

# CONTROLLED ENTITY PROCEDURES 2020

Issued by: Vice-Principal (Operations)  
Dated: 23 June 2020  
Last amended: 4 July 2023 (administrative amendments)  
Signature:  
Name: Stephen Phillips

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## 1 Purpose and application

- (1) These procedures are to give effect to the Controlled Entity Policy 2020 (“the policy”).
- (2) These procedures apply to the operation and management of Australian entities controlled by the University.

## 2 Commencement

These procedures commence on 23 June 2020.

## 3 Interpretation

- (1) Words and phrases used in these procedures and not otherwise defined in this document have the meanings they have in the policy.

**Note:** See clause 6 of the policy.

## 4 Proposals to establish or acquire a controlled entity

- (1) A person proposing to establish or acquire a controlled entity must submit:
  - (a) the proposal referred to in clause 8 of the policy; and
  - (b) the form in Schedule One to these procedures
- (2) to the Vice-President (Operations) and the relevant delegate. Approved proposals must be submitted to the Office of General Counsel for advice on the steps necessary for implementation of the approved structure.

## 5 Reports and accounts of controlled entities

The annual report of a controlled entity for Senate must be in the form prescribed in Schedule Two to these procedures.

## 6 Rescissions and replacements

This document replaces the Controlled Entity Procedures 2012, which commenced on 1 March 2012, which is rescinded as from the date of commencement of this document.

### NOTES

Controlled Entity Procedures 2020

Date adopted: 23 June 2020

Date commenced: 23 June 2020

Date amended: 4 July 2023 (administrative amendments)

Administrator: Vice-President (Operations)

Review date: 23 June 2025

Rescinded documents: Controlled Entity Procedures 2012

Related documents:

[Corporations Act 2001](#) (Cth)

[University of Sydney Act 1989 \(as amended\)](#) (NSW)

[Government Sector Finance Act 2018 \(NSW\)](#)

[Australian Accounting Standard AASB10 Consolidated Financial Statements](#)

[Guidelines Concerning Commercial Activities](#)

[University of Sydney \(Delegations of Authority\) Rule 2020](#)

[Affiliates Policy](#)

[Staff and Affiliates Code of Conduct 2021](#)

[Reporting Wrongdoing Policy 2012](#)

[External Interests Policy 2010](#)

[Controlled Entity Policy 2020](#)



## AMENDMENT HISTORY

<b>Provision</b>	<b>Amendment</b>	<b>Commencing</b>
4(2); Notes; Schedule Two	Administrative amendments	4 July 2023

# SCHEDULE ONE

## COVERING CHECKLIST FOR PROPOSAL FOR ESTABLISHMENT OR ACQUISITION OF CONTROLLED ENTITY

This form is to be completed and attached to the proposal, before submission to the relevant Deputy Vice-Chancellor.

<b>Information to be provided in the Proposal</b>	<b>Proposal Reference</b>	<b>Comment (As appropriate)</b>
The name of the controlled entity		
Details of the structure of the controlled entity		
Proposed members of the board, their expertise and experience		
Proposed obligations of members of the board		
Proposed role of the controlled entity, with specific reference to significant implications for the University		
An assessment of why it is preferable for the entity's proposed activities to be undertaken by a controlled entity rather than directly by the University		
Expected benefits from the creation or acquisition of the controlled entity (eg revenue streams, intellectual property, access to research results and commercialisation opportunities)		
Clear indication of the nature and value of the respective contributions to be made by the University and other stakeholders and whether they will change over time		
The method of reporting by the governing body of the controlled entity to the Senate		
Applicable milestones and internal reviews		



A detailed budget for the 12 months following creation/acquisition		
A summary of the estimated costs and resources for the first three years following creation/acquisition		
Details of a work health and safety assessment, including any potentially adverse issues (acquisition only)		
Attach a summary of how the entity will comply with the <a href="#">Reporting Wrongdoing Policy 2012</a> , including educating staff and establishing compliant arrangements		
Details of the entity's financial position and its record keeping and accounting practices. In relation to the latter, details of what changes, if any, would need to occur to bring the entity in line with University accounting practices (acquisition only)		
An assessment of benefits and risks to the University of the creation or acquisition of the controlled entity		
Attach a copy or summary of any strategic plan for the proposed entity		

I have completed the attached proposal and in doing so have addressed all the relevant issues contained in checklist above. I support the creation/acquisition of the controlled entity	
<b>Name of Proposer</b>	<b>Signature and date</b>



## SCHEDULE TWO

### CONTROLLED ENTITY ANNUAL REPORTS

Annual reports are to be provided to the Vice-President (Operations) to enable the report to be submitted to the relevant Senate Committee as specified in clause 11 of the *Controlled Entity Policy 2020*. Reports must address each of the items specified below, either by providing the required information or providing an explanation of why it is not provided.

1. A review of performance of the past year, as measured against the entity's approved objectives and key financial and non financial performance indicators.
2. Current financial year or future year matters that influence the controlled entity's performance, including risks and opportunities and strategies adopted (or proposed) to manage them.
3. A prognosis of performance for the next year, and longer term if appropriate.
4. An assessment of the alignment between the controlled entity's objectives and the University's objectives.
5. An analysis of the material business risks faced by the controlled entity, a description of the risk profile and a summary of risk management strategies and practices including those related to fraud.
6. The annual audited financial statements (if not audited, then the board approved financial report) in the format prescribed by the Chief Financial Officer.
7. Financial targets and projections for a three year forecast.
8. A list of directors and the number of meetings each attended.
9. A description of major investing and financing activities.
10. Disclosure of all benefits provided to directors and all transactions with entities in which directors have a financial interest.
11. Details of any indemnity or insurance against a liability given to a current or former officer.



12. Disclosure of benefits provided to the University and to University staff (dollar value, description of the benefit and name of each recipient), (the latter may be necessary for fringe benefits tax purposes).
13. Details of any significant change in the commercial activity carried on and the risk of the commercial activity.
14. Disclosure of all agreements entered into with University staff.
15. Disclosure of any related party transactions.
16. Significant events that have occurred during the year.
17. Certification that directors of the entity, who are not employees or affiliates of the University, have agreed to be bound by the <a href="#">Staff and Affiliates Code of Conduct 2021</a> and the <a href="#">External Interests Policy 2010</a> .
18. Details of educational activities provided for the entity's staff on the <a href="#">Reporting Wrongdoing Policy 2012</a> .
19. Information about the controlled entity's subsidiaries (if any), including a detailed set of accounts, performance, strategic goals, directors, forecasts and progression against the strategic plan.
20. Certification that appropriate arrangements have been instituted to ensure that the entity complies with legal obligations relevant to its operations.
21. Certification that the entity complies with <i>Controlled Entity Policy 2020</i> .
22. Any educational services which have been provided.
23. Any participation in the provision of services by the University.
24. Any other matters that the board considers relevant.

Submitted by (Name of entity):

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Chair \_\_\_\_\_ Date \_\_\_\_\_