

Advancing
Small Business
Queensland

Business Growth Fund
Application Guidelines

Queensland

the place for small business
to **start, grow & employ**



Queensland
Government

Contents

Contents	2
Application guidelines 2017-18	3
About the program	3
How much can you apply for and what can it be used for?	3
Who can apply?	4
What are the eligibility criteria?	4
What won't be funded?	5
When must the project be completed?	5
When and how can you apply?	5
What should you include in an application?	5
What should be included in quote/proposal?	6
How will applications be assessed?	6
Application timeframes	8
Feedback	8
Frequently asked questions	8
Further information	9
Additional information for businesses	9

Business Growth Fund Program

Application guidelines 2017-18

The Business Growth Fund Program, delivered by the Office of Small Business, is a grant program which provides targeted assistance for small and medium businesses that demonstrate **high-growth and employment aspirations** to enable them to purchase specialised equipment or services to help them seize a growth opportunity.

These guidelines contain essential information on the program including eligibility, how to apply and your obligations as an applicant.

You should read these guidelines before completing an application.

About the program

The objectives of the program are to:

- help small businesses grow and transition from small to medium sized
- support small and medium businesses to accelerate employment generating activities and investments
- improve capability and resilience of small and medium size business
- improve business sustainability and increase the ability to plan, manage and respond effectively to growth
- improve business innovation and competitiveness in domestic and international markets.

How much can you apply for and what can it be used for?

Funding of up to \$50 000 (excluding GST) may be provided to eligible businesses to purchase and implement highly specialised equipment or services to enable the business to move to the next stage of growth.

A co-contribution from the applicant of between 25 per cent and 50 per cent of the total project cost must be provided. The government contribution will be determined by an assessment panel.

Examples of eligible highly specialised equipment or services include (but are not limited to):

- equipment:
 - production equipment to meet otherwise unachievable growth demand
 - advanced digital equipment and systems such as 3D printers, scientific equipment or medical devices
 - advanced logistics systems and equipment.
- services:
 - engage business mentors/coaches/consultants/advisors to provide advice on matters such as business structures and governance, systems improvement, export and commercial negotiations
 - intellectual property (IP) advice
 - feasibility studies
 - engage an advisory board.

The equipment or service must have a direct link to increasing employment or the business' growth strategy.

If purchasing and implementing highly specialised equipment the **implementation** must be completed within **six to twelve months** of approval.

If engaging business mentors/coaches/specialist consultants/advisors/advisory board, the service provider must provide high-level expertise and strategic advice to encourage growth and job creation through business expansion. The service provider should be engaged **for a six to twelve month period** to provide **one-on-one, tailored strategic advice** addressing a specific business need and opportunity for growth.

If your application is successful a single upfront grant payment will be made directly to the business. Once the project is completed grant recipients will be required to submit receipts to demonstrate the use of the grant funding was consistent with the activities stated in the approved application. Failure to comply with the terms and conditions of the program may result in the business being required to return some or all of the funding to the Department of Employment, Small Business and Training (DESBT).

Who can apply?

Established small and medium sized Queensland businesses that are financially sound and have the potential for high-growth within the next two years. High-growth is generally considered to be a 20% increase in turnover or employment. The applying business must have a business plan in place, as well as the capacity to access finance to fund the growth of their business.

Applying businesses must have a clearly defined opportunity and plan for growth and demonstrate how the project will assist the business to achieve these goals. It is expected that businesses applying for funding will use the grant to manage and finance their business expansion, including but not limited to:

- increasing employment
- improving management processes and systems to increase productivity and efficiency
- introducing product processes or systems innovations
- entering new markets
- increasing turnover/sales.

What are the eligibility criteria?

To be eligible for this grant, the business must:

- have a trading history of a minimum of three years at the time of applying for the grant
- have a minimum turnover of \$500 000 for the last financial year
- have fewer than 50 employees at the time of applying for the grant
- have an Australian Business Number (ABN) and be registered for GST
- have Queensland headquarters
- have competitive opportunities in domestic or international markets
- be experiencing growth and have clearly defined high-growth and employment opportunities in Queensland
- not be insolvent or have owners/directors that are an undischarged bankrupt.

Only one application will be accepted from an individual ABN or a financial beneficiary of a business for consideration at any one time.

Successful applicants cannot reapply for funding under the Program.

Throughout the project successful applicants will be required to complete several online forms providing details on the project progress. The online forms include a **three month progress report** and a **final acquittal report** on completion of the project. The final acquittal report should detail assets/services received, project implementation, and the impact on the business including the results and outcomes achieved. Businesses will be **surveyed six months after completion** of the project.

What won't be funded?

There are a range of activities that will not be funded:

- fees for services provided by related parties (such as companies with common shareholdings or directorship with the applicant, and employees or immediate family of the applicant)
- fleet vehicles
- registration and fees
- memberships and joining fees.
- salaries
- real estate/property fees
- hire, lease or rental fees
- travel
- franchise fees
- purchase of stock
- general business operating costs (including bookkeeping/accounting, tax returns and marketing/advertising activities).

When must the project be completed?

All projects approved for funding **must be completed within six to twelve months of project commencement date**. You must advise the Office of Small Business of any variations to the project dates. If these timeframes are not met you may be required to return some or all of the grant funding to DESBT.

When and how can you apply?

Applications open 28 March 2018. You can lodge an application online at www.business.qld.gov.au/growthfund.

What should you include in an application?

Applications must include the following documents:

- a **quote/proposal** for the product/s or service/s that you will be purchasing as part of the project
- a **business plan**
- financial information -
 - **projected business figures**, including declaration of turnover and employee headcount

- a simple **balance sheet** – this includes the current asset, debt and equity structure of the business. Clearly and separately identify the value of the intellectual property held by the business, and who holds the debt and on what terms
- a simple **profit and loss statement** for the previous year and current financial year-to-date.

Applicants must also include the following information in the online application form:

- a clearly defined outline of the opportunity and plan for high-growth and employment
- details of how the project will assist the business to reach its high-growth and employment plans
- details on how the project will help create jobs in Queensland or increase strategic capability
- confirmation of the business' financial contribution
- a declaration the work is not part of the everyday operations of the business.

What should be included in quote/proposal?

Your application should include a **detailed project proposal/quote from the supplier or service provider**. This proposal must be submitted with the application, and include:

- the product or service being provided including a break-up of key activities
- delivery timeframes
- a breakdown of service delivery costs
- the payment schedule (including hourly or daily rates if any)
- the estimated number of consulting hours or days (if any) for each of the key activities
- names of key people who will undertake the project work.

How will applications be assessed?

Applications will be assessed by an assessment panel including representatives from the Office of Small Business and independent business experts. Applications will need to meet both the eligibility criteria and demonstrate merit against the assessment criteria including:

- the extent to which the project will support the business to reach its high-growth goals
- potential and likelihood the activity will create jobs growth
- value for money.

What is the process?

A. Online application

Applicants are required to complete an application form online and attach the required documentation (quote/proposal from supplier and/or service provider, a copy of business plan and financial information).

B. Eligibility check

The Office of Small Business reviews all applications against the key eligibility criteria and provides the assessment panel with the applications that meet the key eligibility criteria.

C. Stage 1 – Shortlisting assessment panel

The 'Stage 1 - Shortlisting Assessment Panel' reviews and shortlists applications in line with the program guidelines.

D. Notification

All applicants will then be notified of the outcome of the eligibility check and stage 1 via email. Those successful in Stage 1 will be invited to pitch.

E. Stage 2 – Pitch to panel

The pitch to panel is a critical stage in the application process, providing an opportunity to draw out the merits of the proposal, and for panel members to ask relevant questions. If an invitation to pitch is made, applicants are strongly encouraged to provide a strategic overview of the business plan and any other material to support their application.

Where appropriate, teleconferencing and videoconferencing will be used should the representative of the business not be available to attend in person.

To assist applicants to prepare for this stage, the Office of Small Business, through the Mentoring for Growth program, provides businesses the opportunity to participate in a free Mentoring for the Pitch (M4P) panel meeting. During an M4P panel meeting, businesses deliver the pitch they intend to present to a panel of up to six mentors who will provide feedback on the delivery, content and style. For further information about the Mentoring for Growth Program and to register visit www.business.qld.gov.au/mentoring.

F. Evaluation

Following the pitch, the panel will undertake evaluations and provide recommendations to the delegate for approval. The delegate will consider the applications, evaluations and recommendations, as well as the available funding. The Office of Small Business may also give consideration to ensuring successful applications are equitably distributed across the state and industry sectors.

G. Applicants notified of outcome

All applicants will receive formal notification of the outcome of the application. Successful applicants will receive an approval letter advising that the delegate has approved the application. The letter will also reiterate the terms and conditions of funding.

Applicants must not start or pay for the project, in part or full, without confirmation that the application for funding has been approved.

Successful applicants will have three months from the date of the approval letter to commence the project. If this timeframe is not met, applicants may be required to return the grant funding to DESBT.

The Office of Small Business will carry out random audits on a sample of successful applications to ensure that the information provided is true and correct. Where it is found false or misleading information has been provided, penalties may apply, including refunding of some or all of the grant funding.

Application timeframes

The tables below summarise the important dates and timeframes in the application process.

Dates	
28 March 2018	Applications open

The program will remain open for applications until the budget is fully allocated. When budget is fully allocated the round will close.

The assessment panel will meet periodically throughout this time to evaluate applications.

Key timing
Application lodged at least three months prior to proposed project start date.
Eligibility and stage 1 outcome notification approximately 2 months after application submitted.
The Pitch Panel Meeting will be held within two weeks of stage 1 outcome notification date.
Evaluation – following the pitch (Stage 2) the panel provide recommendations to the program delegate. Applications considered and approval letter issued to successful applicants approximately one month after pitch panel.
Project must start within three months of approval letter being issued.
A three month progress report must be lodged three months after the project commences .
Project duration must be a minimum of six months and a maximum of twelve months from project start date.
Successful applicants must acquit projects within one month of approved project end date.

Funding Payment Timeframes
On approval The grant amount will be paid on approval and on receipt of a valid tax invoice from the applicant and applicant bank details.

Feedback

If your application is unsuccessful you will be provided with feedback. Complaints about the outcome of an application will be dealt with according to [DESBT's complaints management policy](#).

Frequently asked questions

What do I need to do if I receive a grant?

You must:

- enter into a funding agreement with DESBT
- deliver the project as per the funding agreement
- complete an online project report form three months after the project commencement date
- provide a final acquittal within one month of the project completion date
- complete a follow-up survey six months after the grant has been acquitted.

Is there a fee for applying for the grant?

There is no fee for submitting an application for a Business Growth Fund grant. However, all costs incurred in relation to the application process (such as seeking financial advice in order to submit an application) are to be borne by the applicant.

When will funding be available and how will payments be made?

If your application is successful, the grant amount will be paid on approval and on receipt of a valid tax invoice from the applicant and receipt of bank details. The funding will be paid directly to the applicant.

Can I alter my application after funding has been allocated?

If you are unable to complete the approved project, you must immediately notify DESBT in writing. Any change to your project will need to be reassessed to ensure funding will still be granted. If you change your project without approval, you may be required to return the grant funding to DESBT.

I have two projects in mind. Can I apply for a grant for each project in this round?

No. You may only submit one application for assessment at any one time.

Do I have to be operating an existing business?

Yes. Your application must be for an existing business in Queensland operating for a minimum of 3 years.

Can I use more than one supplier/advisor?

Yes. You can use one or more suppliers/advisors, noting the total grant limit is \$50 000 (excluding GST). For example, you may wish to engage a number of people to act as an advisory board.

Do I have to be located in Queensland?

Yes. The business must have a Queensland headquarters.

Do I need to be registered for GST?

Yes.

Will I be reimbursed for GST spent?

No. Grants are not subject to GST. Therefore, GST is not payable and grant funding will not compensate for any GST spent by the business. The grant amount is GST exclusive.

What are my tax obligations?

Grants are treated as assessable income for tax purposes, unless exempted by law. The Office of Small Business recommends you seek independent professional advice on your tax obligations.

Further information

For more information about the grants or advice on your application, call the Office of Small Business on **13 QGOV** (13 74 68) or email grants@dtesb.qld.gov.au

Additional information for businesses

www.business.qld.gov.au has information on starting and developing businesses.

www.business.gov.au is an online government resource for the Australian business community provided by the Australian Government.

To find answers to your tax questions, go to www.ato.gov.au.

ablis.business.gov.au has information on government licences, permits, approvals, registrations, codes of practice, standards and guidelines you need to know about to meet your compliance responsibilities.

My checklist

Applicants are to ensure they have:

- read and understood the guidelines
- read and understood the terms and conditions in the application form
- completed the online application form
- uploaded a proposal and quote/s from the supplier/s
- submitted the application
- received notification of the application outcome before commencing the project

Privacy statement

DESBT collects information to assess and coordinate grants in relation to the Queensland Business Growth Fund.

DESBT, its officers, employees, agents and subcontractors may use and disclose any of the information provided within the application to Queensland Government departments or agencies, Queensland Government bodies, non-government organisations and/or the Commonwealth Government or other state or territory governments for any purpose in connection with the administration of the Queensland Business Growth Fund Program. Successful applications may also be the subject of media releases and disclosure as otherwise provided in the approval letter, the terms and conditions in the application, and the terms and conditions in these guidelines.

Submitted documents may be subject to disclosure under the Right to Information Act 2009, subject to the exemptions under that Act.

DESBT's privacy guide in relation to the treatment of information collected may be viewed at www.dtesb.qld.gov.au.

Disclaimer

This publication has been prepared as a guide only and all reasonable steps have been taken to ensure the information contained in this publication is accurate at the time of publication. The State of Queensland accepts no responsibility and gives no warranty, guarantee or representation about the accuracy, reliability, timeliness or otherwise of the information contained within the publication. No warranties or assurances can be given about the suitability of this information for any particular purpose. The State of Queensland expressly excludes legal liability in all jurisdictions in relation to the use or reliance of any information contained in this publication. Any direct or consequential loss or damage suffered as a result of reliance on this information is the sole responsibility of the user. Persons using this information should conduct their own enquiries and rely on their own independent professional advice. This exclusion shall extend to both the user and to any other person who may suffer loss as a result of the use of material, and shall apply notwithstanding any negligence by the State of Queensland.

Advancing Small Business Queensland

Find out more

Connect with Business Queensland:

 smallbusiness@dtesb.qld.gov.au

 business.qld.gov.au

 facebook.com/businessqldgov

 linkedin.com/company/business-queensland

 instagram.com/businessqld

 twitter.com/businessqldgov

#QLDsmallbiz



**Queensland
Government**