

# Business Growth Fund

## Round 3, Guidelines

The updated guidelines contain essential information on the purpose of the grant including eligibility, how to apply and your obligations as an applicant. You should read these guidelines in full before applying.

### About the program

The Palaszczuk Government supports small business through a range of initiatives. The Business Growth Fund (BGF) targets high-growth businesses who can accelerate growth, drive the Queensland economy and employ more Queenslanders.

The BGF program administered by the Department of Employment, Small Business and Training (DESBT) provides grant funding for small and medium businesses experiencing **high-growth**.

The grant funding assists the business to buy **specialised equipment** to unlock growth potential, increase production, expand its workforce and maximise economic returns.

### Program outcomes

Funded businesses are expected to increase business confidence by:

- improved growth transitioning from small to medium sized
- increase 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, a single up-front payment of up to \$50,000 (excluding GST) is made available for the business to purchase and implement highly specialised equipment to enable the business to move to the next stage of growth.

Grant funding will be awarded after a competitive assessment process that includes pitching to business experts and DESBT executives.

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

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

### What can the funding be used for?

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

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



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.

## Who can apply?

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.

## 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 active 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, and
- not be insolvent or have owners/directors that are an undischarged bankrupt

## What won't be funded?

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

- goods purchased by cryptocurrencies, third-parties, barter trade or services in-kind
- GST, registration and fees
- real estate/property fees, hire, lease, or rental fees
- 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
- fees for any activities or equipment provided by related parties (such as companies with common shareholdings or directorship with the applicant, and employees or immediate family of the applicant)

## When must the project be completed?

All projects (i.e. the purchase and implementation of specialised equipment) approved for funding **must be completed within six months of the project commencement date**.

You **must** advise DESBT of any variations to the project dates. If project dates are not met, you may be required to return some or all of the grant funding to DESBT.

## When and how can you apply?

Businesses can apply after completing an Mentoring for Growth (M4G) session ([www.business.qld.gov.au/growthfund](http://www.business.qld.gov.au/growthfund)). After completing an M4G session, and DESBT receives confirmation of attendance, the business is provided with a link to apply for the grant. The fund opens 11 May 2021. Applications must be made online via the SmartyGrants system.

## What is the application process?

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

**Stage 1:** After completing an M4G session specific to the Round 3 BGF, the business is provided with a link to apply for the grant

**Stage 2:** Applicants complete a full application for competitive shortlisting assessment

**Stage 3:** If the application is shortlisted, applicants are invited to pitch to business experts and DESBT executives

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

### 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.

## Stage 1: Mentoring for Growth

Businesses are to register for an M4G session specific to the Round 3 BGF application before applying for BGF. This session connects businesses to mentors (volunteer business experts) who provide feedback in relation to the business' growth opportunity and options for applying.

The M4G session is a supportive and dedicated time for you to discuss the potential growth of your business with mentors.

To prepare for the M4G session, businesses should gather information about the financial standing of the business, succinct information about the growth opportunity and the impact of the grant funding to accelerate growth.

After the M4G session, the business is offered/invited to apply for BGF.

## Stage 2: Application

Businesses are required to complete an online application via the grants administration system SmartyGrants.

The application requires information and evidence in relation to the current standing of the business, the growth opportunity, and the activities to be funded by the grant (purchase and implementation of specialised equipment), specifically:

- 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 of how the project will help create jobs in Queensland or increase strategic capability and meet the BGF program outcomes;
- confirmation of the business' financial contribution; and
- a declaration the project is not part of the everyday operations of the business.

### Supporting documentation required to evidence the application

Applications must include the following documents:

- a **business plan** outlining the key elements of the business and forecasted opportunities
- **projected business figures**, including declaration of turnover and employee headcount
- 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, and
- a **quote/proposal** that provides 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 the pitch stage. If the applicant has not been shortlisted they will be provided with information on other available support.

## Stage 3: Pitch

If the application is shortlisted, applicants are invited to pitch to business experts and DESBT executives. Videoconferencing facilities are available.

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 additional M4G panel session to specifically provide feedback on the delivery, content and style of the pitch. For

further information about the M4G Program and to register visit [www.business.qld.gov.au/mentoring](http://www.business.qld.gov.au/mentoring).

## Outcomes

All applicants will be advised whether or not they have been successful in applying for the grant.

## Useful links

Preview the application [here](#)

FAQs [here](#)

## Other conditions

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

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

If successful, the grant amount will be paid upon approval and receipt of a valid tax invoice from the applicant and the applicant's bank details.

The application and selection process, and assessment criteria, may be varied or discontinued by DESBT as required at any time and **for any reason, in its sole discretion**.

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

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

If your application is successful a single upfront grant payment will be made directly to the bank account provided. 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 DESBT.

**If the successful applicant underspends on any of the proposed activity the business may need to pay back some of your grant funding.**

**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.**

## Appeals

Businesses may request a review of a decision made by the Queensland Government in relation to the provision of funding or a declined application under BGF within 28 business days.

Businesses will be notified in writing of the review outcomes within 30 business days from receipt of the appeal.

## Further information

For more information about grants or your application, call DESBT **Small Business Hotline 1300 654 687** or email [grants@desbt.qld.gov.au](mailto:grants@desbt.qld.gov.au)

## Additional information for businesses

[www.business.qld.gov.au](http://www.business.qld.gov.au) has information on starting and developing businesses. [www.business.gov.au](http://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](http://www.ato.gov.au). [ablis.business.gov.au](http://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
- register for a M4G BGF session
- received a link to apply for BGF
- complete and understood the online application form
- uploaded detailed quote/s from supplier/s
- submitted the application, and
- received notification of the application outcome before commencing the project

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## Privacy Statement

The Queensland Government is collecting your personal information to assess and coordinate grants in relation to the Business Growth Fund Program.

The Queensland Government, its officers, employees, agents and subcontractors may use and disclose any of the information provided within the application to third parties including Queensland government departments and agencies; Commonwealth government departments and agencies; other state or territory government departments and agencies and non-government organisations for purposes associated with administration of the Business Growth Fund Program, promotion and research purposes.

Information relating to successful grant applicants may also be the subject of disclosure such as media releases as otherwise provided in the approval letter, the terms and conditions in the application, and the terms and conditions in these guidelines.

The Queensland Government or the Minister responsible for the Small Business portfolio may publish information relating to grant recipients such as business name, funding amount and suburb/postcode on government websites and other details in the course of publicising the outcomes of the grants program which may include details of outcomes achieved from the recipient's grant.

The Queensland Government will only use your information for these purposes. Your personal information will be handled in accordance with the Information Privacy Act 2009 and will not otherwise be used or disclosed unless authorised or required by law.

The Queensland Government's privacy guide in relation to the treatment of information collected may be viewed at [www.qld.gov.au/legal/privacy](http://www.qld.gov.au/legal/privacy).

## Disclaimer

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