Small Business Entrepreneur <u>Grants</u> Program

Queensland

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



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Small Business Entrepreneur Grants Program

Application guidelines 2016–17

The Small Business Entrepreneur Grants Program provides small businesses access to planning, coaching and training to help businesses get a better start.

These guidelines contain essential information on the Small Business Entrepreneur Grants Program. They outline who is eligible to apply for a grant, how to apply, and your obligations as an applicant.

You should read these guidelines before completing an application.

About the program

The Queensland Government through the Office of Small Business (OSB), Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) has made these grants available to newly started small businesses to enable them to access professional advice and support in the critical early stages of establishing a business.

The objectives of the program are to:

- support new Queensland small businesses to establish and develop
- encourage entrepreneurship and increase business capability and skills
- facilitate and encourage access to professional business advice
- improve business confidence and business sustainability
- promote a culture of successful small businesses within Queensland
- assist small businesses to work smarter, be more innovative and work less hours
- · result in more small businesses surviving, growing and employing staff
- create an environment that makes it easier to do business.

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

Matched funding of up to \$5 000 (excluding GST) may be provided to eligible businesses to engage a consultant, advisor, or business coach to help establish or develop the business.

The advice must fall under one or more if the following areas:

- professional business, tax, computing, legal or financial (accounting) advice
- mentoring/coaching
- business and strategic planning
- market research and marketing strategies, including branding strategies and social media/digital strategies.

As part of this advice, the consultant will assist with developing a business action plan for the next twelve months to support and improve the business. Providing an action plan is a mandatory requirement of funding.

Developing an action plan will focus ideas and determine what steps need to be taken to achieve particular business goals. Each action in the plan should detail the task or activity, its objective, implementation date, who's responsible, and the costs or resources required to deliver.

Who can apply?

All new, and recently established Queensland-based small businesses can apply.

What is the eligibility criteria?

To be eligible the business must:

- have a business name registered within the last four years
- have fewer than 20 employees at the time of applying for the grant
- have an Australian Business Number (ABN) and be registered for GST
- be based in Queensland
- declare if any owners or directors of the business are an undischarged bankrupt or insolvent.

The participating business must provide DTESB with a project report on completion of the project detailing how the funds were spent and the impact it has had on the business.

Businesses will be surveyed 12 months after the completion of the project.

Only one application will be accepted from an individual ABN or business address.

What won't be funded?

The grant is specifically aimed at funding businesses to engage a consultant, advisor, or business coach, therefore there are a range of matters 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)
- franchise fees or related costs
- direct-selling businesses where sales of another business's goods or services are made in the customer's home, work or other meeting place through methods such as party plan
- purchase of assets, such as stock
- salaries
- general business operating costs (including bookkeeping/accounting and tax returns)
- search engine optimisation (SEO), Google AdWords, Face Book advertising or similar expenses
- retrospective payments for expenses already incurred or work already undertaken
- subscriptions, including cloud (software) services.

When must the project be completed?

All purchases approved for funding must be completed within three months of the date of approval.

If these timeframes are not met the offer of funding may be withdrawn, and funding may not be available.

When and how can you apply?

Applications open 3 February 2017.

You can lodge an application online at www.business.gld.gov.au/entrepreneur.

Your application must contain all the information specified in the application form and should be submitted online. If you cannot submit an application online, email your details to <u>smallbusiness@dtesb.qld.gov.au</u> and you will be contacted about other options.

You may only lodge one application at a time. Successful applicants may not re-apply. Unsuccessful applicants will be able to submit a new application in subsequent rounds of the program.

What should you include in your application?

Your application must include:

- a detailed proposal and quote from the consultant
- clear outline of how the advice or assistance will support the development of the business
- · how the advice or assistance will build the owners business skills and abilities
- what the potential outcomes for the business will be
- confirmation of your matched financial contribution.

If you will be using a consultant to deliver a service, a project proposal and quote from the consultant must be submitted with your application, and include:

- the services the consultant will provide, including a break-up of key activities
- delivery timeframes
- consultant /service delivery costs
- the estimated number of consulting hours for each of the key activities
- the names of the key people who will undertake the project work.

How will applications be assessed?

In addition to meeting the eligibility criteria, all applications must demonstrate:

- the extent to which the services will support establishment and development of the business
- the extent to which the services will enhance the owner's skills and abilities
- potential business improvements
- value for money.

What's the process?

OSB will assess eligible applications against the assessment criteria and will provide recommendations to the delegate for approval.

The delegate will consider the applications and recommendations, as well as the available funding. You can expect to receive a decision within two months of application.

OSB may also give consideration to ensuring successful applications are equitably distributed across the state and industry sectors, and to recognised Aboriginal and Torres Strait Islander businesses. Once the funds for a round have been exhausted no further grants will be made in that round.

If your application is successful, you will receive an approval letter advising that you have been successful. The letter will also reiterate that you have agreed to the terms and conditions stated in the application form.

You will then have three months from the date of the approval letter to complete the project. OSB may withdraw the offer if the project is not completed within this timeframe.

You must not begin or pay the consultant, in part or full, until you receive the approval letter to ensure that you have confirmation that the project has been approved.

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

Application timeframes

The tables below summarise the important 2016–17 dates and timeframes in the application process.

Dates	
3 February 2017	Applications open.
3 March 2017	Applications close at 5:00 pm.

There will be three rounds per year. Approximately \$3 million will be distributed to grant recipients over three years. It is expected the funding rounds will commence in February,

July and December each year. The dates for funding rounds will be announced on <u>www.business.qld.gov.au/entrepreneur</u>.

Timeframes	
3 months	Maximum number of months in which the project must be completed after an approval letter is issued
4 months	Maximum number of months in which the funding must be acquitted, and a final project report provided, after an approval letter is issued
12 months	Number of months after project completion in which the business must complete a short survey (13 questions) on the impact the project has had on the business.

Funding Payment Timeframes

On completion A single payment will be made directly to the business upon acceptance of a final project report, a valid tax invoice and a completed grant acquittal.

NOTE: Successful applicants will be required to provide proof of payment for all services purchased as part of this grant.

The final project report and acquittal is a simple online document that provide information on the success and outcomes of the project to date, the activities that have taken place, and the learnings.

Feedback

If your application is unsuccessful, you may ask for feedback. Email a Small Business Entrepreneur Grants Officer on <u>smallbusiness@dtesb.qld.gov.au</u>.

Complaints about the outcome of an application will be dealt with according to DTESB's complaints management policy. To view this policy, visit <u>www.dtesb.qld.gov.au</u>.

Frequently asked questions

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

You must:

- enter into a funding agreement with DTESB
- purchase the product or service as per the funding agreement
- deliver the project as per the funding agreement
- provide a final project report and grant acquittal within one month of the project's completion
- complete a follow-up survey 12 months after the grant has been acquitted.

When will funding be available?

If your application is successful, funding will be provided once you complete the project and your business will be reimbursed 50 per cent of the purchase amount to a maximum of \$5 000 on receipt of a copy of a valid tax invoice and proof of payment. The funding will be paid directly to you.

Can I alter my application after funding has been allocated?

If you decide not to proceed with purchasing the approved product or service, you must immediately notify OSB in writing. Any change to your application will need to be reassessed to ensure funding will still be granted. If you change your approved purchase without approval, DTESB can withdraw the funding.

Do I have to be operating an existing business?

Yes. Your application must be for an existing business operating in Queensland.

Do I have to be located in Queensland?

Yes.

Do I need to be registered for GST?

Yes.

If your business is not yet required to register for GST, registering with the Australian Taxation Office is optional. If you voluntarily register for GST you can also choose to report, pay and claim GST credits once a year - usually at the same time you lodge your tax return. Visit <u>https://www.ato.gov.au/Business/GST/Registering-for-GST/</u> to find out more.

How will payments be made?

Payments will be made to the applicant on completion of the project and on presentation of proof of payment for the product or service. The applicant will need to issue a valid tax invoice to OSB for 50 per cent of the cost to a maximum of \$5 000. The value of the grant payment will be increased to compensate for any GST.

What are my tax obligations?

Grants are treated as assessable income for tax purposes, unless exempted by law. We recommend 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 <u>smallbusiness@dtesb.qld.gov.au</u>.

Additional information for businesses

The Queensland Government's Business Online has a wealth of information on starting and developing businesses. Visit <u>www.business.qld.gov.au</u> to find out more.

You can also visit <u>www.business.gov.au</u> another online government resource for the Australian business community.

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

The Australian Business Licence and Information Service (ABLIS) helps you find the government licences, permits, approvals, registrations, codes of practice, standards and guidelines you need to know about to meet your compliance responsibilities. Find out more by visiting <u>www.ablis.business.gov.au</u>.

My checklist

- □ Read and understand the guidelines
- □ Source a proposal for the services
- □ Complete the online application form
- □ Attach the proposal to the application online
- □ Read and understand the terms and conditions
- □ Submit your application

Privacy statement

DTESB is collecting information to assess and coordinate grants in relation to the Small Business Entrepreneur Grants Program.

DTESB, its officers, employees, agents and subcontractors may use and disclose any of the information provided with the application to Queensland Government departments or agencies, Queensland Government bodies, non-government organisations and/or the Commonwealth, states or territories for any purpose in connection with the administration of the Small Business Entrepreneur Grants 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.

DTESB's privacy guide in relation to the treatment of personal information collected may be viewed at <u>www.dtesb.qld.gov.au.</u>

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 himself or herself 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.

Find out more

To find out more about the Advancing Small Business Queensland Strategy, visit https://www.dtesb.qld.gov.au/smallbusiness

Connect with Business Queensland:

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