020 to 30 June 2021 \$
Commonwealth CRC grant	3,150,000	4,150,000
Project partners - cash contributions	2,947,049	2,447,000
Project partners - in-kind staff contributions	2,458,022	2,200,159
Project partners - in-kind non-staff contributions	391,597	558,261
Other grants	-	300,000
Other revenue	100	500
Revenue	<u>8,946,768</u>	<u>9,655,920</u>

Note 4. Revenue (continued)

	2022 \$	16 June 2020 to 30 June 2021 \$
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Additional disclosure on revenue from Government sources (including grants)

The details of government revenue by level of government and department name is as follows:

Commonwealth Government:

Department of Industry, Science, Energy and Resources

3,150,000	4,150,000
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State Government:

NSW Department of Planning, Industry and Environment

-	300,000
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Total

3,150,000	4,450,000
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Note 5. Expenses

	2022 \$	16 June 2020 to 30 June 2021 \$
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Surplus before income tax includes the following specific expenses:

Depreciation on property, plant and equipment

Office equipment

4,725	4,905
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Superannuation expense

Defined contribution superannuation expense

71,410	45,812
--------	--------

Expected credit losses

Allowance for expected credit losses

-	78,375
---	--------

Note 6. Cash and cash equivalents

	2022 \$	2021 \$
--	------------	------------

Current assets

Cash at bank

7,775,279	5,054,736
-----------	-----------

Note 7. Trade and other receivables

	2022 \$	2021 \$
--	------------	------------

Current assets

Trade receivables

307,917	352,233
---------	---------

Less: Allowance for expected credit losses

-	(78,375)
---	----------

307,917	273,858
----------------	----------------

Note 8. Trade and other payables

	2022 \$	2021 \$
<i>Current liabilities</i>		
Trade payables	196,716	48,267
Accrued expenses	49,816	85,047
BAS payable	62,979	156,984
Other payables	37,589	23,101
	<u>347,100</u>	<u>313,399</u>

Note 9. Employee benefits

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	<u>23,648</u>	<u>33,542</u>

Note 10. Financial assets and liabilities

The company's financial assets and financial liabilities as at 30 June 2022 consisted of cash and cash equivalents, trade and other receivable and trade and other payables respectively. These are carried at amortised cost. The total of financial assets and financial liabilities carried at amortised cost are as follows:

	2022 \$	2021 \$
<u>Financial assets carried at amortised cost:</u>		
Cash and cash equivalents	7,775,279	5,054,736
Trade and other receivables	307,917	273,858
Total financial assets	<u>8,083,196</u>	<u>5,328,594</u>
<u>Financial liabilities carried at amortised cost:</u>		
Trade and other payables	347,100	313,399
Total financial liabilities	<u>347,100</u>	<u>313,399</u>

Note 11. Economic dependency

The company is dependent on government grants and contributions from its partners as its source of revenue. At the date of this report the directors have no reason to believe the government grants and support from partners will not continue.

Note 12. Key management personnel disclosures

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2022 \$	16 June 2020 to 30 June 2021 \$
Fees and other compensations to directors	224,632	391,328
Aggregate compensation to other key management personnel	319,316	248,700
	<u>543,948</u>	<u>640,028</u>

The company obtains key management personnel services from management entities for some of its key management personnel. Payments made to the entities for such services are included above.

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by LBW & Partners, the auditor of the company:

	2022 \$	16 June 2020 to 30 June 2021 \$
<i>Audit services - LBW & Partners</i>		
Audit of the financial statements	10,500	10,000
<i>Other services - LBW & Partners</i>		
Assistance with financial statements preparation	1,500	1,500
Fund acquittal reporting	1,500	-
	<u>3,000</u>	<u>1,500</u>
	<u>13,500</u>	<u>11,500</u>

Note 14. Related party transactions

Key management personnel

Stephen Harmer was contracted to act as CEO at a salary in line with that of the resigning CEO and was paid a sum of \$70,615 for this. This amount is captured within the aggregate Key management personnel compensation disclosure set out in note 12.

Transactions with related parties

Insight Business Advisory, of which Stephen Harmer is a principal was engaged to provide advice regarding management structuring and services. The charges incurred in relation to this is as follows:

	2022 \$	16 June 2020 to 30 June 2021 \$
Payment for consulting services to director related entity	27,136	-

Note 14. Related party transactions (continued)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2022 \$	2021 \$
Current payables:		
Fees payable to key management personnel	-	17,580

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 15. Contingent liabilities

The company had no contingent liabilities as at 30 June 2022 (30 June 2021: None).

Note 16. Commitments

The company had no commitments as at 30 June 2022 (30 June 2021: None).

Note 17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Accounting Standards - Simplified Disclosures* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the directors



Elizabeth Whitelaw
Director

19 October 2022



Gunilla Burrowes
Director

19 October 2022



LBW & Partners

Chartered Accountants & Business Advisors
ABN 80 618 803443

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Partners

Elias Y Bader

Rupa Dharmasiri

George P Rochios

Mark W Willock

SmartCrete CRC Ltd
ABN 71 641 784 161

Independent Auditor's Report to the Members of SmartCrete CRC Ltd

Opinion

We have audited the accompanying financial report of SmartCrete CRC Ltd (the company), which comprises the statement of financial position as at 30 June 2022, the statement of income and retained earnings and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the *ACNC Act*), including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with *Australian Accounting Standards – Simplified Disclosures* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *ACNC Act* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards – Simplified Disclosures* and the *ACNC Act*.

The directors' responsibility also includes for such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



SmartCrete CRC Ltd
ABN 71 641 784 161

Independent Auditor's Report to the Members of SmartCrete CRC Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



SmartCrete CRC Ltd
ABN 71 641 784 161

Independent Auditor's Report to the Members of SmartCrete CRC Ltd

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Dated this 19th day of October 2022

smartcretecrc.com.au

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