

BUSINESS GRANTS, LOANS & INCENTIVES IDENTIFYING FUNDING OPPORTUNITIES FOR YOUR PROJECTS



APPLIED SUPPORT SERVICES
MANAGEMENT CONSULTING

FOREWORD

This guide outlines the information an organisation needs to disclose to establish its eligibility for government funding, government grants or tax incentives.

Section One: Applicant Eligibility

Section One is about applicant eligibility. This disclosure is required to evaluate your entity's eligibility to apply for funding.

Section Two: Your Project(s)

Section Two asks for information about the project(s) the entity is looking to obtain funding for.

Section Three: Appendices

Section Three includes (a) overview about the types of funding available, (b) typical due diligence requirements, and (c) information about the IRD's R&D Tax Incentive scheme.



BUSINESS GRANTS, LOANS & INCENTIVES

IDENTIFYING FUNDING OPPORTUNITIES FOR YOUR PROJECTS

Section 1 Applicant Eligibility

Section 2 The Project

Section 3 Appendices

Contact Us



SECTION ONE: ELIGIBILITY

The first step is to establish if the applicant organisation is eligible for funding. Different funding agencies, grant schemes and tax incentives all have separate organisational eligibility criteria. These criteria include:

- Company's Office Details, Company Number, NZ Business Number
- Financial Statements, Financial History, Cash Flow Projections
- Ownership, % Overseas Ownership
- Directors, Shareholders, Shareholding %
- Bank Account and GST Numbers
- Previous Government Grants Received
- Business Model and Strategy
- Business Plan - Documented
- Marketing Plan - Documented
- Export Marketing Strategy - Documented
- Research and Development Plans - Documented
- Intellectual Property Protection Strategy- Documented



SECTION TWO: THE PROJECT(S)

Project title.

- What is the title, or name of your project? (This may become a public record).



SECTION TWO: PROJECT OBJECTIVES

The problem.

- Define the problem the project will focus on.

What is the overall business purpose of the project?

- Will the project create new business models, new markets; or develop new products, services, processes, or systems?

What are the project's objectives, milestones and deliverables?

- What are the acceptance criteria, or performance specifications, for the outputs that will be created by the project?
- Outline key milestones and go/kill points throughout the project lifetime.



SECTION TWO: PROJECT STATE OF KNOWLEDGE

State of knowledge.

- Describe the fields of knowledge your project will encompass.
- Describe the new knowledge you will obtain if the project achieves its objectives.

Summarise the publicly available state of knowledge about the problem and your project's objectives.

- Provide evidence the new knowledge you require cannot be purchased, or is not freely available.



SECTION TWO: INTELLECTUAL PROPERTY

Intellectual property.

- What new intellectual property will the project create for your organisation?
- Briefly outline your organisation's IP strategy or IP policy and procedures.

Will you be seeking IP protection for the outcomes of your project?

- Have you conducted a freedom to operate search? If so, summarise your findings.
- Have you applied for, or been granted a patent, or provisional patent?



SECTION TWO: INTELLECTUAL PROPERTY

Will the project create tangible or intangible assets for the organisation?

- Describe how new assets created by the project will be expensed and/or capitalised in your accounting system.
- Will any prototypes, materials, technology or equipment used in the project have any residual value to your organisation when the project is completed?



SECTION TWO: PROJECT RISK

Describe the technical challenges or uncertainties the project will face.

- Based on your current state of knowledge what are the risks that the project will not achieve some, or all, of its objectives?
- Based on your current state of knowledge outline any potential obstacles that could cause the project to fail to solve your problem.

How will you manage project risk?

- For example, describe how you manage project budget risk and project outcome risk.
- Do you use a formal project management discipline, like Stage and Gate? If so, name the discipline.



SECTION TWO: PROJECT RESOURCES – INTERNAL

Internal resources.

- What internal skills are available to achieve the project objectives?
- Name the internal personnel that will be working on the project and form the project team.
- Include the project manager, project planner, project accountant, researchers, project assistants, technical staff, etc.



SECTION TWO: PROJECT RESOURCES – EXTERNAL

External resources/expertise.

- Based on your current state of knowledge what external expertise and skills are required to achieve the project objectives?
- Will you need to prepare a Request for Proposal, or scope of work brief for third parties?
- If known, name the key external personnel that will be working on the project.



SECTION TWO: PROJECT RESOURCES – MATERIALS, CONSUMABLES, OVERHEADS

Project materials, consumables, equipment and technology.

- List all materials, consumables equipment and technology, that will be required to undertake the project.
- Provide cost estimates of the materials, consumables equipment and technology that will be required to undertake the project.
- Include cost estimates for prototype development, testing, trials, laboratory and analytical costs, compliance and standards testing.



SECTION TWO: PROJECT SCOPE - START & END DATES, BUDGET

Project scope.

- Prepare a Gantt chart of the project's objectives, deliverables, resources, work breakdown structure, personnel, materials and consumables costs, and timelines. (Refer to the illustration on the next slide).
- Have you prepared and documented the project scope?
- Have you obtained board, management and finance department approval for the project?
- Why does the project require funding from the government, tax incentives or investors?

Project Start Date. dd/mm/YYYY

Project End Date. dd/dd/YYYY

Project Budget. \$ 0.00



SECTION TWO: PROJECT GANTT CHART

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
	Company name:														
	Name the project here:														
	Last Updated : Revision Date				Hide if not needed										
							2022								
	PROJECT OBJECTIVES or DELIVERABLES	Project Leader	Start Date	End Date	Duration (Days)		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1	Obj 1:				0										
					0										
					0										
2	Obj 2:				0										
					0										
					0										
3	Obj 3:				0										
					0										
					0										



APPENDICIES

Appendix 1 - What Type of Funding is Available?

Appendix 2 – Due Diligence

Appendix 3 - Disclosure for the Research and Development Tax Incentive



APPENDIX 1 – What type of funding is available?

Government, foundations, trusts, investors, and other sources fund a wide range of business projects. Projects that cover, for example:

- Agriculture and primary sector activities
- De-carbonisation and GHG emission reduction projects
- Energy conservation
- Export credit
- Food and fibre projects
- Green investment finance
- Horticulture
- International market development
- Medical and health research
- Process research and development
- Product research and development
- Research and development tax incentive
- Start-up capital and venture funding
- Systems research and development
- Venture funding
- Waste minimisation



APPENDIX 1 – Learn more about business funding, grants and support here

Useful Links

Business Funding, [Grants and Support](#)
[Climate Change](#) Funding
[Energy](#) Grants
Medical and [Health Research](#) Funding
[Primary](#) Sector Funding
Research and Development [Grants](#)
Research and Development [Tax Credit](#)
[Student](#) Grants



APPENDIX 2 – Due Diligence, Financial Disclosure

Due Diligence.

Applicants for New Zealand government grants are usually required to be entities registered under companies act 1993, have a New Zealand IRD and GST number and have a New Zealand bank account. Funding agencies have different requirements for company disclosure and what may be termed “Due Diligence”. It is the applicant’s responsibility to ensure that all company-related disclosure is true, accurate and correct. The types of information that may be requested, or arise during either the application or review process, may include but are not limited to:

Financial Disclosure.

- Annual accounts for a past financial years, as specified by the funding agency.
- Latest management accounts, including income statement and balance sheet.
- Cash-flow forecasts for the duration of the project for the funds being sought.
- Independent financial audits by a member of the NZICA.
- Letters from shareholders agreeing to funding agency terms and conditions.
- Bank statements.



APPENDIX 2 – Due Diligence, Project Plan, Budget, Market Validation

Project Plan and Budget.

- A documented project plan with objectives, deliverables, timeframe and budget.
- Written estimates or quotes from third party suppliers.
- Estimates of internal time spent and costs incurred for the duration of the project.
- Calculations for residual values of prototypes created during the project.
- Project risk and risk mitigation.
- CVs of project team members.

Market Validation.

- Independent market research reports validating the size and value of the target market.
- Business models showing the value proposition of a proposed new product or service.
- Purchase orders or expressions of interest from potential customers a new product or service.
- Identification of the stakeholders and other beneficiaries of the outputs of the project.



APPENDIX 2 – Due Diligence, IP, Project Benefit to New Zealand

Intellectual Property.

- Copies of patents and other IP rights documents. Results of Freedom to Operate searches.
- Copies of IP protection strategies, Intellectual Property Asset Reviews.
- Signed copies of Non-Disclosure agreements between the applicant and other parties contracted to undertake work on the project for which funding is being sought.

Project Benefit to New Zealand.

- Evidence that the project will generate export revenues.
- Evidence that the project will generate wide “net economic benefits”.
- Evidence that the project will generate environmental or sustainability benefits.
- Evidence that the project will have benefits beyond the intended outcome including job creation, capability building and human capital development.



APPENDIX 3 – Disclosure for the Research and Development Tax Incentive

R&D Tax Incentive applicants must have activity that meets the IRD's core research and development activity criteria.

Core research and development activity means an activity that:

- “(i) is conducted using a systematic approach; and
- (ii) has a material purpose of creating new knowledge, or new or improved processes, services, or goods; and
- (iii) has a material purpose of resolving scientific or technological uncertainty;

But does not include an activity, if knowledge required to resolve the uncertainty, is

- (i) publicly available;
- (ii) deductible by a competent professional in the relevant scientific or technological field.

A systematic approach is a methodical (organised and planned) approach to formulate and test possible solution(s) to the uncertainty. How this looks will be different in different sectors. Also, to claim the tax credit your activity cannot be on the list of excluded core research and development (R&D) activities”.



APPENDIX 3 - Disclosure for the Research and Development Tax Incentive

Eligible costs under the research and development tax incentive include:

- “depreciation loss for items used in performing R&D
- expenditure or loss on acquiring goods and services used in performing R&D, and
- amounts for employees performing R&D.”

Depreciation costs include facilitative assets and end-result assets.

Expenditure or loss to acquire goods and services used in performing R&D must have a direct relationship with the R&D activity to be eligible. An apportionment is required where the goods or services are also used in non-R&D activities.

Amounts for employees are eligible, to the extent they relate to performing R&D. This includes:

- salary and wages, bonuses
- employee share schemes
- employee recruitment and relocation costs
- overtime
- holiday pay
- long-service pay, and superannuation contributions.



APPENDIX 3 - Disclosure for the Research and Development Tax Incentive

Joint Ventures and Partnerships.

Are the research activities and/or research costs of any of the projects being shared with one, or more, other company? For example, a joint venture or partnership arrangement. If so, are there any common directors or shareholders across the applicant company and any of the joint venture or partnership companies?

Overseas Research.

- Is any of the research work being undertaken in locations, or sites, outside of New Zealand?
- Is any of the research work being undertaken by contracted researchers located outside of New Zealand?





BUSINESS GRANTS, LOANS & INCENTIVES.
PROJECT EVALUATION,
PLANNING & FUNDING APPLICATION SERVICES



APPLIED SUPPORT SERVICES
MANAGEMENT CONSULTING

Drafting Tools for Responding to this Brief

We have drafting documents to assist your team to provide their contributions and inputs to this briefing.

These include:

- Microsoft Word Templates
- Microsoft Excel Templates
- Adobe pdf documents

To obtain your copies of our document drafting templates for this briefing contact us.



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INDUSTRY SECTOR EXPERIENCE

Agribusiness	Industry Associations
Agriculture	Insurance
Air Conditioning Engineering	Information Technology
Aquaculture	Manufacturing
Architecture	Marine
Bath & Shower Manufacturing	Media
Biotechnology	Medical
Building	Minerals
Chemicals	Non Government Organisations
Computing	Nutrition
Construction	Packaging
Crown Research Institutes	Oil & Gas
Cut Flowers	Pharmaceuticals
Distribution	Plastics
Education	Price-Escalation
Electronics	Property
Energy	Recycling
Engineering	Refrigeration Engineering
Entertainment	Retail
Environment	Seafood
Fertiliser Manufacturer	Shipping
Food & Beverage	Software
Food Processing	Technology
Freight	Telecommunications
Government Central	Tourism
Government Local	Training
Horticulture	Transport
Housing	
Incubators	

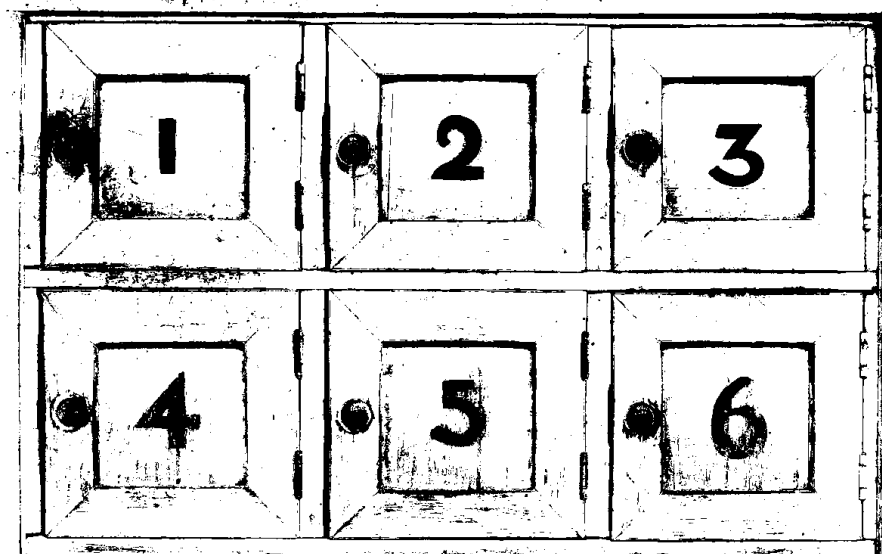


REFERENCES & SOURCES

Ministry of Business, Innovation and Employment
Inland Revenue
Callaghan Innovation
Agmardt
Crown Research Insititutes
Ministry of Primary Industries
Applied Support Services Limited
New Zealand Trade and Enterprise
Medical and Health Research Funding Agencies
Venture Funding Organisations
New Zealand Government



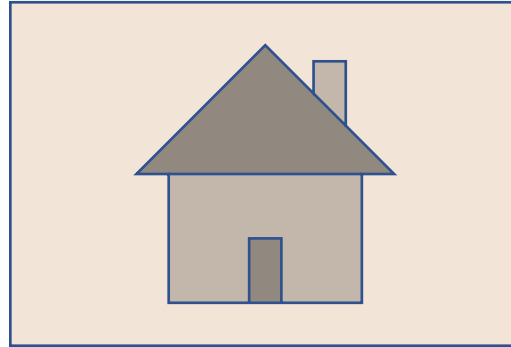
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