



RURAL DEVELOPMENT STRATEGY

BUSINESS CAPITAL DEVELOPMENT SCHEME Guidance Notes and Application Form

The Falkland Islands Government has approved funding for the delivery of the Rural Development Strategy (RDS) Action Plan in 2017/2018.

One of the main requirements of the RDS is to stimulate business growth, encourage diversification of the Camp economy and drive up new business formation rates in Camp. **The BUSINESS CAPITAL DEVELOPMENT SCHEME** has been established to help achieve this.

Funding has been set aside for this grant scheme in the 2017/2018 financial year with the scheme closing at the end of June 2018. This funding will be reviewed against demand from applicants on an on-going basis.

The following guide has been prepared to assist you in your application for funding under the Business Capital Development Scheme. The application form is attached to these notes, as Appendix 1.

Please read the notes before completing the application form as your completed application form will be used to assess your proposal.

If you have any questions or need any assistance completing the form please contact the Development Manager at FIDC by e-mail at development.manager@fidc.co.fk or by telephone on +500 27211.

1 - Name of the Scheme

Business Capital Development Scheme.

2 - Objectives of the scheme

The objective of this scheme is to help remove barriers to business growth and investment by supporting the establishment of new businesses and the development of existing ones in Camp. In particular, the scheme aims to support ventures that will create new full or part-time jobs in Camp.

3 - Eligible projects

To be eligible under this scheme, a project must meet the scheme's objective (noted in 2 above), that is the project must relate to the establishment of a new business or involve the development of an existing business. The relocation of Stanley based businesses to Camp would also be an eligible project under this scheme.

In addition, the new venture must be able to show the creation of at least one additional full time or part time post. This should be demonstrated through the financial projections as wages or drawings. We would expect a part-time post to involve the equivalent of around 10 hours per week and a full-time post to involve around 35 hours per week.

Applications from individuals not resident in Camp will be considered where it can be demonstrated that i) the Camp population will benefit from the business service/product ii) that a portion of the business will be attributed to serving Camp in the long term. Funding will only be applicable to the portion of the business which applies to Camp and benefits the Camp population.

Established businesses must be able to demonstrate that there are barriers to their growth through the provision of accounts.

Grant funding applications under this scheme are designed to work alongside a Business loan application. Applicants have to demonstrate the value added to their projects through the provision of grant funding and a stand-alone grant, will only be considered if loan funding isn't considered beneficial for the business.

4 - Ineligible projects

Business proposals which do not meet the objectives of the scheme will be ineligible. Proposals which do not benefit Camp or contain a Camp element will not be eligible.

5 - Eligible costs

Any capital costs associated with establishing or expanding your business are eligible, for example: the costs of building works including labour, materials, the costs of purchasing additional new or used equipment or the costs of bringing new technology to the business. The cost of establishing or upgrading infrastructure (housing, water system...) will be considered provided it directly enables a business start-up or development project.

If you have a cost that is not listed here please talk to us about its eligibility before submitting your application.

6 - Ineligible costs

Revenue costs

This scheme will not cover on-going running costs of new businesses such as staff wages, heating and lighting, insurance etc.

Retrospective costs

Projects that have already been completed will not be eligible under this scheme. Projects currently underway may be considered. Please contact FIDC's Development Officers to discuss any queries on eligibility.

Own labour costs

The scheme does not cover the labour costs of the applicant.

Costs covered in other funding schemes

The scheme does not cover costs that are already covered in other funding schemes, including Energy grant schemes, the Tourism Accommodation Grant scheme, the Farm Improvement programme etc.

7 - Who can apply?

Any full time resident living and working in Camp is eligible to make an application under this scheme. The main residence of a “full time resident” must be in Camp.

This scheme applies to anyone wishing to establish a business in Camp. In addition, anyone living somewhere other than Camp and aiming to establish a new business in Camp is eligible to apply. The business benefiting from the scheme must be operated in Camp and the new job must be created in Camp.

Applicants are responsible for ensuring that they meet the requirements of the Immigration Department in terms of securing appropriate work permits and other permissions to work in the Falkland Islands

Individuals, businesses, cooperatives, charities and community companies can make applications under this scheme.

8 - How much funding is available?

Funding is available at a level of 50% of eligible project costs up to a maximum of £15,000 per business/per venture. The applicant must evidence that they are funding the remaining 50% themselves.

If you are unsure whether your costs are eligible please contact the Development Officers to discuss them.

9 - How to apply

To apply to for a grant under this scheme, please send a completed “Business Capital Development Grant” to FIDC by e-mail to development.manager@fidc.co.fk or by post to FIDC, Shackleton House, Stanley.

We want to help you to make sure that your business proposal is well planned and will be sustainable in the long term. One way we do this is by working with you to produce 3-year Profit and Loss projections for your business. The projections will also help to show that your business will create enough turnover to support a new part-time or full time post- a key objective of the scheme. These financials need to be submitted along with your application.

FIDC can provide grant assistance towards the costs of commissioning an accountant or other professional to help you prepare your business case and financials. The Development Officers at FIDC will also support you in this process providing guidance where required.

Applications will be accepted until May 2018 with the Scheme ending in June 2018. All claims must be received by the end of June 2017.

Once the Scheme’s funding has been fully subscribed, no further applications will be accepted or processed.

10 - Processing your application

Once received, your application will be assessed for eligibility against the project criteria and against the eligibility criteria for applicants. We may contact you for more information. If your application is eligible, a FIDC Development Officer will present your application to the FIDC Credit Committee for assessment.

If your proposal is approved, we will write to you to confirm this and to tell you the amount of grant funding awarded. Our letter will also tell you if any of the costs included in your project are ineligible.

If your proposal is rejected, we will write to you to tell you outlining the reasons for this decision.

If your business project alters after you have submitted your application, please tell us about any changes immediately. We may be able to alter your application and include any new costs. These new costs would need to be approved formally.

11 - Release of funds and claims

You will receive a decision on your application within 28 days.

Funds will only be released against an approved application. If your application is approved, you will be issued with a Letter of Offer which needs to be signed and returned to us. This Letter of Offer states the conditions associated with the grant. Funds will not be released until a signed Letter of Offer has been received by FIDC.

Funds will be released on the production of original invoices and certified evidence of expenditure such as receipts when submitted with a claim form. If you have a problem managing the cash flow in your start-up business, please talk to us about this as we can consider releasing payment on receipt of goods.

The assets funded through this Business Capital Development Grant scheme should be used to meet the objectives outlined in section 2 above and for no other purpose. If you wish to use the assets for another purpose receiving an award under this scheme, permission should be sought from FIDC. FIDC reserves the right to reclaim all or part of its funds.

Should the nature of your business change within 4 years of a Business Capital Development Grant award being made, with the result that the business no longer meets the aims of this scheme, FIDC reserves the right to reclaim all or part of its funds.

Should you wish to sell the assets funded through this scheme within 4 years of the award being made, FIDC reserves the right to reclaim all or part of its funding.

12 - Strategic match

Question 4 of the application form asks you to describe how your proposal fits into the aims and objectives of the Rural Development Strategy. The RDS Objectives and Key Priorities are noted below to help you complete this section.

Strategic Objectives:

1. To increase the value of economic activity in Camp by 20% by 2017 (measured in terms of Gross Value Added (GVA) generated in Camp)
1. To increase the economically active population of Camp by 5% by 2017
2. To broaden the range of services available in Camp and increase the accessibility of both public and private services for Camp residents, so as to lead to an overall improvement in the quality of life in Camp.
3. 4. To manage, protect and conserve the natural environment.

Key Priority Areas:

1. *Business Growth and Development:* the RDS will help develop a more productive and dynamic business base in Camp
2. *Workforce Development:* The RDS will help to increase the size of the Camp labour force and improve skills and training to provide a flexible, adaptive and highly skilled workforce.
3. *Services:* The RDS will help to improve access to services and expand service provision to better serve the needs of the current population and to make Camp an attractive destination for new residents.
4. *Infrastructure:* The RDS will contribute to the provision of the infrastructure required to drive growth in the economy and improve the quality of life in Camp.
5. *Environment:* The RDS will contribute to the management, protection and conservation of the natural environment of Camp.

The full Rural Development Strategy and RDS Action Plan documents can be downloaded from the FIDC website www.fidc.co.fk or alternatively, a hard copy can be obtained from FIDC. Please call +500 27211 or email development.manager@fidc.co.fk

13 - Useful information

Business Advice

FIDC's Development Officers can help you pull together your business proposal for formal presentation under this award.

Other FIDC loans, grants and schemes

1. FIDC is able to offer loan financing to support new business ventures, the expansion of existing enterprises or diversification. Applicants for loan financing are normally required to contribute a personal contribution of 10% to project costs. Applicants to the Business Capital Development Scheme are encouraged to consider loan assistance from FIDC.

Applications to the scheme listed above should be made under separate cover and using the relevant form. Approvals are subject to the funding availability in each scheme. Please contact FIDC to find out more about these schemes and how they can be used.

14 - Key contacts

- For questions about the Rural Development Strategy please contact FIDC's Development Manager on +500 27211 or development.manager@fidc.co.fk

- For questions on this grant scheme or the application please contact FIDC's Development Manager as above.
- For business support and guidance please contact FIDC on +500 27211.
- To check on the progress of your application or to confirm balances on approved projects please contact the finance department at FIDC on +500 27211 or finance@fidc.co.fk
- For questions about your rights to live and work in the Falkland Islands please contact the Customs and Immigration Department on +500 27340 or admin@customs.gov.fk

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Rural Development Strategy

Business Capital Development Grant Scheme

1 - Contact Details

Applicant name and address

Contact name, telephone and e-mail address

2 - Business name and address

Please tell us the trading name of your business and where it will be operated from.

3 - Business proposal *(Continue on a separate sheet if necessary)*

Describe what your business idea is. Include as much information as possible including information on what you will sell; who will buy your product or service; why they will buy it; where you will sell it; how your business will operate; if you will have other staff etc. If you have plans for expansion or development in the future, please tell us about these plans too.

4 - Strategic match

Please tell us how your proposal fits with the Strategic Objectives and the Key Priorities listed under section 12 of the guidance notes above.

5 - Number of jobs created

Please tell us about any new jobs that will be created by your venture. If there is additional casual work created by your business, please mention this e.g. some additional work but not enough to be considered a part-time position. Please tell us what the new jobs will involve and where these jobs will be based. Please also tell us if this post is seasonal.

New job 1

Title of new post: _____

Expected hours per week: _____

Estimated annual earnings: _____

Further information

New job 2

Title of new post: _____

Expected hours per week: _____

Estimated annual earnings: _____

Further information

6 - Experience *(Continue on a separate sheet if necessary)*

Please tell us about any relevant experience you have in relation to your business proposal. This might be professional qualifications, work experience or personal experience.

7 - Please tell us the costs of your project *(Continue on a separate sheet if necessary)*

Use the table below to list ALL the costs involved in your project, even if the costs exceed £15,000 (the maximum grant available). Costs might include the purchase of materials, purchase of equipment, equipment hire, professional fees or labour. Please enclose a copy of any quotes received along with your application.

	Description of cost	Quote received (Yes/No)	Cost per unit	Quantity required	Total cost (£)
A					
B					
C					
D					
E					
F					
G					

Total project Costs (A + B+ C + D + E + F + G) = £ _____

Please state the amount of grant being requested

The fund allows applications of up to 50% of the ELIGIBLE total project costs up to a maximum of £15,000 per applicant.

Amount of funding requested: £ _____

8 – 3-year Profit and Loss projections

Have you enclosed a copy of the Profit and Loss projections for your business? Yes No

9 - Declaration

I/We, the undersigned certify that, to the best of my/our knowledge and belief, all information contained in this application and in the accompanying statements and documents is true, complete and correct.

Name(s): _____

Signature(s): _____ Date: _____

Bank Account name: _____

Bank Account number: _____

Additional information

Please use this space to include any additional information to be included in your grant application.