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CODE FOR
BUSINESS DEVELOPMENT
BOARDS 1992

BUSINESS DEVELOPMENT BOARDS ACT 1991
CODE FOR BUSINESS DEVELOPMENT BOARDS 1992

Pursuant to section 7 of the Business Development Boards Act 1991 the Minister of Business Development hereby prescribes the following code.

CODE

- 1. Title and commencement** - (1) This code may be cited as the Code for Business Development Boards 1992.
(2) This code shall come into force on the twenty-seventh day of February 1992.

- 2. Definitions** - In this code, unless the context otherwise requires -
- (a) "Government's Enterprise Assistance Package" means the Government's economic, business and employment initiatives which are delivered by a range of agencies; and
- (b) "Business Development Programme schemes" means the Business Development Investigation Grant (BDIG), the Expert Assistance Grant Scheme (EAGS) and the Enterprise Growth Development Scheme (EGDS).

PART I
GOALS OF THE BOARDS

- 3. Goals of Business Development Boards** - The goals of each Business Development Board are -
- (a) To encourage the establishment of viable new business enterprises; and
- (b) To encourage the expansion of viable existing business enterprises; and
- (c) To contribute to increasing employment.

PART II
ACTIVITIES BOARDS ARE TO UNDERTAKE

- 4. Activities** - The activities each Board is to undertake are -
- (a) To provide advice to the Minister of Business Development relating to business development in its region in accordance with clause 5 of this code; and
- (b) To ensure that Business Development Board services are available in its region in accordance with clause 6 of this code; and
- (c) To ensure that information on the Government's Enterprise Assistance Package is effectively promoted and publicly available; and
- (d) To ensure that the Business Development Programme is effectively promoted and the public has ready access to the programme; and

- (e) To administer the Business Development Programme schemes in accordance with the procedures specified in the Schedule to this code; and
- (f) To encourage and promote business development in its region.

- 5. Advice to the Minister** - Each Board is required to advise the Minister, on at least a monthly basis, in relation to -
- (a) Significant business developments in its region; and
- (b) Significant matters affecting business development in its region; and
- (c) The broad range of issues which impact on its region's development.

- 6. Business Development Board services** - Each Board is responsible for ensuring that in the Board's region -
- (a) Information on the Government's Enterprise Assistance Package is publicly available; and
- (b) Information on the Business Development Programme schemes is publicly available; and
- (c) Clients needs are quickly assessed and that contact is facilitated with the appropriate agencies in the private or public sectors.

PART III
RULES AND GUIDELINES

- 7. Liaison with Maori** - (1) Each Board shall establish and maintain contact with the appropriate local Maori organisations.
(2) Each Board is to liaise with these groups in undertaking its activities.

- 8. Liaison with other agencies** - In carrying out the activities specified in clause 4 of this code each Board shall liaise with business groups, sector groups, government departments and agencies, and ethnic groups in its region.

- 9. Board minutes** - (1) The minutes of each meeting of each Board are to be kept in a book specially reserved for the purpose.
(2) The minutes are to be certified as correct by the Chairperson, or deputy Chairperson, and agreed by the Board as a true and accurate record.
(3) The Chairperson shall forward a copy of the minutes of each meeting of the Board to the Minister before any subsequent meeting of the Board.

- 10. Charging of fees** - Boards shall not charge fees for undertaking any of the activities specified in clause 4(a) to (e) of this code.

- 11. Approval of expenditure** - All expenditure must be approved by the Board.

- 12. Financial statement** - (1) Each Board shall prepare a monthly financial statement.
(2) The statement shall -

- (a) Specify expenses incurred from the beginning of the relevant financial year to the end of the month to which the statement relates.
- (b) Detail expenses by budget item, shown as a percentage of the Board's total budget.
- (3) The statement shall be sent to the Minister.

13. Support for domestic industry in purchasing - Each Board shall follow the Government's public sector agencies purchasing requirements.

SCHEDULE

Clause 4(e)

BUSINESS DEVELOPMENT PROGRAMME SCHEMES

1. Forms

The forms provided at the end of this schedule are to be used without amendment by each Board in relation to the Board's administration of the Business Development Programme schemes.

2. Procedures for Receiving Applications

Applications can only be accepted if they are made on the prescribed standard application forms. No regional variations or amendments are to be made to these forms. Potential applicants should be advised that they have the option of either :

- (a) Lodging a letter of intent - in which case the prescribed standard forms shall be used - followed by lodging an application; or
- (b) Lodging an application.

An original of the application form is required in each case, but photocopied or faxed supporting documents are acceptable. Applicants can initially fax their application to the Board but must then send in the original application within seven working days of the date of the faxed copy.

All parts of the application form must be completed and the acknowledgement/declaration section must be signed and dated.

Each application must be accompanied by a completed and signed checklist form.

3. Letters of Intent

Letters of intent are valid for a period of 90 days from the date the letter is received by the appropriate Business Development Board. Verbal notifications of intent are not acceptable under the schemes.

4. Procedures for Considering Applications

On receiving an application or letter of intent, each Board must:

- (a) Stamp the application or letter of intent with the date it is received; and
- (b) Enter application details onto the prescribed register; and
- (c) Allocate a number to it; and
- (d) Acknowledge receipt of the application in writing within five working days of receipt.

5. Decision-Making

The Board cannot delegate the decision making responsibility to any individual/group of individuals, to any Board staff, nor to a Board subcommittee. The Board may, however, delegate the reporting function to a subcommittee or to its staff. If this function is delegated then whoever reports on the application can present and participate on any discussion on the application but cannot vote on the decision to be taken.

Once a decision is made, this should be recorded in the Board's minutes and then in the applications register.

Each applicant is to be advised of the Board's decision in writing within 5 working days of the decision having been made. The prescribed standard approval letters are to be used for all grant approvals.

6. On-going Monitoring of Approved Projects

Each Board should monitor the progress of projects and offer further assistance if necessary.

7. Payment of Claims

The only bases on which claims can be paid out are:

- (a) On matching original receipts to original invoices; and
- (b) If the prescribed standard claim form has been used by the claimant.

Where claims are made in respect of payments by credit card, the following evidence of payment should be provided by the claimant:

- charge docket
- statement showing the charge
- following statement showing the payment

Claimants should be advised, in writing, of what expenditure has been authorised for payment and what has not been accepted for payment. This letter should be copied to the Ministry of Commerce along with an instruction to make the payment; the Ministry will make payments within 5 working days of receipt of this instruction. The prescribed Accounts Payable Form shall be completed for each claim.

8. Overexpenditure by Claimants

Once a grant has been approved for a particular amount that amount may not be increased; neither can new categories of expenditure be introduced. Boards may, however, consider requests for reallocation of expenditure between approved items for BDIG and EGDS. In considering such requests, Boards must ensure that the overexpenditure has occurred because of unforeseen circumstances that are beyond the applicant's control. In all such cases a report shall be prepared and a recommendation made. The procedure for making a decision on these requests is to be the same as that followed in the original approval process.

9. Time Extensions

Grants may only be approved for:

- BDIG, one year;
- EAGS, six months for all target areas except quality - quality approvals, 9 months;
- EGDS, no longer than the timeframe in which the activity is to be undertaken plus two months.

Requests for time extensions must be made in writing to the Board by the applicant. The maximum extension which can be approved is three months.

Boards cannot consider extension requests for grants that have lapsed.

The same approval procedure needs to be followed as for the original decision - a brief report shall be prepared for the Board's consideration.

10. Register of Final Reports

Each Board is required to keep a register of final reports. Each time it receives a final report, which must be in the prescribed standard format, it should forward a copy of it to the Ministry. The Ministry will keep a master list of all such reports. The information in these will be used by the Ministry as a basis for reporting on the schemes to the Minister, to the Government, and to other Boards at not less than once per quarter.

11. Definition of Applicant for all Three Schemes

For the purposes of determining qualifying costs "applicant" does not only mean the person submitting the application but shall include:

- that person's employees;
- employees of subsidiary/associate/parent companies;
- immediate family members.

12. Consideration of all Eligible Applications

All applications meeting the relevant scheme's criteria must be considered by the Board.

13. Appeals

The Minister is the appeal authority. In considering appeals the Minister will instruct the Ministry to evaluate each appeal and make a recommendation to him or her.

The relevant Board must comply with all requests by the Ministry for information relating to the processing of the application to which the appeal relates.

Appeals will only be considered if they are received by the Minister within 2 months of the date of the relevant decline letter from the relevant Board notifying the applicant that the relevant application has been declined.

14. Business Development Investigation Grant

Scheme Philosophy

The BDIG scheme provides assistance to investigate the feasibility and/or viability of new projects. It does not provide assistance to establish businesses.

The overall aim of the scheme is to ensure that business ideas/proposals are thoroughly researched - once an applicant has done this they should be better placed to obtain commercial funding to establish their business.

The scheme has been designed to stimulate innovative and economically viable businesses throughout New Zealand; businesses which will fully realise the potential of the resources and development opportunities of each region.

Assistance available

The scheme is available throughout New Zealand and offers 50 percent of approved investigation costs to a maximum grant of \$20,000 per project.

Any individual, business or organisation including local authorities, Port companies and State Owned Enterprises, may apply. Government departments are not eligible for assistance.

Eligibility criteria

To be eligible for assistance, a project must meet two criteria:

- It must be a lawful activity; and
- The project must be new to the region in that its technical feasibility and/or commercial viability has yet to be established in the region.

Qualifying Costs

Costs which directly relate to the investigation may qualify. These include:

- Fees of professional advisors hired for the investigation (legal, accounting, engineering etc)
- Tolls, fax and postage costs
- Power which is separately metered
- Cost of hiring or leasing of plant and equipment
- Pilot plant costs
- Trial planting costs
- Overseas and domestic travel and accommodation costs - up to a maximum of \$10,000 thereby giving a maximum grant component of \$5,000
- Materials for construction of prototypes.

Note: Overseas travel is only available for projects which involve the investigation of technology transfer to New Zealand.

Costs which Do Not Qualify

Examples of ineligible costs are:

- The applicant's own salary/wages, those of existing employees, those of subsidiary/associate companies, and those of immediate family members
- Debt servicing
- Capital items not directly associated with the investigation
- Overseas travel costs for marketing purposes.

BDIG Conditions

In offering a grant to successful applicants each Board must use the prescribed approval letter that lists all 10 of the scheme's conditions.

15. Expert Assistance Grant SchemeScheme Philosophy

The EAGS targets established, small to medium sized businesses which compete internationally.

It provides grants as an incentive to encourage businesses to engage consultants in key management areas where better performance will lead to sustainable improvements in efficiency and competitiveness. This in turn will result in increased profitability and growth.

Assistance Available

The scheme is available throughout New Zealand and offers 50% of the cost of a qualifying consultancy project to a maximum of \$8,000. A reduced percentage will apply where only part of a project is of a type covered by the scheme.

A maximum of \$20,000 per applicant per year shall apply for the combined total of grants approved under the EAGS and the EGDS. This limit is based on a July/June year.

One grant per applicant per year shall be available. The exception is the business appraisal which is available in the same year as a project in another area. The business appraisal is available once every twelve months.

Eligibility Criteria

To be eligible the applicant must:

- a) Deal in internationally tradable goods and/or services; and
- b) Employ no less than five, and no more than 100 full-time or full-time equivalent staff; and
- c) Have been trading for not less than 18 months; and
- d) Not have previously been approved for a grant towards a project (other than a business appraisal) in the same target area of the EAGS, or the former Expert Assistance Programme.

Qualifying Projects

Qualifying projects are those aimed at assisting the applicant's management to develop and implement strategies which lead to a sustainable improvement in business performance and competitiveness. Projects must fall within one of the following target areas.

a) General business appraisal. This involves a comprehensive evaluation of the applicant's performance in key management areas, and recommends where the applicant would get most value from engaging further specialist assistance.

(b) Business planning. This helps the applicant apply appropriate techniques to its business planning processes. This includes the Excellenz World Competitive Manufacturing approach to business planning.

(c) Marketing Strategy. This assists the applicant to develop an overall marketing strategy. Under the terms of the Australia New Zealand Closer Economic Relations Trading Agreement (ANZCERTA) assistance cannot be provided in this area for activities directed at the Australian market.

(d) Product design. This involves comprehensively reviewing an applicant's design strategy, or developing a strategy where there is not one in place.

(e) Quality. This is aimed at improving the applicant's overall approach to quality, and includes review of the quality management strategy and systems. This includes the Excellenz Total Quality Management "How To" approach.

(f) Operations management. This assists the applicant to develop and implement an overall operations management strategy which will lead to increased productivity through improvements in planning and control of production methods, systems and techniques.

(g) Research and development. This assists the applicant to develop an overall research and development strategy.

(h) Human resources management. This assists the applicant to be a good employer and ensure productivity through the development of strategies and programmes which will attract, develop and retain staff, pay staff appropriately, and contribute to staff training and development.

(i) Financial and information systems. This assists the applicant to develop a financial and information systems strategy where there is not one in place, or review an existing strategy. This involves determining information requirements and improving the use of information in the company's decision-making processes.

EAGS Conditions

In offering a grant to successful applicants each Board must use the prescribed approval letter which lists all 10 of the scheme's conditions.

16. Enterprise Growth Development Scheme

Scheme Philosophy

The scheme aims to assist businesses to improve their international competitiveness - to assist them to improve performance in all areas of their business so as to become more efficient and effective in marketing their goods and services.

Assistance Available

EGDS offers a maximum grant of \$20,000 to any one applicant under this scheme or, this scheme and EAGS combined in any July-June year; it provides 50 percent of approved qualifying costs up to this maximum.

Under the terms of the ANZCERTA, assistance cannot be provided under this scheme for activities directed to the Australian market.

Assistance is not available for activities directed at South African markets.

The scheme offers assistance in seven areas - each of these has a maximum grant component. These are:

Component 1 : Market Research - 50 percent of qualifying costs to a maximum grant of \$5,000.

Component 2 : Exploration Visits to New Markets - 50 percent of qualifying costs to a maximum grant of \$7,500.

Component 3 : Trade Fair Participation - 50 percent of qualifying costs to a maximum grant of \$10,000.

Component 4 : Promotion/Advertising in New Markets - 50 percent of qualifying costs to a maximum grant of \$4,000.

Component 5 : Protection of Intellectual Property Rights - 50 percent of qualifying costs to a maximum grant of \$2,000.

Component 6 : Proposal Costs for Development Projects, After Shortlisting - 50 percent of qualifying costs to a maximum grant of \$5,000.

Component 7 : Costs of Undertaking Quality Assurance Audits/Accreditation - 50 percent of qualifying costs to a maximum grant of \$3,500.

Applicants may lodge more than one application under any one of the scheme's components, but the maximum grant per component cannot be exceeded.

Eligibility Criteria

Any individual, business or organisation resident in New Zealand and registered for either income tax or goods and services tax purposes meeting the following three criteria is eligible to apply:

- 1 Deals in internationally tradeable goods and services. This is defined as the production (goods) or provision (services) of goods and services which compete on the international market (either already competing or which show potential to compete). This encompasses both businesses which are selling or intending to sell in overseas markets and those who are selling their goods and services in competition with imports; and
- 2 Has been trading for not less than 18 months; and
- 3 The good or service for which assistance is sought under this scheme is being produced or provided by the applicant in New Zealand.

Qualifying Costs by ComponentComponent One - Market Research

Provides assistance to help meet the cost of employing a consultant(s) to research a new market(s). No assistance is available for travel or in-house market research.

Component Two - Exploration Visits to New Markets

Provides assistance to help meet the applicant's or up to two of the applicant's full-time salaried employees' travel costs associated with such visits.

No assistance is available for first class and business class air travel; meal costs and accommodation costs; costs associated with exhibiting products at trade fairs.

Availability of this component is restricted to applicants who have had a grant under component one - Market Research - or to those who can provide details of having independently undertaken research into the market they wish to visit.

Component Three - Trade Fair Participation

Provides assistance to help meet the cost of the applicant's participation at trade fairs. Groups of individuals/businesses/organisations can apply but such applications must be made in the name of the group's co-ordinator.

Assistance is available for costs of:

- stand hire
- design of stand
- construction of stand
- servicing the stand, ie maintaining product level and person representation for duration of the fair
- placing advertisements in catalogues, publications, etc; and
- promotion costs which are directly related to participation in the fair.

Assistance is provided for participation at fairs that:

- involve a number of individual participants; and
- are restricted to the "trade" and not open to the public; and
- involve participants from more than one country.

No assistance is available for travel, accommodation and meal costs.

Component Four : Promotion/Advertising in New Markets

Provides assistance to help meet the costs of:

- media advertising of goods and services in, ie journals, newspapers, radio or television; and
- production of technical literature on the goods and

- services; and
- in-store demonstrations; and
- shelf-space payments; and
- making of videos and/or other promotional aids; and
- product seminars and/or demonstrations for buyers; and
- supplying samples to potential buyers - freight and distribution costs only; and
- sponsorship costs.

No assistance is available for costs associated with trade fair participation, nor for the cost of producing samples.

Component Five - Protection of Intellectual Property Rights

Provides assistance to help meet the cost of filing, granting, assignment, licensing and enforcement of intellectual property rights. This encompasses patents, designs, trade marks, copyright, plant variety rights, know how, confidential information and trade secrets.

The specific assistance available is for:

- patents, designs, trade marks, plant variety rights: making searches, Patent Office fees, Plant Variety Rights Office fees and attorneys' fees associated with Patent Office and Plant Variety Rights Office procedures;
- copyright, know how, confidential information, trade secrets: attorneys' fees - for advice on protection.

Applicants for this component must identify the good/service for which assistance is sought.

No assistance is available for maintenance of intellectual property rights.

Component Six - Proposal for Development Projects after Shortlisting

The aim of this component is to assist short-listed applicants to prepare proposals for development projects. It is only available to those who have been notified that they are on a short-list of selected applicants and have been specifically invited to submit a proposal in response to notified Terms of Reference.

Assistance is available to help fund the cost of putting such proposals together:

- reconnaissance of the project - travel costs; and
- drafting and costing of the project; and
- physical preparation of the project.

No assistance is available for:

- meal costs;
- accommodation costs;

- applicant's employees salaries, subsidiary/associate/ parent companies' salaries; immediate family members salaries or wages; and
- applicant's consumables and overheads.

Component Seven : Costs of Undertaking Quality Assurance Audits/Accreditation Programmes

The aims of this component are to help applicants to:

- improve their quality standards; and
- integrate quality at every stage of their business; and
- bring their quality standards up to the NZS 9001 and/or NZS 9002.

Provides assistance to help fund the cost of:

- obtaining quality assurance accreditation (Quality Management Systems Certification); and
- undertaking quality audits, as part of the accreditation process, ie pre-assessment visit/audit, desk audit, and on-site audit.

No assistance is available for maintaining accreditation.

EGDS Conditions

In offering a grant to successful applicants the Board must use the prescribed approval letter which lists all nine of the schemes conditions.

Definition of new market - Components 1, 2 and 4

A new market is defined as a market in which the applicant's good or service - for which assistance is sought - has not been sold. Markets are considered on a country-by-country basis, except in the case of the United States of America where six distinct markets exist:

- North East States
- South East States
- North West States
- South West States
- Central States, Chicago base
- Central States, Dallas base

If the applicant already sells any goods or services to the market for which assistance is sought, then consideration must be given to the broad consumer group already being serviced in determining if the new market requirement is met.

17. Monitoring by the Ministry of Commerce

The Ministry is responsible for reporting to the Minister on the overall administration of the Business Development Programme schemes - on the Boards' implementation and interpretation of the criteria, implementation of procedures, etc. Boards shall therefore supply the Ministry with the information it requests on specific applications as well as base data on applications.

BUSINESS DEVELOPMENT BOARD

APPLICANT REGISTER

Register No _____
 Region/Date/Client _____

Applicant _____ Position _____
 Organisation _____ Work Ph _____
 Address _____ Home Ph _____
 _____ Fax _____
 _____ First contact date _____

Visit Phone Letter

Programme	Date				
	Advice Given	Letter of intent received	Letter of Intent Acknowledged	Application Received	Application Acknowledged
BDIG	_____	_____	_____	_____	_____
EAGS	_____	_____	_____	_____	_____
EGDS	_____	_____	_____	_____	_____

	Checklist completed	Date of Decision	Date of Decision to applicant	Dates of contact post-approval
BDIG	_____	_____	_____	_____
EAGS	_____	_____	_____	_____
EGDS	_____	_____	_____	_____

Outcome of contact with the applicant post-approval.

First Contact _____

Action taken _____

Second Contact _____

Action taken _____

**BUSINESS DEVELOPMENT INVESTIGATION GRANT :
 LETTER OF INTENT FORM**

NB: This form is to be used in all cases where an applicant wishes to lodge a letter of intent. Any such letters of intent are valid for 90 days - the validity takes effect from the date the letter is received by the Business Development Board.

The purpose of a letter of intent is to allow applicants sufficient time to gather the necessary information to complete their applications. Costs incurred after the date on which this letter is received by the Business Development Board (point 7 below) will not be considered as retrospective; however, lodging a letter of intent is no guarantee that such costs will be approved.

- 1 Applicants Name: _____
- 2 Applicant's Address: _____
- 3 Value of grant which applicant intends to apply for \$ _____
- 4 Brief details of grant which applicant intends to apply for (ie what is to be investigated and over what time frame).

- 5 Date _____
- 6 Signature of Applicant: _____
 Designation: _____
- 7 Date Received by Business Development Board: _____
- 8 Signature & Designation of Business Development Board Receiving Officer.

APPLICATION FORM FOR BUSINESS DEVELOPMENT INVESTIGATION GRANT SCHEME

- * Please read the leaflet entitled "What is the Business Development Investigation Grant Scheme (BDIG)?" before filling out this application form; this leaflet is available from Business Development Boards.
- * All parts of the application form must be completed.

PART A : GENERAL INFORMATION

1 Full name of applicant: _____

(ie business name, individual's or organisation's name).

2 Address of applicant:

i Mailing Address: _____

ii Street Address: _____

3 Phone and fax:

i Phone Number _____

ii Fax Number _____

4 Contact Person:

Name: _____

Designation: _____

Telephone number (only if different to 3 above) _____

NB: Contact person can only be:
* a salaried employee of applicant or
* a member of the organisation or
* the individual applicant

5 Tax Numbers:

i GST registration number _____

ii IRD number _____

6 Status of applicant - Please tick appropriate box:

- | | |
|---|---|
| <input type="checkbox"/> Registered company | <input type="checkbox"/> Individual |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Other - please specify |
| <input type="checkbox"/> Co-operative | _____ |

7 Does the applicant have any subsidiary, associate or parent companies? Yes No

If yes, please detail these as follows:

<u>Name(s) of subsidiary/associate/parent companies</u>	<u>Addresses</u>
---	------------------

1

2

Please continue on a separate sheet if necessary.

8 Length of time trading, if applicable :

i How long has the applicant been trading?

ii When did trading commence?
_____ year _____ month

9 Please describe the applicant's present activity.

10 What relevant experience does the applicant have to undertake this investigation?

11 Grant sought:

- i What is the value of the grant the applicant is applying for?
\$ _____
- ii How does the applicant intend to fund the balance of the costs applied for under this scheme? ie the other 50 percent.

Employees

- 12 i How many people does the applicant currently employ?

- ii Please break these down into:
 - full-time _____
 - part-time _____
 - seasonal _____
- 13 i How many new jobs does the applicant anticipate creating should the investigation prove successful? Note: This question has no bearing on whether the grant will be approved or not.

- ii Please break these down into:
 - full-time _____
 - part-time _____
 - seasonal _____

PART B : INVESTIGATION DETAILS

1 Describe the project which the applicant wishes to undertake:

2 Please outline how the investigation is to be carried out. If there are a number of steps, please identify these, eg development of marketing plan; prototype development; accountant's advice; etc.

3 Where will the investigation be carried out:

4 Has the applicant carried out any preliminary work on the investigation to date? If the answer is yes, please outline:

- What this was,
- When it was done, and
- What was the outcome?

5 Please describe how the proposed business activity will be new to the region?

6 Is the applicant using professional assistance (eg consultant, solicitor, accountant, etc) for any part of the investigation? If the answer is yes, please name these professionals and provide comment on their experience/qualifications:

NB: Where individual consultant's fees are in excess of \$5,000, (ie grant of \$2,500 or more sought) the applicant must either:

- attach evidence to this form that competitive bids have been sought; or
- explain why competitive bids have not been sought.

7 When is the investigation to be completed?

8 Cost Breakdown of Investigation

(Note - if necessary, please continue on a separate sheet)

Please break down expenditure as far as possible. Refer to an example attached to this form:

<u>ITEM</u>	<u>COST</u>
	\$

TOTAL COST	\$
VALUE OF GRANT SOUGHT (50% of costs - Maximum \$20,000)	

(Please make sure that GST is included in the costs above. RESIDUAL VALUE and EXPECTED REVENUE should be taken into account in assessing total eligible costs - refer to the attached additional notes for further information).

ADDITIONAL NOTESSTAGING OF AN INVESTIGATION

Please note that if the proposed project for investigation is to be staged, no commitment can be given by the Board on the approval of subsequent stages. Requests for approval of subsequent stages will be considered at the time of these applications in the context of the grant policy and criteria applying at that time.

GST

If the applicant is registered for GST, the GST portion of the grant (one ninth) will have to be accounted for as output tax. Make sure that GST is included in the cost breakdown on the application form.

For goods and services which do not have GST added, such as wages, provision still has to be made for GST in the application, because this has to be paid on the grant to Inland Revenue.

If the applicant is not registered, the applicant will still have to pay GST on goods and services purchased during the investigation. Make sure therefore that provision is made for this in the application.

Note that it is necessary to declare the grant in the applicant's tax return, but not as assessable income. However, if the applicant claims for expenditure related to the grant, the applicant is required to deduct the grant from this.

RESIDUAL VALUE

Residual value should be applied to any item which is larger scale than is necessary for an investigation. The amount to be deducted should be equivalent to the market value of the item at the conclusion of the investigation - eg if someone wanted to build a packing shed as opposed to hiring/leasing space, then this would have residual value applied because it is clearly on a scale bigger than necessary for the investigation.

SALES REVENUE

75 percent of expected sales revenue is to be deducted from eligible costs.

EXAMPLE OF COST BREAKDOWNInvestigation of a New Product, Technology, Process or ServiceProfessional Fees

(XYZ consultants - Please specify individually and itemize their fees) eg preparation of feasibility study and costings to design and/or manufacture the product, etc) X

Accountancy Costs

Financial viability report, Business Plan preparation, budget cash flows X

Legal Fees

(XYZ Solicitors - Please specify individually, itemize their services and fees) X

Market Research

X

Prototype/Other Investigation Costs

Contract labour costs (own costs do not qualify) X

Machinery time: No of hours at \$X per hour X

Materials (please itemize) X

Travel X

Accommodation (State number of nights and where?)

Meals

Own Vehicle (Please state places to be visited and mileage @ .25 cents per kilometre)

Airfare

Public Transport

Administration X

Tolls, postage, fax, photocopies, etc and other overheads directly related to the investigation. X

TOTAL

50 percent X

X

**BUSINESS DEVELOPMENT INVESTIGATION GRANT SCHEME : PART C
DECLARATIONS AND ACKNOWLEDGEMENT**

Declarations

The applicant declares that:

1 The assistance sought does not relate to expenditure which has been undertaken prior to:

- the lodging of this application } (Delete the
- or - the lodging of a letter of intent } appropriate one)

with the _____ Business Development Board.

2 The balance of costs applied for is not being funded from any other government source.

3 He/She has read the leaflet entitled "What is the Business Development Investigation Grant Scheme?" and understands the scheme's procedures, conditions, criteria, etc and agrees to follow these.

4 The information contained in this application is true and correct and that there has been no omission of any relevant fact nor any misrepresentation given.

Acknowledgement

The applicant acknowledges that if a grant is approved the _____ Business Development Board can release the following information on the grant:

- a name of grant recipient }
- b amount of grant }
- c general statement on activity for which assistance approved } any time after approval
- d region }
- e outcome of the activity assisted - 6 months after applicant's report received by the Board.

Signature

Name

Designation

Date

NB : Only the applicant can sign the application.

BUSINESS DEVELOPMENT INVESTIGATION GRANT SCHEME : CHECKLIST

This form is to be used by Board staff in reviewing the scheme's criteria, procedures, conditions, etc with applicants. The form should then be signed by applicants, signifying that they understand and accept what has been explained to them.

<u>Points to Cover</u>	<u>Points Covered Board Staff to Tick</u>	<u>Points Covered Applicant to Tick</u>
1 Scheme offers a maximum grant of \$20,000 per project.	<input type="checkbox"/>	<input type="checkbox"/>
2 Scheme provides 50% of approved qualifying costs up to this maximum.	<input type="checkbox"/>	<input type="checkbox"/>
3 Government departments are not eligible.	<input type="checkbox"/>	<input type="checkbox"/>
4 Applicants can lodge more than one application under the scheme - either staging one project or investigating a number of different projects.	<input type="checkbox"/>	<input type="checkbox"/>
5 Assistance is not available for any activities directed to the Australian market nor the South African market.	<input type="checkbox"/>	<input type="checkbox"/>
6 Any individual, business or organisation resident in New Zealand for either income tax or GST purposes can apply.	<input type="checkbox"/>	<input type="checkbox"/>
7 Scheme has two criteria which applicant must meet:	<input type="checkbox"/>	<input type="checkbox"/>
* the activity which is to be investigated is a lawful activity	<input type="checkbox"/>	<input type="checkbox"/>
* the activity is new to the region in that its technical feasibility and/or commercial viability has yet to be established in the region	<input type="checkbox"/>	<input type="checkbox"/>
8 In terms of determining qualifying costs applicant is defined as not only the person lodging the application but also includes applicant's employees, employees of associate/subsidiary, parent companies, and immediate family members.	<input type="checkbox"/>	<input type="checkbox"/>
9 Applicants own costs are ineligible under the scheme.	<input type="checkbox"/>	<input type="checkbox"/>

10 Qualifying Costs:

* Costs which directly relate to the investigation may qualify. These include: fees of professional advisors hired for the investigation; tolls, fax and postage costs; power which is separately metered; cost of hiring or leasing of plant and equipment; pilot plant costs, trial planting costs.

* Travel costs qualify, but only up to a maximum of \$10,000, thereby giving a maximum grant component of \$5,000.

* Both domestic and overseas travel costs qualify but overseas travel is only available for proposals which involve the possibility of technology transfer to New Zealand

* Patent search fees and provisional patents only qualify.

11 Costs Which Do Not Qualify:

Examples of ineligible costs are applicant's own salary/wages, those of existing employees, and those of subsidiary/associate companies and immediate family members; debt servicing; capital items not directly associated with the investigation; cost of obtaining planning permits, and required licences.

12 Residual Value - Applicable only to items which are larger scale than necessary for an investigation; value determined is based on market value of items at the conclusion of the investigation.

13 Maximum benchmarks for horticultural and livestock investigations apply; these are:

Horticultural Crop:

	Trial area:
Herbs	0.1 hectare
Essential oils	1.0 hectare
Bulbs	0.1 hectare
Flowers	0.1 hectare
Avocados	0.5 hectare
Cherries	0.5 hectare
Tree fruits (stone and pip)	0.5 hectare
Nashi	0.5 hectare
Grapes	0.5 hectare
Sub-tropicals (kiwifruit/tamarillo)	0.4 hectare
Fuelwood	0.5 hectare
Vegetables - field	0.2-0.4 hectare
Vegetables - glasshouse	100 sq metres
Nuts	1 hectare
Berries	0.2 hectare

Livestock : Technical feasibility:

Involves investigating species of breeds that are new to New Zealand or a region:

	Number of Animals
Maternal Traits and Reproductive Performance	
As a pure species or breed evaluation	50-200
As a crossbreeding programme	2-3 sires
As semen	1.5
Productive Traits (Growth, milk, fibre, pelts)	
As a pure species or breed evaluation	20-30
As a crossbreeding programme	2-3
As semen	1.5
Embryo Transfer/Semen Collection	
Embryo transfer evaluation	10-20
Semen collection, mating techniques	10-20

Commercial Feasibility:

Involves testing through the processing and manufacturing stages, through to market feasibility studies.

	Product	Number of Animals
Carcass evaluation		20
Pelt evaluation		30
Milk production:	20-30 litres	
- Cows		10
- Water buffalo		15
- Sheep		50-75
- Goats		30
Fibre: Craft market	20-30 kg	
- Sheep		6
- Alpaca		10
- Goats: Mohair		12
- Goats: Cashmere		25
- Rabbits: Angora		25

4

- 14 Deduction of sales revenue earned during investigations - 75% of estimated revenue is deducted from eligible costs - not for sales after investigation completed.
- 15 Two competitive quotes to be supplied in cases where individual consultant's costs exceed \$5,000 (ie grant of \$2,500 or more sought); if these are not supplied applicant must explain why.
- 16 Any costs incurred prior to receipt of Board's written approval are at applicant's own risk.
- 17 Grant is paid on a reimbursement basis.
- 18 Board's standard claim form must be filled out for each claim and original receipts and original invoices are to be forwarded with this.
- 19 Reporting:
- * Final Report must be lodged at the conclusion of the investigation - prescribed form must be used.
 - * 10% of each eligible claim will be withheld and will only be paid out after the final report is received.
- 20 Claims must be made in New Zealand dollars; supply conversion rates used if foreign currency transactions.
- 21 Scheme does not allow retrospective applications to be made.
- 22 Grant is to be repaid if the project proceeds outside the region within 2 years of approval unless the activity is new to the region the project moved to.
- 23 No other government funds can be used for balance of cost for items funded under BDIG.
- 24 Information on approvals can be made publicly available by the Board.

5

- 25 Any grant approved is personal to applicant and cannot be assigned without written authority of the Board.
- 26 Applicant must notify the Board in writing of acceptance of grant within prescribed time or else grant offer will lapse.
- 27 Grants must be uplifted within timeframe specified by the Board or will lapse; any extension request to be received by the Board prior to grant expiring.
- 28 The Board retains the right to refuse to make payments to approved applicants in cases where it has determined that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.
- 29 Any grant approved is GST inclusive.
- 30 Applicants registered for GST must account for GST portion of grant as output tax.
- 31 Effect of section 169 of Income Tax Act.
- 32 Applicant accepts that changes can be made to the scheme at any time.
- 33 Only the applicant can sign the application form.
- 34 Contact person for the applicant can only be a salaried employee of the applicant, or a member of the organisation or the individual applicant.
- 35 Appeal procedures: Appeals must be lodged with the Minister of Business Development by the applicant within 2 months of the date of the Board's decision letter on the application.
- 36 Validity of letters of intent explained.

37 If further information is requested in writing by the Board, but not received by the time specified, the application can be declined by the Board.

38 Reallocation provisions and procedures explained.

Board staff's Signature: _____

Date: _____

Applicant's Signature: _____

Date: _____

Date

Dear

**BUSINESS DEVELOPMENT INVESTIGATION GRANT
REGISTRATION NUMBER: _____**

I am pleased to inform you that the Board has approved a BDIG of \$_____ to assist _____ in investigating the _____

QUALIFYING COSTS

The qualifying costs of the grant are as follows:

etc

CONDITIONS OF GRANT

The scheme has ten standards conditions:

1 Retrospective claims cannot be accepted. Costs incurred prior to _____ are not eligible for reimbursement; you cannot therefore claim such costs against the grant.

2 No other government funds can be used for the balance of the costs funded under BDIG.

Other government funds can only be used for costs not covered by this grant, ie you can receive funds from another government scheme for the activity as long as the costs covered by it are different to those covered by the BDIG.

3 The grant is only paid for approved costs on the basis of original invoices matched to original receipts - photocopied receipts and invoices are not acceptable. Please note that where hand-written receipts are provided, or where payment is noted on invoices, these must show the following:

- date of payment
- amount of payment
- signature of person receiving payment

- name of person receiving payment together with their designation

The only cost category for which you are not required to provide receipts and invoices is mileage; if you have a mileage category in your qualifying costs you must, however, supply a completed log sheet to the Board - a copy of this form is attached to this letter.

If goods or services have been paid for by credit card you must supply the original invoices for these together with the credit card statement to which these are charged to plus a subsequent statement showing that payment has been made.

The prescribed "Claim Form", a copy of which is attached to this letter, must be completed out for each claim you lodge against the grant.

4 The grant is to be repaid if the project proceeds outside the region within two years of approval unless, it can be shown that the activity is new to the region moved to.

5 A final report must be lodged with the Board at the conclusion of the investigation; further, that 10 percent of each eligible claim will be withheld and will only be paid out after the final report is received. The prescribed form shall be used by applicants in reporting on their investigations.

6 Information on grant approvals can be made publicly available by the Board.

7 Any grant approved is personal to the applicant and may not be assigned without the written authority of the Board.

8 The applicant has 20 working days, from the date of this letter, to accept the grant on the conditions it is offered. If your written acceptance is not received by the Board within this period the offer of the grant will lapse.

9 The grant must be uplifted by _____ or else it will lapse on that date. A written request for a time extension can be considered if this is received by the Board before the grant lapse date.

10 Grants are made subject to the Board being satisfied that the information given by the applicant is true and correct and that there has not been an omission of any relevant fact nor misrepresentation given. The Board retains the right to refuse to make payments to approved applicants in cases where it determines that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.

IMPLICATIONS OF THE GRANT FOR TAX PURPOSES

1 The grant is GST inclusive therefore, claims should be based on GST inclusive amounts.

2 If you are registered for GST you will have to account for the GST portion of the grant as output tax.

3 Section 169 of the Income Tax Act 1976 deals with grants such as this. Effectively, the grant is not assessable income as such but, has the effect of reducing the costs which may be claimed for income tax purposes or, as appropriate, reducing the cost of assets for depreciation purposes.

We wish you well for the investigation.

Yours sincerely

.....
Business Development Board

BUSINESS DEVELOPMENT INVESTIGATION GRANT SCHEME : CLAIM FORM

APPLICANT: Name: _____ Registration No: _____
Address: _____
_____ Claim No: _____ Phone: _____

SCHEDULE OF QUALIFYING EXPENDITURE

Category of Qualifying Expenditure (as outlined in the Board's grant approval letter)	Amount Paid	Amount claimed	Original invoice and Receipt Attached (Please tick)	Office Use Only

NB* All claims are to be made on such a form - the Board reserves the right to return any claims not made on such a form.
* Claims are to be made in New Zealand currency; if foreign currency transactions occurred please provide details of exchange rate used.
* If claiming for mileage a completed log sheet (attached to this form) must be submitted.

Signature: _____ Date _____

LOG SHEET : FOR MILEAGE

Date	Travelled From	Travelled To	Reason for Travel	Distance KM

BUSINESS DEVELOPMENT INVESTIGATION GRANT SCHEME
FINAL REPORT FORM

1 Registration Number: _____

2 Name: _____

3 Activity Investigated: _____

4 Investigation - Please comment briefly on the form the investigation took, noting in particular any problems experienced during the course of the investigation.

6 Employment

i How many jobs did the business - or business expansion - establish? (as a result of the investigation)

ii Please break these down into:

 Full-time _____

 Part-time _____

 Seasonal _____

iii How many additional jobs do you envisage creating over the next 12 months?

 Full-time _____

 Part-time _____

 Seasonal _____

 Total _____

7 No business start-up or expansion - Please explain briefly why a business is not to be established, or why an existing business is not to be expanded.

Outcomes

5 Business Start-up	Y	N
i Has a business been established as a result of the investigation?	<input type="checkbox"/>	<input type="checkbox"/>
ii Is a business to be established as a result of the investigation?	<input type="checkbox"/>	<input type="checkbox"/>
iii Has an existing business been expanded as a result of the investigation?	<input type="checkbox"/>	<input type="checkbox"/>

If the answers to 5 i, ii and iii were all No please go to point 7 as point 6 does not apply to you.

Signature: _____ Date: _____

Designation: _____

EXPERT ASSISTANCE GRANT SCHEME : LETTER OF INTENT FORM

NB: This form is to be used in all cases where an applicant wishes to lodge a letter of intent. Any such letters of intent are valid for 90 days - the validity takes effect from the date the letter is received by the Business Development Board.

The purpose of a letter of intent is to allow applicants sufficient time to gather the necessary information to complete their applications. Costs incurred after the date on which this letter is received by the Business Development Board (point 7 below) will not be considered as retrospective; however, lodging a letter of intent is no guarantee that such costs will be approved.

1 Applicant's Name:

2 Applicant's Address:

3 Target area which applicant intends to apply under - please tick the appropriate box.

- General Business Appraisal
- Business Planning
- Marketing Strategy
- Product Design
- Quality
- Operations Management
- Research and Development Management
- Human Resources Management
- Financial and Information Systems

4 Value of grant which applicant intends to apply for
\$ _____

5 Date _____

6 Signature of Applicant: _____

Designation: _____

7 Date Received by Board: _____

8 Signature & Designation of Board Receiving Officer

APPLICATION FORM FOR EXPERT ASSISTANCE GRANT SCHEME

* Please read the leaflet entitled "Expert Assistance Grant Scheme Guidance Notes" before filling out this application form; this leaflet is available from Business Development Boards.

* All parts of the application form must be completed.

PART A - GENERAL INFORMATION

1 Business Name: _____

2 Trading Name (if different to above): _____

3 Address of Applicant:

(i) Mailing Address: _____

(ii) Street Address: _____

4 Phone and fax:

(i) Phone number: _____

(ii) Fax number: _____

5 Tax Numbers:

(i) GST Registration number: _____

(ii) IRD number: _____

6 Contact Person:

Name: _____

Designation: _____

Telephone number (only if different to 3 above): _____

NB: Contact person can only be:
* a salaried employee of applicant or
* a member of the organisation or
* the individual applicant

7 Does the applicant have any subsidiary, associate or parent companies? Yes No

If yes, please detail these as follows:

Name(s) of subsidiary/associate/parent companies Addresses

1

2

Please continue on a separate sheet if necessary.

PART B - ELIGIBILITY CRITERIA

1) The following goods are produced by the applicant:

The following services are provided by the applicant:

2) Sales and Exports:

i What was the value of the applicant's sales for the last 12 months? NZ\$ _____

ii What was the value of the applicant's exports for the last 12 months? NZ\$ _____

3) How many staff are employed? Full-time _____
Part-time _____
Seasonal _____

4) Length of Time trading:

i How long has the applicant been trading?

ii When did trading commence?
_____ year _____ month

5) Has the applicant previously been approved for a grant under the Enterprise Growth Development Scheme, the Expert Assistance Grant Scheme, or the Expert Assistance Programme?
YES/NO

If YES give dates and details:

PART C - DETAILS OF THE PROPOSED PROJECT

1) The value of the grant sought is \$_____ (GST incl.)

If this amount is other than 50% of the supporting quote, give the reason for the difference.

2) The project is due to commence on __/__/199_ and to be completed by __/__/199_.

3) Tick the target area in which this application falls.

- General Appraisal
- Business Planning
- Marketing Strategy
- Product Design
- Quality
- Operations Management
- R & D Management
- Human Resource Management
- Financial & Information Systems

4) The organisation selected to carry out the project is:

The individual consultant(s) from the selected organisation who will be working on the project are:

If other organisation(s) or individual(s) will be working on the project (e.g. on a sub contract basis), give details:

5) Where individual consultant's fees are in excess of \$10,000 (grant of \$5,000 or more sought) the applicant must either:

- attach evidence to this form that competitive quotes have been sought; or
- explain why competitive quotes have not been sought.

6) If the applicant has had previous involvement with the above-named organisations or individuals please give details of this.

PART D - DECLARATIONS AND ACKNOWLEDGEMENT

The applicant declares that:

- 1 The assistance sought does not relate to expenditure undertaken prior :
 - to the lodging of this application
 - to the lodging of the letter of intent with the _____ Business Development Board. (Delete one)
- 2 If the application is approved no claim from another source of government funding will be made for the same project;
- 3 He/she has read the leaflet entitled "Expert Assistance Grant Scheme Guidance Notes" and understands the scheme's procedures, conditions, criteria, etc and agrees to follow these.
- 4 The information contained in this application form is true and correct and there has been no omission of any relevant fact nor any misrepresentation given.

Acknowledgement

The applicant acknowledges that if a grant is approved the _____ Business Development Board can release the following information on the grant:

- a name of grant recipient) any time
- b amount of the grant) after
- c the target area of the approved project) approval
- d the region)

Signature: _____

Name: _____

Designation: _____

Date: _____

NB: Only the applicant can sign the application.

2

**EXPERT ASSISTANCE GRANT SCHEME
NOTES ON DOCUMENTATION TO SUPPORT APPLICATIONS**

EAGS grant applications require supporting Terms of Reference agreed by the applicant and the nominated consultant, and a recent quote from the nominated consultant.

General Comment

Where Terms of Reference are prepared by the consultant, they may incorporate the quote: submission by the applicant with the application is then taken to indicate the agreement of both parties. Where Terms of Reference have been prepared by either the applicant or a third party, the consultant and applicant should both sign; and a separate quote is required.

Terms of Reference

The Terms of Reference form the contractual basis for approval of grants under the EAGS. Approval will be made only on the basis of Terms of Reference which are sufficiently detailed to ascertain that the proposed project is one which meets the Scheme's objectives. Costs relating to work not covered by the Terms of Reference but carried out as a part of the project, may be excluded from the calculation of the grant.

The Terms of Reference should provide a full description of the proposed project (e.g. scope, objectives, methodology), and the proposed timetable for the project;

For longer projects, there may be advantages if the Terms of Reference also:

- set out the project in stages. If this is not done there may be difficulty establishing a basis for part payment of the grant if the work is for any reason not completed;
- require the consultant to produce interim reports by set dates. This will allow progress to be monitored.

The Board may withhold approval where the Terms of Reference:

- are not specific to the company making the application;
- refer to previous discussion, correspondence, etc, between the parties which is not detailed.

Quotes

Where individual consultant's fees are in excess of \$10,000 (grant of \$5,000 or more sought) the applicant must either:

- attach evidence to this form that competitive quotes have been sought; or
- explain why competitive quotes have not been sought.

Requirements for all applications are that the quote:

- is specific to the Terms of Reference;
- itemizes disbursements (simply "plus expenses" is insufficient);
- is clear as to whether the total amount quoted is GST inclusive or exclusive.

Applicants should consider the advantages of obtaining:

- a breakdown of the costs for each stage of the project;
- a detailed basis to the quote e.g. proposed consulting time and hourly or daily rate(s). This may be particularly relevant where the project involves different consultants charging different rates.

EXPERT ASSISTANCE GRANT SCHEME: CHECKLIST

This form is to be used by Board staff in reviewing the scheme's criteria, procedures, conditions, etc with applicants. The form should then be signed by applicants, signifying that they understand and accept what has been explained to them.

Points to Cover

	<u>Points Covered</u> <u>Board Staff to</u> <u>Tick</u>	<u>Points Covered</u> <u>Applicant to</u> <u>Tick</u>
1 The scheme provides 50% of the cost of an approved project in one of the scheme's target areas, up to a maximum of \$8,000 per project.	<input type="checkbox"/>	<input type="checkbox"/>
2 A maximum of \$20,000 per applicant per year is available under this scheme and EGDS combined in any July-June year.	<input type="checkbox"/>	<input type="checkbox"/>
3 One grant per year is available in any one of the scheme's target areas. The exception is the business appraisal which is available in the same year as a project in another area.	<input type="checkbox"/>	<input type="checkbox"/>
4 Where the applicant has been previously approved for a grant, further assistance is not available in the same target area. The exception is the business appraisal which is available once every 12 months.	<input type="checkbox"/>	<input type="checkbox"/>
5 Any business or organisation resident in New Zealand for either income tax or GST purposes can apply.	<input type="checkbox"/>	<input type="checkbox"/>
6 The applicant must meet the following 4 criteria:	<input type="checkbox"/>	<input type="checkbox"/>
* deal in internationally tradeable goods and/or services	<input type="checkbox"/>	<input type="checkbox"/>
* employ no less than 5 staff, and no more than 100 full time or full time equivalent staff	<input type="checkbox"/>	<input type="checkbox"/>
* have been trading for no less than 18 months	<input type="checkbox"/>	<input type="checkbox"/>
* not have previously been approved for a grant towards a project (other than a business appraisal) in the same target area of the EAGS, or the former Expert Assistance Programme.	<input type="checkbox"/>	<input type="checkbox"/>

8 The application or a letter of intent must be submitted before the project commences.

9 Competitive quotes to be supplied in cases where consultant's fees exceed \$10,000 (grant of \$5,000 or more sought). If these are not supplied, applicant must explain why.

10 Qualifying projects are aimed at assisting the applicant's management to develop and implement strategies which lead to a sustainable improvement in business performance and competitiveness. This must be in one of the following target areas:

* General business appraisal. This involves a comprehensive evaluation of the applicant's performance in key management areas, and recommends where the applicant would get most value from engaging further specialist assistance.

* Business planning. This helps the applicant apply appropriate techniques to its business planning processes. This includes the Excellenz WCM approach to business planning.

* Marketing Strategy. This assists the applicant to develop an overall marketing strategy. Under the terms of ANZCERTA assistance cannot be provided in this area for activities directed at the Australian market.

* Product design. This involves comprehensively reviewing an applicant's design strategy, or developing a strategy where there is not one in place.

* Quality. This is aimed at improving the applicant's overall approach to quality, and includes review of the company's quality management strategy and systems. This includes the Excellenz Total Quality Management "How To" approach.

- * Operations management. This assists the applicant to develop and implement an overall operations management strategy which will lead to increased productivity through improvements in planning and control of production methods, systems and techniques.
- * Research and development. This assists the applicant develop an overall research and development strategy.
- * Human resources management. This assists the applicant to be a good employer and ensure productivity - through the development of strategies and programmes which will attract, develop and retain staff, pay staff appropriately, and contribute to staff training and development.
- * Financial and information systems. This assists the applicant to develop a financial and information systems strategy where there is not one in place, or review an existing strategy. This involves determining information requirements and improving the use of information in the applicant's decision-making processes.
- 11 Grants must be uplifted within timeframe specified by Board or will lapse; any extension request to be received by the Board prior to grant expiring.
- 12 The Board retains the right to withhold payments from approved applicants in cases where it has determined that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.
- 13 Any grant approved is GST inclusive.
- 14 Applicants registered for GST must account for GST portion of grant as output tax.
- 15 Effect of section 169 of Income Tax Act.

- 16 Applicant accepts that changes can be made to the scheme at any time.
- 17 Only the applicant can sign the application form.
- 18 Contact person for the applicant can only be a salaried employee of the applicant, or a member of the organisation or the individual applicant.
- 19 Appeals must be lodged with the Minister of Business Development by the applicant within 2 months of the date of the Board's decision letter on the application.
- 20 Validity of letters of intent explained.
- 21 If further information is requested in writing, but not received by the Board by the time specified, the application may be declined.

Board staff's Signature: _____

Date: _____

Applicant's Signature: _____

Date: _____

Date

Dear

EXPERT ASSISTANCE GRANTS SCHEME
REGISTRATION NUMBER: _____

I am pleased to inform you that the Board has approved an EAGS of \$_____ to assist in engaging a consultant to carry out a project for your company in the _____ (target area of project) area.

Qualifying Costs

The grant will be for 50% of qualifying costs to a maximum of \$_____. The maximum grant payable is \$_____.

Qualifying costs are payments to the nominated consultant during the period of validity of this approval, and in respect of work carried out on the approved project during the period of validity.

Disbursements (eg accommodation and travel) incurred by the consultant in the course of the work during the period of validity, and included in the fees, qualify. Other associated costs are not covered.

CONDITIONS OF GRANT

The scheme has ten standards conditions:

- 1 Retrospective claims cannot be accepted.
- 2 No other government funds can be used for the balance of the costs funded under EAGS.

Other government funds can only be used for costs not covered by this grant, ie you can receive funds from another government scheme for the activity as long as the costs covered by it are different to those covered by the EAGS grant.

3 The grant is only paid for approved costs on the basis of original invoices matched to original receipts - photocopied receipts and invoices are not acceptable. Please note that where hand-written receipts are provided, or where payment is noted on invoices, these must show the following:

- date of payment
- amount of payment
- signature of person receiving payment
- name of person receiving payment together with their designation

A completed "Claim and Report Form", a copy of which is attached to this letter, must be filled out for your claim.

4 The grant will not be paid until the Board receives a report on the findings of the work; section C of the Claim and Report Form is to be used. A copy of the consultant's report is also to be submitted.

5 Information on grant approvals can be made publicly available by the Board - this covers:

- grant recipient; region; amount of grant) any time after
- general statement on target area of scheme) approval for which assistance is approved)

6 Any grant approved is personal to the applicant and may not be assigned without the written authority of the Board.

7 The applicant has 20 working days, from the date of this letter, to accept the grant on the conditions it is offered. If your written acceptance is not received within this period the offer of the grant will lapse.

8 The grant must be uplifted by _____ or else it will lapse on that date. A written request for a time extension can be considered if this is received by the Board before the grant lapse date.

9 The project is carried out by the consultant nominated in the application and in accordance with the Terms of Reference.

10 Grants are made subject to the Board being satisfied that the information given by the applicant is true and correct and that there has not been an omission of any relevant fact nor misrepresentation given. The Board retains the right to refuse to make payments to approved applicants in cases where it determines that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.

IMPLICATIONS OF THE GRANT FOR TAX PURPOSES

1 The grant is GST inclusive therefore, claims should be based on GST inclusive amounts.

2 If you are registered for GST you will have to account for the GST portion of the grant as output tax.

3 Section 169 of the Income Tax Act 1976 deals with grants such as this. Effectively, the grant is not assessable income as such but, has the effect of reducing the costs which may be claimed for income tax purposes.

We wish you well for the activity to be undertaken.

Yours sincerely

.....
Business Development Board

EXPERT ASSISTANCE GRANT SCHEME - CLAIM AND REPORT FORM

SECTION A - for completion by the Business Development Board

SECTION B - for completion by the nominated consultant

SECTION C - for completion by the claimant

The claimant should send the completed claim to the Business Development Board together with:

- original receipt(s) and original invoice(s) for the full amount on which the claim is based; and
- a copy of the report on the project (either a full report for a completed project, or an interim report for an incomplete project).

SECTION A

This form is for use by _____ (applicant's name) to claim for the grant approved under the EAGS. The terms and conditions of this approval are given in the letter to the applicant of __/__/199__.

The other sections of this claim are for completion when:

- the approved project has been completed and the fees paid in full; or
- the validity is due to expire but the project is still incomplete. In this case the claim should be for the part(s) of the project which have been completed and for which fees have been paid.

The expiry date for the approval is __/__/199__. The completed claim must be lodged with the _____ Business Development Board (the BDB) by this date. The reference number you should quote in an enquiry to the BDB is _____

SECTION B

This section is for completion by the consultant principally responsible for carrying out the approved project for the approved company.

1) Name(s) of other consultant(s) involved in the project (if any):

Role(s) of other consultant(s) in the project:

2) The project commenced on _____(date).

It was/is due to be completed on _____(date).

The project has run to/under/over budget.

Give reason(s) if over or under budget:

3) Has the project been carried out in accordance with the Terms of Reference? YES/NO

If NO give details.

4) My total fee for the project is \$_____.

I have received payment of this fee in full/part payment of \$_____ on _____.

The payment I have received is in respect of _____ days/hours of my time at a daily/an hourly rate of \$_____ ; and _____ days/hours of other consultant(s) time at daily/hourly rate(s) of \$_____

Disbursements of \$_____ are included in the fee. These are in respect of:

5) Do you have a financial interest in the project, in the business for which the project was carried out, or in a parent, associate or subsidiary of that business? YES/NO

If YES give details

6 I declare that:

- * I undertake to advise the Business Development Board if I refund whole or part of the fee;
- * I understand that if incorrect or misleading information has been provided this may result in the Business Development Board withholding payment of the grant;
- * the information provided above is true and correct.

Signature: _____

Name: _____

Date: _____

SECTION C : REPORTING SECTION

This section is for completion by the claimant.

1 The project has been carried out in accordance with the terms and conditions set out in the letter approving the grant.
YES/NO

If NO give details:

2 To date the applicant has found the results of the project to be more valuable than expected/as valuable as expected/less valuable than expected; please comment.

3 If you had similar work to be carried out again and the scheme was not available, would you use the same consultant on the same cost basis? **YES/ POSSIBLY/ NO;** please comment.

4 What effect has the consultancy had on your business to date?

5 What effect do you anticipate the consultancy will have on your business:

- i) in the short term (i.e. over the next two years)?
- ii) in the medium term (i.e. after two years)?

6 I have paid the consultant's fees of \$_____, and request reimbursement of the agreed amount.

7 I declare that:

- * in the event that the consultant wholly or partially refunds the fees, I undertake to repay the Business Development Board the amount by which the refund affects the grant entitlement;
- * I understand that if incorrect or misleading information has been provided this may result in the Business Development Board withholding payment of the grant.

Signature: _____

Name: _____

Designation: _____

Date: _____

ENTERPRISE GROWTH DEVELOPMENT : LETTER OF INTENT FORM

NB: This form is to be used in all cases where an applicant wishes to lodge a letter of intent. Any such letters of intent are valid for 90 days - the validity takes effect from the date the letter is received by the Business Development Board.

The purpose of a letter of intent is to allow applicants sufficient time to gather the necessary information to complete their applications. Costs incurred after the date on which this letter is received by the Business Development Board (point 8 below) will not be considered as retrospective; however, lodging a letter of intent is no guarantee that such costs will be approved.

1 Applicant's Name:

2 Applicant's Address:

3 Components which applicant intends to apply under - please tick appropriate boxes.

- Component 1: Market Research
- Component 2: Exploration Visits
- Component 3: Trade Fair Participation
- Component 4: Advertising/Promotion
- Component 5: Protection of Intellectual Property Rights
- Component 6: Proposal Costs for Development Projects
- Component 7: Quality Assurance Audits/Accreditation

4 Value of grant which applicant intends to apply for \$ _____

5 Details of grant which applicant intends to apply for (eg specific market and time-frame for components 1, 2 and 4; specific trade fair and time-frame for component 3; etc)

6 Date _____

7 Signature of Applicant: _____

Designation: _____

8 Date Received by Business Development Board: _____

9 Signature & Designation of Business Development Board Receiving Officer.

APPLICATION FORM FOR ENTERPRISE GROWTH DEVELOPMENT SCHEME

- * Please read the leaflet entitled "What is the Enterprise Growth Development Scheme (EGDS)?" before filling out this application form; this leaflet is available from Business Development Boards.
- * Parts A and C must be completed and the relevant sections of Part B.

PART A : GENERAL INFORMATION

1 Full name of applicant: _____

(ie business name, individual's or organisation's name).

2 Address of applicant:

i Mailing Address: _____

ii Street Address: _____

3 Phone and fax:

i Phone number _____

ii Fax number _____

4 Contact Person:

Name: _____

Designation: _____

Telephone number (only if different to 3 above) _____

NB: Contact person can only be:

- * a salaried employee of applicant or
- * a member of the organisation or
- * the individual applicant

5 Tax Numbers:

i GST registration number _____

ii IRD number _____

6 Status of applicant - Please tick appropriate box:

- | | |
|---|---|
| <input type="checkbox"/> Registered company | <input type="checkbox"/> Individual |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Other - please specify |
| <input type="checkbox"/> Co-operative | _____ |

7 Does the applicant have any subsidiary, associate or parent companies?

Yes No

If yes, please detail these as follows:

<u>Name(s) of subsidiary/associate/parent companies</u>	<u>Addresses</u>
---	------------------

1

2

Please continue on a separate sheet if necessary.

8 Length of Time trading:

i How long has the applicant been trading?

ii When did trading commence?

_____ year _____ month

9 Please describe the goods produced and/or the services provided by the applicant:

10 Where, by location(s), does the applicant produce and sell these goods and/or provide these services?

11 Grant sought:

i What is the value of the grant the applicant is applying for?

\$ _____

ii What components is the applicant applying under? Please tick appropriate box(es)

- Component 1: Market Research
- Component 2 : Exploration Visits
- Component 3 : Trade Fair Participation
- Component 4 : Promotion/Advertising
- Component 5 : Protection of Intellectual Property Rights
- Component 6 : Development Projects
- Component 7 : Quality Assurance Audit/ Accreditation

NB: The relevant sheets of Part B of the application form also need to be filled out.

12 Turnover:

	\$	\$
	Last year	Previous
	ending _____	Year _____

- i What was your total turnover _____
- ii What was your export turnover, _____
if applicable _____

Employees

13 i How many employees does the applicant employ? _____

ii Please break these down into:

- full-time _____
- part-time _____
- seasonal _____

14 How does the applicant intend to fund the balance of the costs applied for under this scheme? ie the other 50 percent.

ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM ONE : COMPONENT 1 - MARKET RESEARCH; 50 percent of qualifying costs to a maximum grant of \$5,000.

1 Specify the good or service for which assistance is sought under this component:

2 Specify the market which is to be researched:

3 Why, in specific terms, has the applicant chosen to have this market researched?

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS**

4 Who will be employed by the applicant to undertake the research? Specify:

- * name of consultant
- * business name which trades under
- * consultant's business address

This information must be supplied for each consultant to be employed

Consultant 1:	Consultant 2 (if applicable)
---------------	------------------------------

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Please continue on a separate sheet if necessary.

5 Why has this (these) Consultant(s) been chosen? Please note Consultant's particular expertise.

NB: Where individual consultant's fees are in excess of \$5,000 (grant of \$2,500 or more sought) the applicant must either:

- attach evidence to this form that competitive bids have been sought; or
- explain why competitive bids have not been sought.

6 The following must accompany this form:

- a a copy of the consultant's(s') brief/terms of reference:
- b a detailed cost breakdown of the work, specifying total cost; hourly rate and number of hours; disbursements, if any and what.
- c Consultants curriculum vitae

7 What is the value of the Grant you are applying for under this component? \$_____.

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM TWO : COMPONENT 2 - EXPLORATION VISITS TO NEW MARKETS; 50 percent of qualifying costs to a maximum grant of \$7,500.

NB: Availability of this component is restricted to those who have had a grant under component 1 and have provided a report on it or else to those who can provide details of having independently undertaken research into the market they wish to visit.

1 Specify the good or service for which assistance is sought under this component.

2 Specify the market which the applicant intends to visit.

3 Why, in specific terms, has the applicant chosen to visit this market? ie what is hoped will eventuate from such a visit?

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS**

- 4 i What is the duration of the visit? _____ days.
- ii Specify date of departure and date of return

5 Who will be undertaking the visit?

<u>Names</u>	<u>Designation</u>
_____	_____
_____	_____
_____	_____

6 An itinerary of pre-scheduled appointments must accompany this form together with evidence of pre-scheduling.

7 Cost of trip:

- i What is the total cost of the trip? \$ _____
- ii What is the cost of the airfares and/or ground travel applied for under this component?

- Airfares - detail per person
- Ground travel - detail per day and means of

\$

(iii) Value of grant applied for under this component is \$ _____.

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM THREE : COMPONENT 3 - TRADE FAIR PARTICIPATION;
50 percent of qualifying costs to a maximum grant of \$10,000.

1 Specify the good or service for which assistance is sought under this component.

2 Specify trade fair which applicant(s) intends to participate in:

Place _____

Date _____

Duration _____

3 Why, in specific terms, does the applicant intend to participate in this fair? ie what is hoped will eventuate from the fair?

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS**

4 Specify names, designations, and reasons for attending for each of applicant's participants at the fair:

Name	Designation	Reason for Participating and over what period
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM 4 : COMPONENT 4 - PROMOTION/ADVERTISING IN NEW MARKETS; 50 percent of qualifying costs to a maximum grant of \$4,000.

5 Costs : is Assistance sought for:

	Y	N	IF YES: DETAIL ON A SEPARATE PIECE OF PAPER
i Stand hire	<input type="checkbox"/>	<input type="checkbox"/>	Cost of and how this is made up
ii Design of stand	<input type="checkbox"/>	<input type="checkbox"/>	Cost of and how this is made up
iii Construction of stand	<input type="checkbox"/>	<input type="checkbox"/>	Cost of and how this is made up
iv Servicing stand	<input type="checkbox"/>	<input type="checkbox"/>	Cost of and how this is made up
v Placing Advertisements	<input type="checkbox"/>	<input type="checkbox"/>	Provide placement schedule and cost of
vi Promoting Participation	<input type="checkbox"/>	<input type="checkbox"/>	Cost of and how this is made up

1 Specify the good or service for which assistance is sought under this component

2 Specify the market in which the applicant intends to undertake the promotion/advertising.

3 Why, in specific terms, has the applicant chosen to promote/advertise its good/service in this market? ie comment on target audience

6 Value of grant applied for under this Component is \$_____.

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS**

4 Cost and form of promotion/advertisement:

Is assistance sought for:

	Y	N	IF YES: DETAIL: ON A SEPARATE SHEET OF PAPER
i Media advertising	<input type="checkbox"/>	<input type="checkbox"/>	Cost of & placement schedule
ii Production of technical literature on good or service	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs
iii In-store demonstration	<input type="checkbox"/>	<input type="checkbox"/>	Cost of, venues, timings
iv Shelf-space	<input type="checkbox"/>	<input type="checkbox"/>	Cost of, venues, timings
v Making a video and/or other promotional aids	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs
vi Product seminars	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs; venues; frequency
vii Buyer Demonstrators	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs; venues; frequency
viii Providing samples	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs
ix Sponsorship	<input type="checkbox"/>	<input type="checkbox"/>	Itemised schedule of costs

5 Value of grant applied for under this Component
\$ _____.

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B - FORM 5 : COMPONENT 5 - PROTECTION OF INTELLECTUAL PROPERTY RIGHTS - 50 percent of qualifying costs to a maximum grant of \$2,000.

1 Specify the good or service for which assistance is sought under this component

2 Is assistance sought for:

	Y	N
Patents	<input type="checkbox"/>	<input type="checkbox"/>
Trade Marks	<input type="checkbox"/>	<input type="checkbox"/>
Designs	<input type="checkbox"/>	<input type="checkbox"/>
Plant Variety Rights	<input type="checkbox"/>	<input type="checkbox"/>
Copyright	<input type="checkbox"/>	<input type="checkbox"/>
Know how	<input type="checkbox"/>	<input type="checkbox"/>
Confidential information	<input type="checkbox"/>	<input type="checkbox"/>
Trade secrets	<input type="checkbox"/>	<input type="checkbox"/>

3 Is assistance sought for:

- Patent Office &/or Plant Variety Rights Office fees?	<input type="checkbox"/>	<input type="checkbox"/>
- Attorney fees?	<input type="checkbox"/>	<input type="checkbox"/>

4 Specify the Patent Office or Plant Variety Rights Office fees for which assistance is sought and/or the Attorney who you wish to employ?

5 What benefits do you hope to gain by this?

6 Itemise costs involved by:

i Patent Office and Plant Variety Office fees: \$

ii Attorney fees - hourly rate: _____

Number of hours to be employed _____

7 What is the value of the grant you are applying for under this component \$ _____

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS**

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM 6 : COMPONENT 6 - PROPOSAL COSTS FOR DEVELOPMENT PROJECTS, AFTER SHORTLISTING - 50 percent of qualifying costs to a maximum grant of \$5,000.

1 Specify the good or service for which assistance is sought under this component _____

2 Specify the development project for which assistance is sought by location, and project description.

3 Applicant must provide the following with this form:

- notified Terms of Reference of the project;
- Evidence of shortlisting and invitation to submit proposal.

4 Outline the form which the proposal will take:

5 Specify who will be employed for this project (ie outside expertise) by

- Name _____
- Business name which trades under _____
- Business address _____

2

6 Why has this (ese) person(s) been chosen? Please note their particular experience and include a copy of their CV and of their brief/terms of reference.

7 Cost of Proposal

- By item; where cost is for employing outside expertise applicant must note total cost, hourly rate, number of hours to be worked, and disbursements, if any and what these are.

Item	\$
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Continue on separate sheet if necessary.

8 Value of grant applied for under this Component is \$_____.

ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART B
SPECIFIC COMPONENT APPLICATIONS

Note: Parts A & C must be filled out and accompany the relevant Part B forms.

PART B, FORM 7 : COMPONENT 7 - COSTS OF UNDERTAKING QUALITY ASSURANCE AUDIT/ACCREDITATION. 50 percent of qualifying costs to a maximum grant of \$3,500.

1 Specify the good or service for which assistance is sought under this component _____

2 Is assistance sought for

	Y	N
Audit	<input type="checkbox"/>	<input type="checkbox"/>
Accreditation	<input type="checkbox"/>	<input type="checkbox"/>

3 Specify :

- Audit _____
- Accreditation _____

4 What benefits do you hope to gain by this?

5 What is the value of the grant you are applying for under this component? \$_____

6 Itemise costs involved:

Item	\$
_____	_____
_____	_____
_____	_____
_____	_____

**ENTERPRISE GROWTH DEVELOPMENT SCHEME : PART C
DECLARATIONS AND ACKNOWLEDGEMENT**

Declarations

The applicant declares that:

1 The assistance sought does not relate to expenditure which has been undertaken prior to:

- the lodging of this application } (Delete the
- or - the lodging of a letter of intent } appropriate one)

with the _____ Business Development Board.

2 The balance of costs applied for is not being funded from any other government source.

3 He/She has read the pamphlet entitled "Enterprise Growth Development Scheme" and understands the scheme's procedures, conditions, criteria, etc and agrees to follow these.

4 The information contained in this application is true and correct and that there has been no omission of any relevant fact nor any misrepresentation given.

Acknowledgement

The applicant acknowledges that if a grant is approved the _____ Business Development Board can release the following information on the grant:

- a name of grant recipient }
 - b amount of grant }
 - c general statement on component(s) of scheme for which assistance approved }
 - d region }
- e outcome of the activity assisted - 6 months after applicant's report received by the Board.

Signature

Name

Designation

Date

NB : Only the applicant can sign the application.

ENTERPRISE GROWTH DEVELOPMENT SCHEME : CHECKLIST

This form is to be used by Board staff in reviewing the scheme's criteria, procedures, conditions, etc with applicants. The form should then be signed by applicants, signifying that they understand and accept what has been explained to them.

Points to Cover

	<u>Points Covered Board Staff to Tick</u>	<u>Points Covered Applicant to Tick</u>
1 Scheme offers a maximum grant of \$20,000 to any one applicant under this scheme or, this scheme and EAGS combined, in any July-June year.	<input type="checkbox"/>	<input type="checkbox"/>
2 Scheme provides 50% of approved qualifying costs up to this maximum.	<input type="checkbox"/>	<input type="checkbox"/>
3 Scheme is made up of 7 components each of which has a maximum grant component.	<input type="checkbox"/>	<input type="checkbox"/>
4 Applicants can lodge more than one application under any component but each component's maximum grant cannot be exceeded.	<input type="checkbox"/>	<input type="checkbox"/>
5 Assistance is not available for any activities directed to the Australian market nor the South African market.	<input type="checkbox"/>	<input type="checkbox"/>
6 Any individual, business or organisation resident in New Zealand for either income tax or GST purposes can apply.	<input type="checkbox"/>	<input type="checkbox"/>
7 Scheme has three criteria which applicant must meet:	<input type="checkbox"/>	<input type="checkbox"/>
* deals in internationally tradeable goods and/or services	<input type="checkbox"/>	<input type="checkbox"/>
* has been trading for no less than 18 months	<input type="checkbox"/>	<input type="checkbox"/>
* the good or service for which assistance is sought is being produced/provided by applicant in New Zealand	<input type="checkbox"/>	<input type="checkbox"/>

2

8 For the purposes of determining qualifying costs applicant is defined as not only the person lodging the application but also includes applicant's employees, employees of associate/subsidiary, parent companies, and immediate family members.

9 Applicants own costs are ineligible under the scheme.

10 Component One

* Provides assistance to research new markets, not to travel to these markets

* New market means a market to which the good or service to which the application relates is not/has not been supplied by applicant

* Markets are considered on a country-by-country basis except in the case of USA where 6 markets exist.

* Assistance available to employ outside expertise to undertake the research; outside expertise defined as not applicants employees, not employees of associate/subsidiary/parent companies, nor immediate family members

* Research can take the form of either specially commissioned research or review of existing research (New Zealand or overseas)

* If consultant's cost is in excess of \$5,000 (grant of \$2,500 or more sought) two competitive bids must accompany application or an explanation supplied as to why bids not sought

* Applications must be accompanied by consultants brief/terms of reference; detailed cost breakdown; CV

3

11 Component 2

* New markets have same meaning as that used for Component 1

* This component is restricted to those who have had a grant under component 1 or to those who can provide details of having independently undertaken research into market to be visited

* Assistance is available for air or ground travel (economy class) only for up to two of applicants full-time salaried employees

* Available for visiting new markets to explore opportunities for applicants goods/services

* Must supply itinerary of pre-scheduled appointments, evidence of pre-scheduling

* Applicants can combine travel to new markets with travel to existing markets but need to supply full itinerary of pre-scheduled visits and costs

12 Component 3

* Objective is to assist applicants potential of increasing sales of goods and services by exhibiting at trade fairs

* Assistance available to help meet cost of applicant's participation at specific trade fairs (stand hire, design of stand, stand construction, servicing stand, advertisements, promotion costs)

* Fair must involve a number of individual participants, is restricted to the "trade" (not open to the public) and participants must be from more than one country.

- 4
- * no assistance for travel, accommodation or meals; could qualify for travel under Component 2
 - * Need to provide details of who will be attending, why will be attending and over what period
 - * Need to provide cost breakdowns and placement schedules
- 13 Component 4
- * New markets has same meaning as Component 1
 - * Assistance for advertising; production technical literature; in-store demonstrations; shelf-space payments; making videos/other promotional aids; product seminars/demonstrations for buyers; supplying samples (freight and distribution only); and sponsorship costs
 - * Assistance not available for trade fair participation nor producing samples
 - * Need to provide details of assistance sought, cost breakdowns placement schedules, timing, etc
- 14 Component 5
- * Objective is to help gain protection of intellectual property rights, not to maintain protection
 - * Assistance for patents, designs, trade marks, copyright, plant variety rights, know how, confidential information and trade secrets
 - * Covers filing, granting, assignment, licensing and enforcement of intellectual property rights

- 5
- * Need to specify protection sought, and cost of
- 15 Component 6
- * Objective is to help short-listed applicants prepare proposals for development projects - only for those who on short-list of applicants and invited to submit proposal in response to notified terms of reference
 - * Need to show evidence of shortlisting - source being project principal - and notified terms of reference
 - * Assistance available for reconnaissance of project, drafting and costing of project and preparation of it - only for employing outside expertise (not in-house costs)
 - * No assistance for meals, accommodation, applicants own costs
 - * Need to specify outside expertise, (same definition as for Component 1)
 - * Competitive bids provision of Component 1 applies here
 - * Need to supply consultants brief/terms of reference, CV and detailed cost breakdowns
- 16 Component 7
- * Objective is to assist applicants improve quality standards, integrate quality at all stages of business, and bring quality standards up to NZS 9001 and NZS 9002 only
 - * Assistance for obtaining quality assurance accreditation and undertaking quality audits, not for maintaining accreditation

- * Need to provide cost breakdown
- 17 Any costs incurred prior to receipt of Board's written approval are at applicants own risk.
- 18 Grant is paid on a reimbursement basis.
- 19 Standard claim form must be filled out for each claim and original receipts and original invoices are to be forwarded with this.
- 20 No claim will be processed until report received on activity - appropriate standard form is to be used.
- 21 Claims must be made in New Zealand dollars; supply conversion rates used if foreign currency transactions.
- 22 Scheme does not allow retrospective applications to be made.
- 23 No other government funds can be used for balance of cost for items funded under EGDS.
- 24 Information on approvals can be made publicly available by the Board.
- 25 Any grant approved is personal to applicant and cannot be assigned without written authority of the Board.
- 26 Applicant must notify Board in writing of acceptance of grant within prescribed time or else grant offer will lapse.
- 27 Grants must be uplifted within timeframe specified by Board or will lapse; any extension request to be received by the Board prior to grant expiring.

- 28 The Board retains the right to refuse to make payments to approved applicants in cases where it has determined that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.
- 29 Any grant approved is GST inclusive.
- 30 Applicants registered for GST must account for GST portion of grant as output tax.
- 31 Effect of section 169 of Income Tax Act.
- 32 Applicant accepts that changes can be made to the scheme at any time.
- 33 Only the applicant can sign the application form.
- 34 Contact person for the applicant can only be a salaried employee of the applicant, or a member of the organisation or the individual applicant.
- 35 Minister of Business Development considers appeals; must be lodged by applicant.
- 36 Appeals must be received by Board within 2 months of date of its decline letter.
- 37 Validity of letters of intent explained.
- 38 If further information is requested in writing, but not received by the time specified, the application may be declined.

39 Reallocation provisions and procedure explained.



Date

Dear

**ENTERPRISE GROWTH DEVELOPMENT SCHEME
REGISTRATION NUMBER: _____**

I am pleased to inform you that the Board has approved an EGDS grant of \$ _____ to assist _____

QUALIFYING COSTS

The qualifying costs of the grant are as follows:

etc

CONDITIONS OF GRANT

The scheme has nine standards conditions:

1 Retrospective claims cannot be accepted. Costs incurred prior to _____ are not eligible for reimbursement; you cannot therefore claim such costs against the grant.

2 No other government funds can be used for the balance of the costs funded under EGDS.

Other government funds can only be used for costs not covered by this grant, ie you can receive funds from another government scheme for the activity as long as the costs covered by it are different to those covered by the EGDS Grant.

3 The grant is only paid for approved costs on the basis of original invoices matched to original receipts - photocopied receipts and invoices are not acceptable. Please note that where hand-written receipts are provided, or where payment is noted on invoices, these must show the following:

- date of payment
- amount of payment
- signature of person receiving payment

Board staff's Signature: _____

Date: _____

Applicant's Signature: _____

Date: _____

- name of person receiving payment together with their designation

The only cost category for which you are not required to provide receipts and invoices is mileage; if you have a mileage category in your qualifying costs you must, however, supply a completed log sheet to the Board - a copy of this form is attached to this letter.

If goods or services have been paid for by credit card you must supply the original invoices for these together with the credit card statement to which these are charged to plus a subsequent statement showing that payment has been made.

A completed "Claim Form", a copy of which is attached to this letter, must be filled out for each claim you lodge against the grant.

4 The grant will not be paid until the Board receives a report on the finding of the work. The reporting form(s) attached to this letter is(are) to be used.

A summarised version of your report will be made freely available, on request, six months after receipt of the report.

5 Information on grant approvals can be made publicly available by the Board - this covers:

- grant recipient; region; amount of grant) any time after
- general statement on component of scheme) approval
- for which assistance is approved)
- outcome of activity assisted - 6 months after report received

6 Any grant approved is personal to the applicant and may not be assigned without the written authority of the Board.

7 The applicant has 20 working days, from the date of this letter, to accept the grant on the conditions it is offered. If your written acceptance is not received within this period the offer of the grant will lapse.

8 The grant must be uplifted by _____ or else it will lapse on that date. A written request for a time extension can be considered if this is received by the Board before the grant lapse date.

9 Grants are made subject to the Board being satisfied that the information given by the applicant is true and correct and that there has not been an omission of any relevant fact nor misrepresentation given. The Board retains the right to refuse to make payments to approved applicants in cases where it determines that it has been misled by the applicant or if the applicant has been placed in receivership or declared bankrupt.

IMPLICATIONS OF THE GRANT FOR TAX PURPOSES

1 The grant is GST inclusive (for goods or services purchased and paid for in New Zealand) therefore, claims should be based on GST inclusive amounts.

2 If you are registered for GST you will have to account for the GST portion of the grant as output tax.

3 Section 169 of the Income Tax Act 1976 deals with grants such as this. Effectively, the grant is not assessable income as such but, has the effect of reducing the costs which may be claimed for income tax purposes or, as appropriate, reducing the cost of assets for depreciation purposes.

We wish you well for the activity to be undertaken.

Yours sincerely

.....
Business Development Board

ENTERPRISE GROWTH DEVELOPMENT SCHEME : CLAIM FORM

LOG SHEET : FOR MILEAGE

APPLICANT: Name: _____ Registration No: _____
 Address: _____
 _____ Claim No: _____ Phone: _____

SCHEDULE OF QUALIFYING EXPENDITURE

Category of Qualifying Expenditure (as outlined in the Board's grant approval letter)	Amount Paid	Amount claimed	Original invoice and Receipt Attached (Please tick)	Office Use Only

- NR* All claims are to be made on such a form - the Board reserves the right to return any claims not made on such a form.
 * Claims are to be made in New Zealand currency; if foreign currency transactions occurred please provide details of exchange rate used.
 * If claiming for mileage a completed log sheet (attached to this form) must be submitted.

Signature: _____ Date _____

Date	Travelled From	Travelled To	Reason for Travel	Distance KM

**ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 1 : COMPONENT 1 - MARKET RESEARCH**

NOTE: Any variation to the market researched or consultant used, as compared to that outlined in your application form, must be explained. If such variation has occurred, the Board is not obliged to accept your claim.

1 Which market(s) was (were) researched?

2 Who was employed to undertake the research?

3 What decision is to be taken as a result of this research? ie what action does the applicant intend taking.

4 Please explain any variation to the market researched or consultant used on a separate sheet of paper.

Name _____ Designation _____
Signature _____ Date _____

**ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 2 : COMPONENT 2 - EXPLORATION VISITS**

1 Which market(s) was (were) visited and when?

2 Who participated in the visit? By name and designation.

3 If those who participated in the visit were not the people specified in your application form, you must explain why these changes occurred. You should note that the Board is not obliged to accept the claim if any variation has occurred.

4 Please outline the calls made on this visit, comparing these with the pre-scheduled calls outlined in your application form. NB: If the calls undertaken were different to those scheduled, please explain why. You should note that the Board is not obliged to accept the claim if any substantial variations have occurred.

ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 3 : COMPONENT 3 - TRADE FAIR PARTICIPATION

5 Did you receive an order? Y N
 If yes,
 please state the value of this in NZ\$ _____

6 What decision is to be taken as a result of the visit? ie
what action do you intend to take.

1 Which fair(s) did the applicant participate in? Note by
place, date and duration.

2 Who participated in the fair? Note by name, designation,
period attended for, and specific role undertaken.

3 If the fair at which the applicant participated is
different to that specified in the application form, and/or
the individual participants are different, you must explain
why. You should note that the Board is not obliged to
accept the claim if any variations have occurred.

Name _____ Designation _____

Signature _____ Date _____

4 Did you receive any orders? Y N If yes,
 please state the value of this in NZ\$ _____

5 What decision is to be taken as a result of this participation? ie what action do you intend to take?

Name _____ Designation _____

Signature _____ Date _____

ENTERPRISE GROWTH DEVELOPMENT SCHEME:
 FINAL REPORT FORM 4 : COMPONENT 4 - PROMOTION/ADVERTISING
 IN NEW MARKETS

1 In which market did the promotion/advertising take place?

2 What form did the promotion/advertising take?

3 If the promotion/advertising is different to that specified in the application form and/or the market is different, you must explain why. You should note that the Board is not obliged to accept the claim if any variation has occurred.

4 Please state the responses received to date.

5 What decision is to be taken as a result of the promotion/advertising? ie what action do you intend to take?

Name _____ Designation _____

Signature _____ Date _____

ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 5 : COMPONENT 5 PROTECTION OF
INTELLECTUAL PROPERTY RIGHTS

1 Please outline the specific protection sought; noting in particular how close you are to obtaining this protection.

2 Any variation to the protection reported on and that outlined in your application must be explained. You should note that if such a variation has occurred, the Board is not obliged to accept your claim.

Name _____ Designation _____

Signature _____ Date _____

ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 6 : COMPONENT 6 - PROPOSAL COSTS FOR
DEVELOPMENT PROJECTS

1 Please outline what specific work was undertaken, and by whom, in putting together the proposal.

2 Any variation to the work undertaken and/or by whom, as compared to the information specified in your application form must be explained on a separate sheet. You should note that if such variations have occurred, the Board is not obliged to accept your claim.

3 Please explain at what stage of the process you are now at.

Name _____ Designation _____

Signature _____ Date _____

ENTERPRISE GROWTH DEVELOPMENT SCHEME:
FINAL REPORT FORM 7 : COMPONENT 7 - QUALITY ASSURANCE
AUDITS/ACCREDITATION

- 1 Please outline the specific accreditation/audit sought, noting in particular how close you are to obtaining accreditation.
- _____
- _____
- _____
- _____
- _____
- 2 Any variation to the accreditation/audit reported on and that outlined in your application must be explained. You should note that if such a variation has occurred, the Board is not obliged to accept your claim.
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Name _____ Designation _____

Signature _____ Date _____

CROWN
 MINISTRY OF COMMERCE
 Te Manatū Taunohoko

ACCOUNTS PAYABLE
INVOICE APPROVAL/INPUT FORM
FOR PAYMENTS - ON BEHALF OF CROWN
 FORM NO: CRN-AP03

GRANT TYPE: BDIG
 EAGS
 * delete two EGDS

CLAIMANT: _____ REGISTRATION NUMBER:
 (Internal Reference)

DATE: (DD/MM/YY) CLAIM NUMBER:

PAYMENT TERMS: **IMMEDIATE**

DESCRIPTION: (28 characters)

Insert applicable GL code
 520901572502 - BDIG
 520901514502 - EAGS
 520901515502 - EGDS

GL CODE

NARRATION (28 characters if different from description)

AMOUNT

PREPARED BY: _____ DATE: _____

FOR FINANCE USE ONLY

DATE RECEIVED IN FINANCE: TRANSACTION NUMBER:

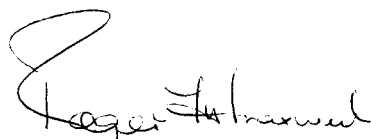
SUPPLIER CODE: DOCUMENT REFERENCE: **2 0 9 0 1 5 6 1**

CHECKED BY: _____ DATE: _____

CHECKED AGAINST A/P LISTING: _____ DATE: _____

DATE PAID: _____ CHEQUE NUMBER: _____

Dated at Wellington this 27th day of February 1992.



Hon Roger F H Maxwell
Minister of Business Development



