Business Basics Grants

Round 6 – Business Enhancement – Frequently Asked Questions

The Frequently Asked Questions (FAQ's) provide further clarification on making a Registration of Interest (ROI) Application and understanding requirements post approval for a Business Basics Round 6 Grant. Further information can also be found in the <u>Guidelines</u>, <u>Terms and Conditions</u>, and the <u>ROI Application sample</u>.

If your question isn't included in these FAQs and you're can't find the answer in the Program documents, please email basics@desbt.qld.gov.au or call the Small Business Hotline on 1300 654 687 to leave a message and we will get back to you within 3 business days, 1 business day for enquiries we deem urgent.

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Application Process

Can I revise my application after submission?

Applicants will not have the option to revise either their submitted Stage 1: Registration of Interest or, Stage 2: Full Application (if selected).

Changes can be made to your application during the applicable application period (see *When will applications open?* below). To request your form be reopened, please email basics@desbt.qld.gov.au or call the Small Business Hotline on 1300 654 687 to leave a message and we will get back to you.

Note: Make sure you re-submit your application and check you have received a notification with a PDF copy of your application. If you don't re-submit, your application will not be assessed.

Can I submit my application after the grant round closes?

Late submissions will not be accepted at any stage during the grant round.

How do I apply?

Applicants must apply via their DCSODSFB SmartyGrants Applicant account – <u>DCSODSFB</u> SmartyGrants Applicant account. Applications submitted via email or in person will **not be accepted**.

What is the maximum number of applications allowed per applicant?

Only one application will be considered per eligible business or financial beneficiary.

DCSODSFB considers a related party and/or financial beneficiary to be those who gain an advantage and/or profits from something including receipt or distribution from a trust, will or life insurance policy. This can include companies with common shareholdings, directors, employees, or immediate family.

Who can I list as the Responsible Person for my application?

The Responsible Person must have a direct link to the applying business. They can be either:

an owner

a business partner

a director

✓ an employee – manager or higher

a trustee

a public officer

✓ an office bearer of an association

✓ a company secretary

When will applications open?

	Open	Close	Notification
Stage 1	30 September 2024	11 October 2024	Est. November 2024
Stage 2	Est. November 2024	Est. December 2024	Est. March 2025

Note: DCSODSFB may adjust key dates at any time, and changes will be reflected in published materials.

DCSODSFB provided notice of the grant and access to supporting documents on 14 September 2024.

Eligibility

What does it mean if I'm eligible for a grant?

Being **eligible** for a grant means that you meet the eligibility requirements as listed in the Guidelines. It also means that you qualify to apply for a grant, but it does not guarantee that you will receive grant funding.

What does it mean if I'm **ineligible** for a grant?

Being **ineligible** for a grant means that you do not meet one or all of the eligibility criteria as listed in the Guidelines. It also means you do not qualify to apply for the grant or if you do apply, your application will not be considered for grant funding.

What is the definition of Applicant?

The Applicant is the legal entity applying for financial assistance under the Business Basics program round. We also refer to the Applicant as the business in the grant Guidelines and FAQs.

Eligibility Requirements

To be **eligible** for this grant, the Applicant must meet the following criteria **at the time of** application submission:

- have less than 5 employees (by headcount*);
- be operating and have an active Australian Business Number (ABN)[^];
- have a registered **Queensland headquarters** location (as per your Australian Business Register (ABR) record);
- a minimum trading history of 1 year;
- a maximum turnover of \$300,000 for the last financial year (2023/24);
- not been approved for funding under an earlier Business Basics round; and
- **not** been **insolvent** or have owners/directors that are an undischarged or currently **bankrupt**.

Please note there is no requirement to be registered for GST in this round.

What is considered eligible headcount within my business mean?

To be **eligible** for the grant program, a business must meet the headcount of less than 5 employees (including 0 employees) at the time of application submission. This includes all full-time, part-time and casual employees including Non-Executive Directors.

However, the following are excluded from this headcount tally:

X business owners,

X directors, and

X contractors.

The employee headcount eligibility is calculated by adding the headcount of permanent staff (full and part-time), excluding owners, directors, and contractors to the average number of full-time-equivalent employees (FTEs) for your casual staff. It essentially includes those that receive a salary of wage from your business.

If your permanent headcount, plus your weekly average casual FTEs brings your headcount below fewer than 5 employees, the Department would consider the business meeting the eligibility required. Further assistance in defining FTE can be found via the <u>Fair Work Ombudsman</u> website.

Refer to Eligibility Requirements on page 3.

^{*} Headcount includes all full-time, part-time and casual employees including Non-Executive Directors.

Your business must maintain this eligibility for the **duration** of the grant funded project.

Do I have to be operating or be an existing business?

To be **eligible** for the grant round, applying businesses must be currently operating and have a minimum trading history of one year at the time of applying for the grant.

Refer to Eligibility Requirements on page 3.

Do I need to be registered for GST?

To qualify for the grant, applicants must possess an active ABN; GST registration is not required for this round of the Business Basics program.

Refer to Eligibility Requirements on page 3.

Does my business have to be operating in Queensland to be eligible?

To be **eligible** for the grant round, applying businesses must have a registered Queensland headquarters location.

Refer to Eligibility Requirements on page 3.

What does 'headquartered in Queensland' mean?

For an applicant, being Queensland-based means that the Australian Business Register (ABR) must designate the business's main business location (MBL) as being in Queensland. DCSODSFB will utilise data registered with the ABR to verify the applicant's eligibility. If DCSODSFB is unable to verify a Queensland MBL at stage 1, you will be asked to provide additional evidence in your Stage 2: Full Application form.

Refer to Eligibility Requirements on page 3 and How do I verify that my main business location is in Queensland? on page 6.

How do I determine the commencement date of my trading history?

To be **eligible** for this grant round, your business must have been trading for at least one year as of **10 September 2023.** DCSODSFB will use your ABN Registration Date to calculate this unless you nominate in your form that you have traded for longer. If so, the form will ask you to explain your circumstances and provide evidence. For example, your business has previously traded under a different ABN than the one provided in your application (e.g. sole trader which has converted to a PTY LTD).

Refer to Eligibility Requirements on page 3.

What is the definition of turnover?

The Australian Taxation Office (ATO) defines turnover as the "amount of money or sales that passes through a business entity in a financial year". A financial year runs from 1 July until 30 June of the following year.

Can I apply for this program if I have previously received funding?

If you have received a Business Boost or Business Growth Fund grant, you can apply for a Business Basics Grant. You however must meet the Business Basics program eligibility to apply.

If you have previously received a Business Basics grant, you are **not eligible** to apply for funding in the current round.

Refer to Eligibility Requirements on page 3.

Are not-for-profit organisations eligible?

Not-for-profit organisations are **eligible** as long as they meet the eligibility criteria for the grant.

What items are eligible for funding?

As outlined in the guidelines, the Department will fund the following eligible activities:

Priority Areas	Examples
 Professional business advice Business plans Financial planning and budgeting Business structure advice Operational efficiency reviews Business mentoring and guidance Strategic partnerships and networking 	 Comprehensive business plan to expand your services outlining the core elements ensuring a structured approach to growth and sustainability. Development of risk management strategies, including contingency plans for operational, financial, and market risks. Support in securing business loans or investor funding, including preparation of financial documents.
 Strategic marketing services Strategic marketing plans including search engine optimisation advice Content marketing strategy Market research Branding strategy Customer Relationship Management (CRM) Implementation 	 Strategy to revamp your business' promotional content through using copywriting services for websites, email campaigns, and promotional materials. Setup of a CRM system to improve customer retention and streamline sales processes. Industry reports detailing industry analysis and forecasts you need to make strategic decisions.
 Website build/upgrades ✓ Website build or upgrade (including website refresh) ✓ Adding eCommerce functionality ✓ Developing new website content ✓ Integration with third-party tools 	 Integrating your website with third-party tools such as customer relationship management (CRM) systems, email marketing platforms, or booking software. Migrating your existing content to a new platform or content management system (CMS) like WordPress, Shopify, or Squarespace.

What items are ineligible for funding?

As outlined in the guidelines, the Department we will not fund:

- activities brought via direct selling (e.g. by party plan or network marketing)
- X delivery, credit card and transaction fees
- ★ equipment of any kind including computer hardware/gadgets (e.g. computer servers, PCs, tablets/iPads, mobile phones, headphones) and other equipment (e.g. televisions, point of sales systems, EFTPOS, card/chip readers)
- X franchise fees
- general business operating costs (e.g., bookkeeping/accounting, tax returns)
- goods, services, or fees from related parties* (see related party definition below)
- ✗ goods and services paid using cryptocurrencies, cash, barter, or services in-kind
- X GST, registration and fees

- implementation of marketing tactics such as advertising, direct marketing or campaign delivery (e.g. Google AdWords, Facebook advertising or similar expenses)
- x memberships and joining fees
- × purchase of stock
- x real estate/property, hire, lease, or rental fees
- × salaries and wages
- ★ software and licenses*
- x travel and accommodation
- × website hosting
- website maintenance generally considered as business as usual
- utilities (e.g. internet, phone, water and/or waste bills)
- × vehicles of any kind

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

^{*}not mentioned in the priority areas

I don't know if my project idea is **eligible**.

If you don't know if your project idea is an **eligible** for the Business Basics grant, the Department, unfortunately, cannot assess it before you submit an application. We encourage all small businesses to review the Guidelines and eligibility criteria before applying, as applications are subject to assessment and may not receive grant funding.

Evidence requirements (Stage 2)

How do I verify that my main business location is in Queensland?

At Stage 1 DCSODSFB verifies that your main business location (MBL) is in Queensland. We perform this check using your Australian Business Register record. If we find your MBL is outside of Queensland, your Stage 2: Full Application form (if selected) will ask you to provide <u>one</u> of the following evidence documents:

- ✓ A copy of the applicant's Australian Securities and Investment Commission (ASIC) company statement or Australian Business Registration (ABR) certificate listing a Queensland address as the 'principal place of business' or 'primary business address'.
- ✓ An accountant's letter confirming the business has changed to a Queensland MBL.

How can I establish the connection between your entity and the business name?

In stage 1, if you nominate a different DCSODSFB entity name to the entity name listed in your Australian Business Register (ABR) record, DCSODSFB will verify both entities are clearly related and operated by the same parties. Your ABR record can confirm the link in several ways, including:

- 'A' has a matching business name registered of 'B'
- 'B' is listed as a trustee associate organisation for 'A'
- 'C' is listed as a trustee associate organisation for 'A' and is a company. 'C' has 'B as their registered business name

If we cannot verify a link using ABR, the Stage 2: Full Application form (if selected) will ask you to provide one of the following evidence documents in your:

- a copy of the applicant's ASIC company statement listing both entities or
- ✓ an accountant's letter confirming the two entities are operated by the same parties and outlining the business relationship.

How do I prove the link between the Responsible Person and the business?

In Stage 1 DCSODSFB will verify the link between the nominated Responsible Person and your business using your business' ABR record.

Your ABR record, in most cases, will be able to show the link, with the Responsible Person listed as:

- ✓ an Authorised Contact with the appropriate Position Held
- ✓ an Associate with the appropriate Relationship Type

If we are unable to verify a link using ABR, you will be asked to provide <u>one</u> of the following evidence documents:

- ✓ a copy of the applicants ASIC company statement listing both entities, or
- ✓ a letter on the Applicant's business letterhead confirming the Responsible Person's position and authority to act on behalf of the business.

Refer to *Who can I list as the Responsible Person for my application?* on page 3 for a list of appropriate positions/relationship types.

How do I prove my identity (Responsible Person)?

At Stage 2: Full Application (if selected), you will be asked to verify the identity of the Responsible Person nominated in the Stage 1: Registration of Interest form. You must provide a completed 100-points of identification check form from the nominated Responsible Person witnessed by a Queensland Justice of the Peace or Commissioner for Declarations.

Please refer to the <u>100 Point Identification Check Form</u> required – details on the proof of identity and approved witness requirements are included on the Form.

Completing the Application Form

What if I'm having issues with the SmartyGrants online application form?

If you're having issues using the SmartyGrants platform when applying for the grant, you should check out the SmartyGrants Applicant resources:

SmartyGrants have developed a <u>help guide for applicants</u> which explains the essential steps you need to take to complete and submit your form:

- View and Navigate the application form
- · Apply and register
- Fill out the application form
- · Review and Submit
- Confirmation
- Submitting multiple applications

- Viewing / Saving / Printing applications
- Request a Variation
- Update your account details or password
- Change owner of a submission
- Share a submission
- Delete & Archive Submissions

SmartyGrants have also developed an <u>Applicant FAQ</u> which lists common issues that users have encountered when using the SmartyGrants platform:

- Q: I have forgotten my password, how do I reset my password?
- Q: Change my account details or password
- Q: I tried to use the reset password and....
- Q: How often should I save my application form? Is there a timeout limit?
- Q: Can I delete a submission?
- Q: Can I change the owner or the application over to another person?
- Q: Can I share my application with someone else?
- Q: What file types can I upload into my application or acquittal forms?
- Q: Unable to submit?
- Q: The round has closed, and I can't submit my applications for reason xxxxxx?
- Q: When I log in I do not see my application.
- Q: Why is the date I am trying to enter not being accepted?
- Q: How does Browser Spellcheck work?
- Q: What browsers are supported?
- Q: How do I download or preview a copy of the form required to apply?
- Q: How do I download a copy (PDF) of my application?
- Q: I was logged out and when I tried to submit my application form, SmartyGrants said the round is now closed but there is still time until the deadline has expired.
- Q: Can I setup multi-factor authentication (MFA)?

If after reviewing these resources you are still having issues, you are able to contact SmartyGrants for technical support on (03) 9320 6888 or you can email service@smartygrants.com.au.

Why am I seeing warning messages in my application?

The online application form will collect information relating to the proposed project and eligibility of the applying business. It will also provide references to the eligibility requirements for the grant round and supporting evidence. If you're seeing warning messages, this is in triggered by your responses to eligibility or confirmation questions in the form. If you require clarification, please contact department support as listed below.

How do I get department support for my application?

Please contact the team via basics@desbt.qld.gov.au or call the Small Business Hotline on 1300 654 687 and leave a message and we will get back to you to answer your questions.

What supporting documentation is required to lodge an application?

The required supporting documentation will be set out in the application forms and will include:

✓ 100-points of identification check form

supplier quote/s

If applicable:

- verify main business location
- ✓ verify link between trust and business
- ✓ verify link between responsible person and business

Refer to Page 5-6 - Detailed application process in the program guidelines.

Proposed Project Details

What does 'proposed project' mean?

The proposed project is the collection of **eligible** activities related to the priority areas for this grant you wish to undertake to receive grant funds. The priority areas for this round of Business Basics includes:

- 1. Professional business advice
- 2. Strategic marketing services
- 3. Website build/upgrades

Refer to What items are eligible for funding? on page 5 for a list of eligible activities and examples.

Can I use more than one supplier?

Applicants can use a maximum of two (2) independent suppliers for their proposed project.

See below for additional requirements for supplier quotes.

What is considered a comprehensive quote?

Business must use an **Australian supplier** for their proposed grant funded project. Quotes must be comprehensive and include:

- ✓ Supplier details supplier name, ABN, contact details and website URL.
- ✓ Details of the project, description of services and outline of key activities.
- ✓ Quotes must be a formal quote/proposal on the supplier's letterhead, unless.
- ✓ Itemised services where there is a cost per service that is being purchased.
- ✓ It's a shopping cart for an online purchase, then a screenshot/print out is acceptable.
- ✓ Can contain **ineligible** activities, but these must be <u>itemised</u>, and must be <u>excluded</u> from the Total Supplier Cost entered into the Application.

Additionally supplier quotes should not:

- X be invoices or proposals
- ★ be from related parties (companies that have common shareholdings or directors, as well as employees or immediate family members)
- 💢 have the same services, that is, not comparison quotes
- X combine supplier quotes

Please refer to the <u>Sample Supplier Quote</u> provided as a reference for what the Department considers to be a comprehensive quote for assessment purposes. For more information on how to provide a valid supplier quote, we recommend watching the following video.

Can I apply for the grant more than once if I have two projects?

Applicants can only submit one (1) application for assessment per round.

Assessment and Outcomes

What is a competitive assessment?

A competitive assessment process is applied for this grant.

Applications will be **assessed** for **compliance** against the **eligibility criteria** and the term and conditions and, their **competitiveness** against the program guidelines and assessment criteria.

Applicants must demonstrate the extent to which the grant funded activity will:

- 1. enhance the business's core skills, adopt best practice, resilience and survivability
- 2. positively impact long-term revenue growth and gross profit
- 3. be likely to create jobs growth within the business; and
- 4. demonstrate value for money

DCSODSFB may also prioritise applications for fair distribution across geographic areas; other economic factors such as priority industries; and Queensland's diverse business population (including diversity in ethnicity, culture, people with disability, gender and age).

Refer to Page 6 – Assessment in the program guidelines for additional information.

When can I expect notification of my application outcome?

DCSODSFB will advise all applicants of the outcomes of their grant application after the ballot process and Stage 2: Full Application assessment.

Due to the grant program's comprehensive assessment, due diligence, and government approval process, applicants can typically expect to receive notification of their submission's outcome following the Key Application Dates outlined in the *program guidelines* (page 1).

All outcomes will be communicated via email. Successful Stage 2 applicants will receive a Funding Agreement Letter detailing the proposed funding agreement and inviting the Applicant to accept the funding terms.

Funding

Can I increase my grant funding amount after approval?

No. The Business Basics grants are fixed at \$7,500 (excluding GST).

How will payments be made?

Once approved, grant recipients will enter into a funding agreement with DCSODSFB and receive funding of \$7,500 (excluding GST). Payments will be made via EFT from the Department into the nominated bank account supplied in the Agreement Acceptance form upon approval. Payments will commence as soon as practicable post receiving your completed form.

Refer to Page 7 – Funding agreement and payment in the program guidelines.

Will you pay my suppliers?

No. DCSODSFB pays the grant funding into the nominated bank account supplied by the Applicant. Applicants must pay their own suppliers in accordance to the grant application, funding agreement and any approved variations.

Can I use subcontractors?

No. You can only pay approved suppliers. If the approved suppliers wish to subcontract, they can do so, but applicants can only pay approved suppliers. If you wish to change your approved suppliers, you can do so by requesting a variation.

Refer to How can I make changes to my project once I'm approved for the grant? below.

Do I have to wait to receive my grant funding to pay my suppliers?

No. As soon as you receive your Funding Agreement Letter from the Department you can start paying your suppliers.

Additionally, applicants have the option to **start paying suppliers once they have submitted their Stage 2: Full Application**. This is at your own risk; we cannot guarantee that you will be approved for the grant. Please ensure your **project hasn't commenced substantially**. If you follow these two stipulations, it will not affect your eligibility for this grant.

Refer to Page 2 – Available funding in the program <u>guidelines</u> and What is the 'Funding Agreement Letter'? on page 12.

What are my tax obligations?

This grant does not constitute payment for the supply of products or services by the Grantee to DCSODSFB. Therefore, this grant is exclusive of GST. For further information on your taxation obligations, you can review advice provided by the <u>Australian Taxation Office on GST and grants</u> or consult a professional advisor to assess any potential taxation implications.

Will I be reimbursed for the GST I spend?

No. Grants are **not subject** to GST and therefore, GST is not payable. The total grant funding will not compensate for any GST spent by the business.

Amendments to Approved Project

How can I make changes to my project once I'm approved for the grant?

Grant Recipients are required to contact the team via basics@desbt.qld.gov.au and request a Variation Request form for any changes to their approved grant funded project.

This form allows Grant Recipients to request a variation to their Business Basics grant funding agreement, held with the Department of Customer Services, Open Data and Small and Family Business (DCSODSFB).

Grant Recipients can request a variation to make changes to:

- project end date (an extension)
- business details (business name, ABN, contact information or change of business ownership).
- supplier/s (funding redirection, supplier change).
- scope of the project (title, description, priority area and/or activities).

The form can also be used to **withdraw** from the funding agreement and receive instructions on how to return grant funds if they have been paid to the Grantee at the time of withdrawal.

Refer to the <u>Making changes to your approved grant</u> page on the Business Queensland website for further details.

Conditions of Grant Funding

When should I start my project?

Refer to **Do I have to wait to receive my grant funding to pay my suppliers?** on page 11.

What is the 'Funding Agreement Letter'?

The Funding Agreement Letter is legally binding and consists of:

- 1. Grant Project Timeline
- 2. Approved Supplier details
- 3. Funding Conditions
- 4. Variation Request requirements
- 5. Project Reporting
- 6. Grant Funding and Payment details
- 7. Support Resources

Unsuccessful Applicants

Can I request a re-assessment?

Decisions related to the eligibility of grant funding applications according to the program guidelines can be reviewed. However, decisions made with relation to registrations of interest, public interest grounds and comparative assessment will not be reconsidered.

Should you believe there has been an error in the procedural aspects of the assessment, you may request a review. Such a request must be lodged in writing within 30 days of being notified, and should detail your reasons for re-examining the decision, supported by relevant documentation.

Refer to the <u>Decision review process for grant applications</u> page on the Business Queensland website for more information.

Can I request feedback on my application?

In Stages 1 if you are unsuccessful, feedback will only be provided based on key areas of the eligibility and will not go into the competitive merits of your application. **Eligible** Registration of Interest applications enter a ballot process with selected applicants invited to submit a Stage 2 Full Application.

If you are unsuccessful at Stage 2 of the process, personalised feedback, including overall trends and common areas for improvement will be provided on request to basics@desbt.gld.gov.au.

The Business Basics grant program is a highly competitive grant, with applications exceeding available funding. We conduct thorough assessment processes to competitively evaluate each grant and ensure value for money across Queensland.

While we can offer explanations for application declines based on ineligibility or evidentiary reasons, we are unable to provide extensive personalised feedback for each competitively assessed application.