



Department of
**Primary Industries and
Regional Development**

INVESTOR READINESS PROGRAM

Investor Ready Grants Program

Frequently Asked Questions (FAQ)

Supporting our WA agriculture and food businesses
to become investor ready



Investor Ready Grants Program

Frequently Asked Questions

These frequently asked questions (FAQ) apply to the grants for the Department of Primary Industries and Regional Development (DPIRD) Investor Ready Grants Program. The Investor Ready Grants Program supports agriculture and food businesses to become investor ready by providing grants to access specialised support and professional services.

Applicants should read this document in conjunction with **the Investor Ready Grants Program Guidelines** prior to submission.

Applications close 5pm AWST Friday 13th January 2020

1 Eligibility

1.1 What does investor readiness mean?

Investor readiness is the extent to which a business can demonstrate that it can attract and work with a compatible external investor and provide the required information to enable an investor to make an investment decision.

1.2 Which business or industry sectors are eligible to be considered for funding?

WA based regional and metropolitan businesses who are looking to invest in regional WA and who are small or medium agriculture and food businesses, are eligible to apply. Agriculture and food businesses typically fit into one of seven sectors; meat and livestock, grains and feed, horticulture, premium food and beverages, dairy, aquaculture and seafood or other (e.g. honey, forestry).

1.3 My business has more than 200 employees – can I apply?

No. Only SME's with up to, and including 200 employees can apply. This includes sole-traders, private sector firms, partnerships and non-profit entities.

1.4 My business doesn't have an ABN or CAN – can I apply?

No. Only agriculture and food businesses registered and operating in Western Australia that have an ABN or CAN can apply.

1.5 My business has an annual turn-over of more than \$20m – can I apply?

No. Only businesses with an annual turn-over of up to \$20 million can apply.

1.6 My business hasn't been operating for two years – can I apply?

No. Only SME's that have been operating for a minimum of two years can apply. This is to provide a level of assurance that the business has, to a certain point, established suitable business models, financial resources and personnel in place. The Investor Ready Grants Program is not targeting early stage businesses or start-up businesses.

1.7 I have already received a grant from the State or Federal Government – can I apply?

Possibly. If the grant you have already received relates to the services you are requesting funding for under the Investor Ready Grants Program, then you will not be eligible to apply. However, if the grant you have received relates to a different project/aspect of your business then you will still be eligible to apply. You should contact DPIRD before applying.

2.1 What are the funding options under the Investor Ready Grants Program?

Service provider engagement. This enables agriculture and food businesses to access an independent third party professional service provider that will support capacity development in investor readiness.

2.2 Do I need to have a service provider in mind before I apply?

Yes.

Your application will need to include a service proposal/quotation from the service provider(s) you wish to engage. This will need to be attached to your 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; and
- the estimated number of consulting hours or days for each of the key activities.

Your application will also need to include an independent third party disclaimer from your preferred service provider(s).

2.3 What is the independent third party disclaimer?

Your preferred service provider(s) must state that they are an independent third party to you – the applicant. This declaration can either be included in the service provider's quotation or provided as a separate letter (must be on their company letter head). The declaration needs to state:

“This is to confirm that [Service Provider Company Name] is an independent third party, and that [Service Provider Company Name] has no direct connection or relationship with [Applicant Name]”.

2.4 What types of professional services are eligible for funding?

Eligible items for financial support may include:

- Developing an appropriate corporate structure for capital raising, including legal advice;
- Developing investment strategies;
- Coaching for pitching or negotiating with investors;
- Developing an investment memorandum or pitch pack;
- Developing financial models (including auditing);
- Measuring social or environmental impacts; or
- Developing legal advice (shareholder agreements, share subscription agreement, contracts, intellectual property, employee contracts, insurance etc.).
- Applicants should discuss their proposed activity with a DPIRD officer prior to applying to ascertain eligibility.

2.5 What types of professional services are NOT eligible for funding?

Funding cannot be spent on:

- General business or operational activities including salaries;
- Purchasing stock;
- Business and strategic planning;

- Marketing and promotional activities;
- Regulatory approvals and permits;
- Website development;
- Maintenance and upkeep of facilities; and
- Equipment capital expenditure.

2.6 Can I apply for funding to access more than one professional service? (E.g. can I engage multiple service providers using the one grant?)

Eligible agriculture and food businesses can engage up to TWO professional service providers with these funds. However, the services being accessed must fall under the SAME service category as indicated in the application form.

For example, if an applicant has identified 'Development of Financial Models (including auditing)' as their service category, they are able to apply to access one professional service provider to audit their financial statements and a second professional service provider to develop their shareholder equity statements. The applicant cannot use quotations from two separate service providers for the same piece of work (e.g. both quotations cannot be used for developing shareholder equity statements).

2.7 Can I apply for funding for professional services that have already commenced?

No. Only activities which commence in line with the successful application and which have not commenced prior to notification of successful outcome for this funding.

2.8 My service provider is not based in Western Australia is that ok?

No. All service providers must be based in Western Australia.

2.9 When do the professional services have to be completed by?

The professional services must be completed within three months from the notification that your application has been successful. Further information on timelines is provided under section 5 - 'Application Outcome'.

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Application

3.1 How do I apply?

All applications must be submitted online using the **SmartyGrants** application form.

3.2 How will I know if my application has been received?

Once you have submitted your application, you will receive an acknowledgement email that your application has been received. If you do not receive an acknowledgement email, please contact investorreadiness@dpird.wa.gov.au

3.3 Can I update/revise my application after it has been submitted?

Yes. If you wish to revise your application and applications have not closed, please contact investorreadiness@dpird.wa.gov.au and provide your application number, and your application will be re-opened.

3.4 Can I submit more than one application?

Yes. You may submit more than one application, but applicants will only be eligible to receive ONE grant.

3.5 Can I attach supporting documents to my application?

Yes. At the minimum you will need to attach the following documents to your application:

Service delivery plan and quotation from service provider(s)

This should include:

- the product or service being provided including a break-up of key activities;
- the estimated number of consulting hours or days for each of the key activities
- the independent third party disclaimer (outlined in 2.7.1)

3.6 I am having difficulties with the Smarty Grants application form – who can I contact?

For technical issues or queries with the Smarty Grants application form, please contact Chia De Costa on Chia.DeCosta@dpird.wa.gov.au or (08) 6552 2134 (Monday to Friday) or (08) 9368 3059 Thursday – Friday).

4 Grant Value

4.1 What is the value of each grant?

Up to \$20,000 is available per grant.

4.2 How much do I need to contribute?

Recipients will need to match funding on a minimum of a \$1 to \$1 basis. For example, if an applicant applies for \$20,000 in funding, they will need to demonstrate they are able to match the funding and provide a minimum co-contribution of \$20,000.

4.3 What happens if the cost of professional services is less than \$20,000?

Grants provided will be up to the value of \$20,000. For example, if the professional services are quoted at \$15,000 (excluding GST), the applicant will be eligible to apply for funding of up to \$7,500 and be required to provide the remaining 50% (\$7,500) as co-contribution.

4.4 What happens if the cost of professional services is more than \$40,000?

If an applicant would like to engage a professional service provider that is quoted at more than \$40,000 (excluding GST) they (the applicant) will be required to pay the excess amount. For example, if the professional services are quoted at \$60,000 (excluding GST), the applicant may apply for funding of \$20,000 and then would be required to provide matched funding of \$20,000 PLUS the excess cost remaining (\$20,000). In total, the applicant would be paying \$40,000 of the \$60,000.

4.5 Are grant payments subject to GST?

No. DPIRD does not regard grants under the Investor Readiness Grants Program as payment for supply, therefore the grants will not be increased to include GST, nor will DPIRD provide reimbursement for GST. Upon completion of the professional services, grant recipients must provide DPIRD with a GST exclusive tax invoice.

5 Application Outcome

5.1 What is the assessment process? DPIRD will initially screen all applications for eligibility. A panel will then assess the competitiveness of each application based on the following merit criteria:

Merit Criteria	Weighting
1. Demonstrated pathway and rationale for investment/capital raising (how and why are you seeking to raise capital?)	30%
2. Demonstrated business growth/expansion/diversification potential: 2.1 projected market access; 2.2 projected production growth; and/or 2.3 projected revenue growth.	30%
3. Demonstrated value for money of services sought (what is the project going to deliver and how will it add value?).	20%
4. The impact/level of change the business growth/ expansion/ diversification will have on: 4.1 regional job creation (both direct and indirect positions); and 4.2 regional economic diversification.	20%

5.2 Will I be required to provide further information to support my application at any future stage?

No. The assessment process for the Investor Ready Grants Program will not include due-diligence and therefore further information will not be required. However, where necessary, applicants may be requested to clarify components of their application.

5.3 What happens if my application is not successful?

If your application for funding is unsuccessful, an officer from the Agribusiness, Food and Trade team will be available to discuss any other support DPIRD, or the Regional Development Commissions may be able to provide. This may include being linked with relevant Departmental contacts, site visits, sector resources or being notified of future events and/or grant opportunities. Applicants can apply for future funding schemes if they occur.

5.4 When will I find out if I am successful?

Applicants will find out if they are successful in January 2020. The following *estimated* timelines apply to the Investor Ready Grants Program:

Timeline	Activity
1 st November 2019	Applications Open
13 th January 2020	Applications close
January 2020	Applicants notified of outcome
1 st June 2020	Deadline for invoice and letter submission

5.5 What will I need to do to receive the funds if I am successful?

All grant funding must be approved prior to receiving services. No retrospective payments will be made.

Reimbursement payments will be made and subject to the applicant providing:

- Evidence of expenditure
- Related invoice
- Statement of the outcomes that have been achieved. A template will be provided to help you with this.

Successful applicants will receive a letter of funding that sets out the terms and conditions of the funding.

5.6 When will I receive funding if I am successful?

The funding will be paid upon project completion and submission of the project final report; and presentation of a GST exclusive tax invoice for the professional services.

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Have another question?

Get in touch with an Agribusiness, Food and Trade team member on 08 9368 3853 or email investorreadiness@dpird.wa.gov.au.

