

Business Growth Fund

Round 4 Guidelines

About the program

The Queensland Government provides specific support for the small business sector through the [Big Plans for Small Business](#) strategy. The Business Growth Fund grants program (Program) targets small-to-medium high-growth businesses who can **accelerate growth, drive the Queensland economy and employ more Queenslanders**.

The Program is **competitive**, meaning that applications are competitively assessed against the assessment criteria and **not all applications will be funded**.

The grant funding assists the business to purchase and implement **highly specialised equipment** to enable the business to move to the next stage of growth.

The Department of Employment, Small Business and Training (DESBT) manage the grants.

Program outcomes

Funded businesses are expected to increase business confidence by:

- improved growth transitioning from small to medium sized
- increased productivity, turnover, profit and employment by 20%, and
- automating, scaling up, increasing market share, diversify and/or exploit exporting opportunities

What funding is available?

If successful, applicants will receive a single up-front payment of up to \$50,000 (excluding GST), and not less than \$25,000 (excluding GST).

The applicant must also fund at least 25 per cent of project costs to purchase and implement the specialised equipment.

For example: your business wants to purchase specialised machinery to increase production and double your revenue. The machinery costs \$75,000. Your business will contribute \$25,000, and if you are successful in your grant application, the Queensland Government will contribute \$50,000.

A project with a total cost of less than \$33,333 (excluding GST) will not be funded as the minimum grant amount payable, less the required 25% contribution, is \$25,000 (excluding GST).

For example: your business wants to purchase specialised machinery to scale-up production and expand your export market. The machinery costs \$32,000. Your business will contribute \$8,000. As the balance of \$24,000 is less than the minimum grant funding payable under this grant round, the project will not be funded.



The amount of grant funding will be determined by an assessment panel.

Who can apply, and what are the eligibility criteria?

Established small to medium sized Queensland businesses that are financially sound and have the potential for high-growth within the next two years. High-growth is considered to be a 20% increase in productivity, turnover, profit and/ or employment in the last 12 months.

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 (i.e. implementation of specialised equipment) will assist the business to achieve these goals.

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 active Australian Business Number (ABN) and be registered for GST*
- have Queensland headquarters*
- have competitive opportunities in domestic or international markets
- not have been **approved for funding** under an earlier round of the Business Growth Fund
- be experiencing growth and have clearly defined high-growth and employment opportunities in Queensland, and
- not be insolvent or have owners/directors that are an undischarged bankrupt*

** The business must also maintain their eligibility for the duration of the grant funded activity where reasonably possible.*

What can I spend the grant funding on?

The grant funding must be used to purchase **specialist equipment** to meet business growth. The equipment must have a direct link to increasing employment and maximising economic returns.

Specialist equipment is generally considered an independent or additional piece of complex machinery that will have a direct impact on the operations of the business to increase, automate or enhance productivity and presents a significant investment to the business. The impact of the equipment unique to the growth of the business and local economy will be taken into consideration.

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

- production equipment to meet otherwise unachievable growth demand
- advanced manufacturing or digital equipment and systems, or
- advanced logistics systems and equipment

What can't I spend the grant funding on?

DESBT **will not fund** activities with:

- a total project cost of less than **\$33,333** (excluding GST) as the minimum grant funding available, less the required 25% co-contribution, is \$25,000 (excluding GST), and
- payments made on any activity undertaken before grant funding approval

DESBT **will not fund** the following activities:

- activities bought using crypto-currencies, barter, or services in-kind
- GST, registration and fees
- real estate/property, hire, lease, or rental fees
- goods, services, or fees from *related parties**
- travel
- franchise fees
- purchase of stock
- general business operating costs (e.g., bookkeeping/accounting, tax returns, marketing/advertising activities)
- services or standard digital technology not considered specialist to the extent required (as determined by assessment panel)
- delivery fees, credit card surcharges and international transaction fees
- memberships and joining fees
- salaries
- fleet vehicles

**Related parties include companies with common shareholdings or directors, employees or immediate family.*

What are the timeframes?

It is intended that the grant funded activity (i.e. the purchase and implementation of specialised equipment) be started, completed and expected benefits determined within **12 months** of receiving approval.

When and how can you apply?

Stage 1 - Expressions of Interest - will;

Open **9am, 31 May 2022**

Close **5pm, 30 June 2022 or when DESBT receives enough EOI applications for competitive assessment**

DESBT gave notice (pre-launch) of the grant opening date and provided supporting documents on 17 May 2022.

Apply at [Business Growth Fund Program | Business Queensland](#) on the opening date and time.

The Expression of Interest stage may be in high demand and can close at any time, even mid-application. Please ensure you have all documentation correct and ready prior to the grant opening.

In addition, you must complete the application and validate any input errors before submitting it. We don't accept late submissions under any circumstances.

EOI applications must be made online via an online grants administration system.

What is the application process?

Funding is awarded by a competitive assessment process conducted through three stages.

Stage 1: Complete an Expression of Interest (EOI) application for competitive assessment.

Stage 2: If the EOI application is approved to progress to the next stage, applicants will receive a link inviting them to complete a Full Application for competitive shortlisting

Stage 3: If the Full Application is shortlisted, applicants are invited to pitch to business experts and DESBT executives.

Grant applicants have at least two weeks to prepare their EOI application. To prepare:

- ensure you are eligible for and familiar with the grant by reviewing these Guidelines, the program [Terms and Conditions](#) and the [Frequently Asked Questions](#).
- Ensure your Australian Business Register profile for your business is up to date (check your ABN status, GST status and Main Business Location)
- Review the [sample EOI application form](#) and devise your answers prior to the grant opening.

How will applications be assessed?

Applications will need to comply with both the eligibility criteria and demonstrate merit against the program guidelines and assessment criteria including the extent to which the grant funded activity will:

- support the business to reach its high-growth goals
- be likely to create jobs growth within the business
- demonstrate value for money

DESBT may also consider equitably distributing successful applications across the state, industry sectors (including priority sectors) and be representative of Queensland's diverse population and economic regions.

Stage 1: Expression of Interest

To reduce administrative effort for businesses, applicants must complete an Expression of Interest (EOI) as the first stage of this program.

The EOI asks applicants to:

- confirm the business meets the eligibility criteria of the grant program
- provide a description of their business and a copy of the business' current business plan
- provide a letter from a Certified Practising Accountant (CPA) or Chartered Accountants Australia and New Zealand (CA ANZ) or Institute of Public Accountants (IPA) declaring projected business figures, turnover and employee count
- provide a description of the proposed specialised equipment and clearly outline how the purchase and implementation of the equipment will assist the business to reach

its high-growth and employment plans (NB. Supplier quotes are not required at this stage);

- confirm the business' financial contribution; and
- declare the project is not part of the everyday operations of the business.

Applicants are to submit **realistic** and **probable** answers and evidence in their EOI application. You may be required to provide this at any time at the discretion of DESBT. Applicants are reminded to only submit **original answers** in their application.

EOIs are assessed competitively. Applicants will be notified if they have been shortlisted to progress to Stage 2: Full Application. If the applicant has not been shortlisted, they will be provided with information on other available support.

Stage 2: Full Application

Only shortlisted EOI applicants from **Stage 1** will be invited to submit a full application. In addition to the information provided in the EOI, the full application asks applicants to include the following documents:

- actual business figures, including declaration of turnover and employee count (for the 2021/22 FY)
- a simple balance sheet – including the current asset, debt and equity structure of the business. Clearly and separately identify the value of the intellectual property held by the business, who holds the debt, and on what terms
- a simple profit and loss statement for the previous financial year and current financial year-to-date
- a quote/s or proposals that provide comprehensive details of the specialised equipment that you will be purchasing as part of the project.

Applications are assessed competitively. Applicants will be notified if they have been shortlisted to progress to Stage 3: Pitch.

NB. Once shortlisted to progress to Stage 3: Pitch, applicants **cannot** vary their project.

If the applicant has not been shortlisted, they will be provided with information on other available support.

Stage 3: Pitch

If the Full Application is shortlisted, applicants are invited to pitch to business experts and DESBT executives.

The pitch panel is a critical stage in the application process, providing an opportunity to draw out the merits of the project proposed to be part funded by the grant.

Shortlisted applicants are required to present a succinct and compelling pitch of 5 to 10 minutes, which can include up to three presentation slides to support the pitch. Pitch panel members have an allocated 10 minutes to ask relevant, clarifying questions of the applicant.

To assist applicants to prepare for this stage, DESBT provides an optional practice pitch session to specifically provide feedback on the delivery, content and style of the pitch.

Following the pitch, recommendations are made to the DESBT financial delegate who will approve funding allocations.

Outcomes

All applicants will be advised whether or not they have been successful at the end of the program's assessment process.

Funding agreement and payment of grant funding

Grant recipients enter into a funding agreement with DESBT and consists of:

- the Letter of Approval;
- any other terms agreed in writing between the parties;
- the Business Growth Fund grant program terms and conditions (Terms and Conditions);
- these guidelines; and
- the application submitted by the applicant relating to the grant funded activity.

DESBT will pay grant recipients a single grant payment of up to \$50,000 (excluding GST), and no less than \$25,000 (excluding GST), into their nominated bank account via Electronic Funds Transfer as per the funding agreement.

Completing your grant funded activity

Approved recipients must:

- complete their grant funded activity within **six to twelve months** of receiving approval;
- complete a **progress report** three months after receiving approval;
- not pay for grant funded activities before entering into the funding agreement;
- deliver the grant funded activity as per the funding agreement;
- advise DESBT of any **proposed variations** for **approval** (see next section);
- complete a **final acquittal report** on completion of the project (including details on the assets/services received, project implementation, and the impact on the business including the results and outcomes received), and
- keep all application evidence, supplier quotes, corresponding invoices and bank transactions for **audit purposes**.

Variation requests

Variations are considered on a case-by-case basis. If you need to vary your grant agreement or unable to complete the approved grant funded activity, you must immediately notify DESBT by emailing grants@desbt.qld.gov.au to request prior approval.

Any change to your grant funded activity must be reassessed and approval provided by DESBT before changes can be made.

If you vary your grant funded activity without prior approval the funding agreement may be terminated by DESBT and you may be required to return grant funds.

Audit

Following the full acquittal process, DESBT will run an audit process. Recipients must keep all application evidence, supplier quotes, corresponding invoices and bank transactions, and submit them on request from DESBT for audit purposes.

Further information

For more information about grants or your application, call the DESBT **Small Business Hotline 1300 654 687** or grants@desbt.qld.gov.au

Policy Owner:	Deputy Director-General, Investment Department of Employment, Small Business and Training
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Privacy Statement

DESBT is collecting your personal information for the purposes of:

- managing the Business Growth Fund grants program;
- promoting relevant issues and services to you; and
- researching and reporting on grant programs.

DESBT, including its employees, may use and disclose the personal information provided in the application to third parties for these purposes. Third parties include:

- Queensland government departments and agencies
- Commonwealth government departments and agencies
- Other state or territory government departments and agencies; and
- non-government organisations.

DESBT or the Minister responsible for the Small Business portfolio may publish grant recipient information on government websites or in media releases while publicising the outcomes of the program. Published information may include business name, funding amount, suburb/postcode, and outcome details.

DESBT will only use your information for these purposes. DESBT will be handle your personal information in accordance with the Information Privacy Act 2009. DESBT will not otherwise be use or disclose the information unless authorised or required by law.

You may view the Queensland Government's privacy guide at www.qld.gov.au/legal/privacy

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