



## Local Enterprise Office - Cork North & West

### **FAQ's & Process in relation to applying for funding and submitting a claim for funding to the Local Enterprise Office (LEO) – Cork North & West.**

#### **I am only at the ideas stage, can I still meet with the Local Enterprise Office?**

Yes, the Local Enterprise Office (LEO) operates an information service and has a business advisor who can discuss your idea/business proposal with you and identify the most appropriate steps for you to take to move your business idea forward. Staff of the Local Enterprise Office (LEO) will be in a position to direct you towards appropriate soft supports such as business advice & planning days, training courses, mentors, workshops, programmes...etc. Please visit our website to make a [Business Advice appointment](#).

#### **Can I be guaranteed confidentiality?**

Any discussion between the Local Enterprise Office (LEO) and businesses/individuals looking for any type of assistance are held in the strictest of confidence. All documentation is protected by the Data Protection Act and any commercially sensitive information is exempt under that Act.

#### **How does the Local Enterprise Office select a project for grant assistance?**

A business has to apply for financial assistance through an application process. We would advise that you review eligibility criteria on our [web site](#), then ring to discuss your idea with a staff member or make a business advice appointment to meet before submitting any application to ensure that you meet with the eligibility criteria and understand the level of documentation required for an application. This is a process and even though you may submit material which you may think would be sufficient for the application, there may be further information requested of you before the enterprise officer would submit it to the Approvals Committee. For very early stage or concept stage ideas we would advise that your first engage with the LEO in relation to your ideal early on and avail of [business advice appointment](#) or undertake a start your own business course.



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## How can I find out if my idea is viable?

We would recommend that all business ideas are full researched in the market place. This is an important process and one which will determine if there is a market for your product/service, what gaps are there in the market that your p/s can fulfill, what price points are in operation in the market and who are your competitors. Looking at your costs will then assist you to determine if the concept is potentially viable. Market research is done by analyzing/reviewing/undertaking/talking to the following:

- Desk /Internet research
- Store research / Talk to Local retailers/buyers
- Questionnaires to the Public/Distributors
- Focus Groups
- Buyer Research
- Competitor Research

Clients of the LEO who are potentially fundable may also apply to avail of Enterprise Ireland Library Services and also have access to Bord Bia market intelligence services too. Sometimes these Agencies will have reports on recent trends in the market place available, which can guide you in planning your business. Request access to this service by emailing us.

The LEO also runs various training courses that can help you to validate your business idea, such as the Start Your Own Business Programme.

A good starting point is to begin your search using an Aggregator market research site. These sites offer the facility to search a number of market research databases at one time.

Two such sites are [www.researchandmarkets.com](http://www.researchandmarkets.com) and [www.marketresearch.com](http://www.marketresearch.com).

Keep in mind that only a limited number of the reports listed on these sites can be available from Enterprise Ireland and that these sites do not include a comprehensive list of all market report databases.

For a general internet search it is even more important to target your search by using '*Advance Search*' options and checking for any search tips available. Please see Appendix A for a list of useful websites.

## Is my business idea eligible for grant funding?

### The following are eligible for funding:

- Registered full time businesses engaged in volume manufacturing (including food, engineering, and craft) based in North & West Cork.



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- Internationally traded service businesses (over 50% of trade must come from overseas customers and details of overseas customers must be provided)
- Innovative businesses/ projects with national/export potential
- **It is important to note that projects servicing markets in greater Cork, Munster, National and export are given priority.**
- **Projects servicing a local market in North & West Cork where other operators exist are not usually eligible for funding unless they are truly innovative and are using the local market to test product/service.**
- **If the LEO deems an application not suitable under our remit you may be referred on to another Agency such as Enterprise Ireland, Cork County Council, a Leader Group, Bord Iascaigh Mhara, Udaras, Pobal etc.**

#### Companies seeking financial support must:

- Not employ more than 10 people located in the catchment area of the LEO. The LEO can deal with businesses employing 10 or less, after which you will be moved up to Enterprise Ireland if you are exporting. Many businesses seeking assistance from the LEO can grow to employing over 10 during their time with the LEO.
  - be a registered business ([www.cro.ie](http://www.cro.ie)) and operate within the geographic catchment area of the LEO
  - The enterprise must operate in the commercial sphere
  - The enterprise must demonstrate a market for their product/service
  - The enterprise must have potential for growth in domestic and/or export markets and also potential for new job creation
  - **have adequate overall finance available to the project** (detail in your application how you will fund the business)
  - have the necessary management and technical skills
  - Priority will be given to enterprises in the manufacturing and/or internationally traded service sectors
  - Need for money and having regard to deadweight and displacement will be a consideration
  - Grants sought up to €40k can be considered by the LEO Evaluation committee, anything over that must be considered by an Enterprise Ireland Committee. A maximum level of €80k generally can be considered.
  - Cumulative levels of assistance for an SME from all state sources cannot exceed €200k in any 3 year period [under EU De Minimis Rules](#).
- Those situated in a Gaeltacht area must contact [Udaras na Gaeltachta](#)

They must also:

- NOT be an existing Enterprise Ireland clients and not receiving Enterprise Ireland funding



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- Be in receipt of more than €200k over a 3 year period from any government agency/body. The LEO must also adhere to the De Minimis ruling on EU Aid whereby no SME due to competition rules, may receive more than €200,000 in any three year period.
- **The LEO must also be mindful of deadweight issues – where a project genuinely doesn't need the funding and can finance the project by itself and also of local displacement issues - where to fund one project operating in a specific market would impact unfavorably on another local operator.**

### What types of projects can the LEO not financially assist?

Under the terms of its remit some projects **cannot be supported** by the Local Enterprise Office:

- Retail outlets (though these are eligible for the [Trading Online Voucher Scheme](#))
- Professional services (including Accountants, Solicitors, Consultants/Consultancies)
- Projects where manufacturing is outsourced overseas.
- Retail or Personal Services – or any local enterprise which involve displacement of existing jobs or business: Builders, Hairdressers, Cafes & restaurants, Pubs, Hotels, General Printers, Construction, gardeners, Life Coaches, Trades etc. would come within this category. Generally where there are a large number of operators within a sector, the LEO has to have regard to the implications of grant aiding one or some, possibly putting the others at a competitive disadvantage.
- Crèches are no longer eligible for funding
- Construction / Building Services.
- Gambling related services.
- Projects not commercially viable. Not for profit businesses/charities not eligible.
- Conferences and Seminars provided by the private sector.
- Projects which are contrary to public policy.
- Duplication of support for projects which would be eligible for assistance from other State Agencies or EU funded Operational Programmes.
- Existing Firms which already have an established relationship with Enterprise Ireland or IDA. Please do not apply to the LEO if you have an existing application for the same project under consideration by Enterprise Ireland.
- Projects involving primary agricultural or fish production, where little added value is demonstrated.
- Projects with employees in excess of 10 people.
- Mobile assets, i.e. cars, motor vans, forklifts..etc.
- Laptops/Mobile devices are not eligible
- Projects deemed to be capable of proceeding in any event without the support of the LEO assistance particularly where finances are not required. i.e. deadweight.
- Projects essentially comprising importation and distribution.

### What does a grant application to the LEO consist of?



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An application is completed by the client and submitted to the LEO via our online system. Links to this system can be found under each grant below. An application should consist of the following, typically:

- Current Business Plan
- LEO Application Form with contact details of promoter(s) – to be completed online
- Email Address (the LEO primarily corresponds by email)
- Projected Financials & Cashflow for at least 2-3 years
- Evidence of Matching funding (letter from bank/statement..etc)
- Historical Accounts for 2 years (if trading)
- Quotations for Capital, Marketing, Consultancy, other outsourced costs. **Usually three quotes are required for items over €5,000. Please refer to detail re EU procurement.**
- Product Sample/Prototype/Branding
- Plans , Planning Permissions, Health Board Permissions if relevant
- CV's of Promoters (Summary – 1-2 pages adequate)
- Other Supporting Documentation such as Pictures, Press material etc
- Tax Clearance Certificate

**An application will not go to the Committee for review until all the information has been adequately provided.**

In assessing projects suitability for support, the Evaluation Committee will review the following:-

- Need for Money
- Innovation in the Marketplace
- Commercial Viability & Sustainability
- Adequate Financial Resources
- Suitable Business Plan
- Employment Creation & Potential
- Double funding
- Previous funding

### **I don't have a business Plan? How can I go about writing one?**

The LEO can offer a business plan template that you may use and there are some sample completed business plans on our web site. The LEO would deem the completion of a business plan a very important process and one which **most successful businesses** spend time completing, reviewing and updating on a regular basis. Please refer to:

<https://www.localenterprise.ie/CorkNorthandWest/Publications-Resources/Sample-Business-Plans/>



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### Do I need an Accountant or a Solicitor?

Not necessarily, although we would advise that all businesses seek appropriate legal and taxation advice from a registered Accountant or Solicitor when required.

### How does the Application Process work?

Applications must be received online. An application form must be filled out on our online application system and all relevant documents – business plan, financials, images etc – must be uploaded. Links to this system can be found under each grant below.

You can start an application and save it in draft form so that you can continue to work on it over a period of time. Once your application is complete, it is examined and further information may be requested of you by the enterprise officer. A project summary report is prepared by the enterprise officer who presents that along with your detailed application with business plan etc to the Evaluation Committee. Deadlines for applications are usually 3 weeks prior to an evaluation meeting date. The Evaluation Committee can approve an application and decide on the level of assistance to be awarded.

Other sources of finance will be taken into account. **A project must avoid displacement and dead-weight.** An application process from point of first contact, can take at least **6-8** weeks, depending on whether your application is deemed ready.

### I have already incurred expenditure on my business project. Is that eligible for a grant?

No, any expenditure incurred, *prior* to submission of the application to the LEO, **will not be eligible** for grant support. Only planned expenditure approved by the LEO can be considered.

### What grants are available from the LEO?

The LEO can only fund certain types of projects with costs associated with starting up or expanding a business based in North & West Cork. See detailed eligibility criteria on our web site.

The LEO can approve financial assistance on up to **50% of proposed investment costs**, with 35% of that being a direct grant (non-repayable) and 15% being refundable aid (repayable over 36 months **interest free**).



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## **Important Point to Note:**

**Once approved, you must fund 100% of any capital/marketing costs initially (except with salary grants when 50% of the grant is paid at the outset & 50% 6 months later). If your application has been approved by the LEO for funding you can then recoup the relevant grant based on submitting invoices/evidence of payment and other details. This is important to note for cashflow planning.**

### **Example:**

*Company X seeks funding for machine Y costing €20,000. The LEO approves 50% financial assistance of €10,000, with €7,000 (35%) of that being a direct grant and €3,000 (15%) refundable. The refundable aid amounts to **€83.33** per month over 36 months.*

Salary grants paid are usually on the basis of a minimum of €7,500 per new full time position created up to €15,000 grant for those positions paid over €40,000. They are paid in two instalments – 50% initially when the position is created and 50% after 6 months. **Part Time positions are not eligible for funding. A full time position is considered 28 hours or over. Once again a salary grant is part direct grant and part refundable aid.**

See also [www.jobsplus.ie](http://www.jobsplus.ie) for other details for funding employees who may have been on the Live Register.

### **Example:**

*Company X seeks funding for employing one new fulltime position in marketing. The salary is €45,000 and the LEO approves €15,000. This is made up of €10,500 (35%) Direct Grant and €4,500 ref.aid (15%). The refundable aid amounts to **€125** per month over 36 months.*

There are three types of grants available from the LEO:

- Feasibility/Innovation Grants
- Priming Grants for Start Ups
- Business Expansion Grants for expanding existing businesses.

## **What is a Feasibility/Innovation Grant?**

Feasibility study funding is only given towards the development of new and innovative product prototypes not already in the market place.

The LEO will consider applications for feasibility study grants towards the development of innovative product / service ideas not already in the marketplace, where the promoter has already conducted extensive market research into the idea, but assistance is required to move the concept nearer to market readiness, and work is required to further develop the product / service prototype or delivery and it is expected that it will be market ready in less than 12 months. Financial support will not be available for R&D type projects

The grant can provide assistance with costs such as innovation including specific consultancy requirements, hiring of expertise from third level colleges, private specialists, design, patent costs and prototype development. We also would refer you to avail of an innovation voucher, available only to registered limited companies, who wish to get third level institutes to undertake research work for them. [www.innovationvoucher.ie](http://www.innovationvoucher.ie)

The maximum grant payable will not exceed 50% of the investment costs of up to €30,000 or a direct grant €15,000 whichever is lesser. Feasibility study funding is usually **100% direct non repayable aid**.

Expenditure may be considered under the following headings;

- Innovation costs - prototype development, innovative design, research costs, patent costs and third level college consultancy.
- Own labour research - own labour involved in carrying out research/prototype development. MAX: strictly **20% of overall cost of investment**. Own labour is generally only acceptable where the promoter **has no other source of income**.
- Consultancy costs - design fees, architect, accountant and legal fees.
- Miscellaneous costs - telephone, mileage, subsistence and overnight costs etc

All feasibility study approvals must be completed & paid by the LEO **within 9 months**.

## **I plan on undertaking the research on the feasibility study myself. Are costs associated with paying myself be eligible under this grant?**

The LEO would expect that a lot of the ground work will have been undertaken by a promoter already before applying for a feasibility study grant. Some 20% of the overall grant drawdown attributed to labour may be eligible however, that is the maximum allowed. Own labour is generally only acceptable where the promoter has no other source of income.



## Can a feasibility study be used towards funding a study for a business plan or a product where there are already many competitors in the market place?

No, feasibility study funding cannot be used towards the development of general business plans. Feasibility study funding is only given towards the development of new and innovative product prototypes not already in the market place.

## What is a Priming Grant?

[The Priming Grant](#) is a business **start up** grant, available to micro enterprises within the first 18 months of starting up.

A grant is up to a max of 50% of eligible costs up to €150,000. ***However, budgetary constraints on the LEO would dictate that it is highly unlikely that a project would be awarded this maximum in one approval. In essence grants awarded tend to be in the region of €10k-€40,000.*** Any project seeking more than €40k would have to be first recommended by the LEO committee then it must go to a further Enterprise Ireland Committee.

A business may return to the LEO with further applications for funding upon expansion, where further investment may be required in machinery, marketing or salaries.

Priming grants may be available for sole traders, partnerships or limited companies that fulfill the following criteria;

- Located within the LEO's geographic area
- A business which on growth may or may not fit the Enterprise Ireland portfolio
- A business employing up to 10 employees
- A manufacturing or internationally traded services business
- A domestically traded service business with the potential to trade internationally
- A domestically traded service business being established by a female returning to the workforce where the potential for deadweight and displacement does not exist.
- Unemployed persons where the potential for deadweight and displacement does not exist.

The maximum Priming Grant available must not exceed 50% of the investment or up to €150,000 whichever is the lesser. Budgetary constraints on the LEO would dictate that very few projects would be awarded this maximum of this in one approval.

Typical eligible expenditure can include;

- Capital items



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- Salary costs
- Marketing costs
- Consultancy costs
- Business Specific training

### **What is a Business Expansion Grant?**

[The Business Expansion Grant](#) is designed to assist the business in its growth phase after the initial 18 month start up period.

A grant is up to a max of 50% of eligible costs up to €150,000. ***However, budgetary constraints on the LEO would dictate that it is highly unlikely that a project would be awarded this maximum in one approval. In essence grants awarded tend to be in the region of €10k-€40,000.*** Any project seeking more than €40k would have to be first recommended by the LEO committee then it must go to a further Enterprise Ireland Committee.

A business may return to the LEO with further applications for funding upon expansion, where further investment may be required in machinery, marketing or salaries.

Micro enterprises that have availed of a Priming Grant are ineligible to apply for a Business Expansion Grant until 18 months after the final drawdown date of the Priming Grant, except in exceptional circumstances.

Business Expansion Grants may be available for sole traders, partnerships or limited companies that fulfill the following criteria;

- Located within the LEO's geographic area
- A business which on growth may or may not have the capacity to fit the Enterprise Ireland portfolio
- A business employing up to 10 employees
- A manufacturing or internationally traded services business
- A domestically traded service business with the potential to trade internationally

The maximum Business Expansion Grant available must not exceed 50% of the investment or €150,000 whichever is the lesser. Eligible expenditure can include;

- Capital items
- Salary costs
- Marketing costs
- Consultancy costs
- Business Specific training

### **Can I get assistance with completing the application form?**

Local Enterprise Office staff members are available to explain the details required in completing application forms and to inform promoters of any additional documentation required. While the adviser can advise you in relation to writing your business plan and provide you with templates, the promoter must be the key writer in this, as the process is as important as the end result. You may also apply for a mentor to assist you in this process.

### **Can I also apply for another grant such as from Leader as well as the Local Enterprise Office?**

A number of different state agencies offer grants to SMEs to assist them to develop & grow. Each funding programme has specific criteria to which you must satisfy. However, there should be no dual funding for the same costs.

### **Do I need to be registered for VAT?**

No not necessarily. Some of our start ups are not at the threshold where they can be registered for Vat.

You must first register as self employed. Please refer to revenue web site:

<http://www.revenue.ie/en/business/running/registering-tax.html>

#### **Who must register for VAT?**

A trader is generally required to register for VAT for making supplies of goods and/or services, subject to his or her turnover exceeding certain thresholds. The most common are €37,500 for the supply of services, and €75,000 for the supply of goods. Some traders are generally not required to register for VAT, although they may choose to do so. These include traders whose turnover does not exceed the thresholds above, and also farmers. Traders engaged in exempt activities are not permitted to charge VAT. However, they may, in common with farmers, Government Departments and other bodies be required to register for VAT, in order to account for VAT on services or goods received from suppliers outside Ireland.

#### **What is the turnover threshold for VAT registration?**

The principal thresholds applicable are as follows:

- (a) €37,500 in the case of persons supplying services,
- (b) €37,500 for persons supplying goods liable at the [reduced or standard rates](#) which they have manufactured or produced from zero rated materials,
- (c) €37,500 for persons making mail-order or distance sales into the State,
- (d) €41,000 for persons making intra-Community acquisitions,
- (e) €75,000 for persons supplying goods,

- (f) €75,000 for persons supplying both goods and services where 90% or more of the turnover is derived from supplies of goods (other than of the kind referred to at (b) above) and
- (g) A non-established person supplying taxable goods or services in the State is obliged to register and account for VAT irrespective of the level of turnover.

A taxable person established in the State is not required to register for VAT if his or her turnover does not reach the appropriate threshold above. However, they may opt to register for VAT.

<http://www.revenue.ie/en/tax/vat/registration/index.html>

### **Do I need to get three quotations for application for all my costs?**

Yes, in line with EU rules, the following procedure must be adhered to:

We require a confirmation made by promoter that ***every attempt to achieve value for money in terms of expenditure was made and documented.***

#### **Ensure for contracts under €5,000**

- At least one verbal quote has been obtained (note on file)

#### **Ensure for contracts between €5,000 - €50,000**

- A minimum of three written quotes have been sought;
- That tenders have been evaluated objectively against specified requirements using a scoring sheet;

#### **Ensure for contracts between 50,000 and 206,000**

- Formal tendering is carried out either using the Irish Government website [www.etenders.ie](http://www.etenders.ie) and/or other suitable publication; or 5 written quotes are sought and evidence that at least 3 were received is available on file.
- That tenders have been **evaluated objectively** against specified requirements using a scoring sheet.

### **I am considering outsourcing the manufacturing of my business. Can the LEO assist with the development of my business?**

No, generally the LEO's do not assist outsourced manufacturing projects, unless it is outsourced locally, or where there is high employment potential in the sales, marketing, financial and distribution centre of the business and it is based in North & West Cork. Where outsourcing is to another Cork business costs can be considered.

### I wish to purchase second hand equipment – Is this eligible for financial assistance?

In certain cases, second hand equipment is eligible for funding, where this equipment can be shown that it has not already been in receipt of EU/Exchequer funding (usually letter from seller). The grant aid rate on this is reduced to up to 25%.

### Will all my costs as outlined be approved for funding?

Not necessarily, the Committee will make a decision on the basis of your business plan, your contribution to the business, and decide which costs are deemed most appropriate and to what level an award should be made. In some cases, you may be awarded exactly what you applied for, in other cases, you might only be approved a fraction of what you have applied for. It is essential to try & be realistic in the costs you are submitting. **But please ensure that you have considered all relevant costs that may arise for the 6-9 months ahead as the LEO will not accept applications on a piecemeal basis unless there is real evidence of expansion.**

Please bear in mind also that whatever costs you apply for, that you need **evidence of at least 50% matching funding**. You may also need to bridge 100% of the funding until you have compiled the paperwork to recoup any grant award. Where projects have been approved for funding once, they may come back again to apply for further funding for business expansion plans.

### I have been approved a grant from the LEO, what do I do next?

You will have received a letter of offer from the LEO detailing your grant approval, the conditions and various documents that are required to be signed. If you wish to accept the grant and its conditions then you must sign and return the Acceptance Form to us. Once you have done that, you must read and review the other documentation and make an appointment with the LEO to sign the documentation.

### I have been approved for a grant – when do I get paid?

The grants from the LEO, with the exception of salary grants, are all on the basis of a recoupment system based on vouched expenditure. For example if you have been approved a grant on the provision of equipment then the equipment must be fully paid for, installed and on site and the paperwork in order, with a site inspection carried out by LEO Personnel, for the LEO to pay out the 50% of costs. No cash payments are allowed and evidence of payment by way of invoices & bank statements are required for proof.

**Any grant expenditure claim over and above €15,000 now requires an audit certificate to be furnished.**

### Is VAT an eligible expense?

No, Vat is excluded from all grants and payments.

### Can I pay for goods in Cash?

No. Cash payments are not eligible for financial assistance. All payments must have a clear audit trail.

### What other documentation might be required at drawdown stage?

In all cases except for salary grants, the grantee must incur the expenditure before making a claim for the grant to be reimbursed by the LEO to the grantee.

**You would need to ensure that you have bridging finance arranged for this. You may get the grant award mandated to a specific bank account by requesting this in writing.**

You must submit your original invoices along with your grant claim forms.

- Invoices must be made out to the grant aided client and the funds paid from the grant aided client's bank / visa account. Please note name of account must be grant aided business.
- You must submit copies of your bank statements to verify payments from the grant aided clients' accounts.
- **Any grant expenditure claim over and above €15,000 now requires an audit certificate to be furnished.**
- In the case of food processing projects, a letter from the relevant **Health Authority** that your premises are fully approved.
- In all cases where capital items have been purchased, **evidence of insurance** must be provided with the interest of the LEO- Cork North & West noted on the policy.
- In the cases of building / renovation projects, **planning permissions and a site inspection** to determine value for money must be carried out.
- A **Fire Cert** must also be provided in build projects.
- In all cases, a **site inspection** to ensure that the business is in existence, that grant aided items are on site and operational is carried out.
- In all cases, a current **Tax Clearance Certificate** must be provided. You can apply for one online at <https://www.ros.ie/tcc/identification.jsp>
- In addition, you will be required to display at your business premises/office a **sign acknowledging ERDF / Exchequer funding** towards your business.

**The LEO cannot pay out on the grant unless all the above is in order.**

### **I have been approved for a salary grant? What information must I provide?**

In the case of salary grants, a detailed sheet showing the name and PPS number of the employee to be grant aided must be provided. A check is carried out then with the Social welfare to ensure that there are no current claims on that person. A tax Clearance cert must also be provided.

If all is in order we pay 50% of the grant award on that salaried employee straight away.

In 6 months time we will ask that you submit a claim to draw down the second half of the salary grant, and we will require that your Accountant/Auditor sign off on the employee details to show that you are tax compliant.

In addition for new startups, we require 6 months management accounts for the business, from the date of first payment of the first stage salary grant.

We may also require a letter from your Accountant and will conduct a spot check of PRSI / revenue payments.

### **What happens if the person I employed did not work out?**

The LEO is grant aiding the position and not the person. Sometimes a person may not be suitable or circumstances will arise where a person must leave a position. You may employ another person to take up that position.

If you have employed another person to take that place, then the grant can still available as long as you can show 6 months employment of the new person, in the business prior to payment of the second installment.

### **I have been approved for a grant but some of my costs or situation has changed? What can I do?**

You must inform the LEO of any material change to your business and the appropriate action will be taken. If you wish to amend your approved cost headings then you must put it in writing the amendments you wish to make and a decision will be taken by the Enterprise Officer. For any new costs, the procurement process must be met with.

### **I have decided to relocate my business outside West Cork. Can I transfer my grant approval?**

If the LEO has not yet paid your grant award then you will have to reapply to the relevant Local Enterprise Office in your new area. If the grant has been paid by the LEO then the file/grant is officially transferred to the LEO in your new area by the executive.

**My business never really commenced and I drew down the first instalment of the salary grant. What do I owe the LEO?**

You owe the LEO the full amount of the grant paid to you.

**My business went into liquidation prior to me commencing any real trading. What do I owe the LEO?**

You owe the full amount of the grant. As you will have signed a personal guarantee you are then liable personally for any financial liability of the grant aided body.

**Do I need a Tax Clearance Certificate?**

Yes, you need to register as self-employed with the Irish revenue Commissioners, [www.revenue.ie](http://www.revenue.ie), and have a valid Tax Clearance details.

**I received a grant from the LEO and was trading successfully for a number of years. Unfortunately my business has gone into liquidation. What do I owe the LEO?**

You owe the LEO the refundable aid portion of your grant award. If the business is liquidated and there are not enough funds to cover what is owed to the LEO you are personally responsible as you have signed a personal guarantee. It is a decision of the LEO to pursue a promoter legally for any funds owing to the LEO.

**I received a grant from the LEO previously, however, my business did not work out. Can I return to the LEO for funding in relation to a different project?**

As long as there are no monies outstanding in relation to the previous project, then there is no reason why the LEO would not consider another application from you.

**I am having difficulties in my cash-flow and in meeting the refundable aid repayments to the LEO. What can I do?**

You must talk/write to the project officer informing them of your material changes or difficulties and request that a new schedule of repayments could be considered to alleviate your situation until better trading conditions happen. In addition, the LEO could also appoint a mentor to assist you to examine your financial situation and find solutions.



## I am thinking of opening a new food business – What should I do first?

If you are considering opening a new food business it is strongly recommended that you contact your local Environmental Health Officer (EHO) at the very early stages for advice.

Very often new food business owners will design the layout of a kitchen or food preparation area in such a way that they unknowingly build in food safety problems. These are often very expensive and difficult to sort out once the building work has been completed, for example ventilation systems, drainage systems and toilet facilities just to highlight a few.

Another costly mistake often made by those starting off in the food service industry is not building in additional kitchen preparation and storage space.

When a business is successful it can often become very busy and will eventually outgrow the space provided in the kitchen/storage areas. Trying to prepare too much food in advance or too many meals at one time can lead to serious food poisoning risks so it is imperative that additional capacity is built in or a limited menu is agreed upon.

The local EHO for the area in which you are planning the premises will be happy to meet with you in advance and will discuss your proposed plans and ideas. They will advise you as to your legal obligations under food safety law including structural design and layout, training, food safety management systems and registration with the HSE.

Such a meeting not only saves you time and money but also establishes a good relationship with your EHO and demonstrates your commitment to food safety.

West Cork	028 51456 Fx: 028 22658	Environmental Health Department, HSE – South, Elmwood House, Lurriga, Skibbereen, Co. Cork
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Please refer to the [FSAI](#) for details in relation to the safe production of foods in Ireland.

A business advice meeting to discuss your new food business and the supports that the LEO can provide is the second stage of your business process. Please also refer to the Bord Bia website for new start ups [www.bordbiavantage.ie](http://www.bordbiavantage.ie)

In addition we often run [Start Your Own Food Business Courses](#) and it is recommended that you do this.

Cork County Council operates the [‘Cork Incubator Kitchens’](#) in Carrigaline, these food units are available to rent by the hour.

## How do I choose a Legal Structure for my business?

When setting up your own business, there are three possible structures you can choose to adopt:

### Sole trader

This is the most straightforward way to set up your own business.

- As a sole trader, you are the owner of the business
- You are legally liable for the business and do not have any protection if the business fails
- If the business is not successful, all of your assets (business & personal) can be used to pay off your creditors

### Private limited company

- A legal entity, separate from its shareholders
- If the business fails the shareholders are only liable for any amount outstanding on the share capital they subscribe

### Partnership

- An agreement between two or more people to go into business together
- If the business fails, each partner is liable for all losses
- A 'Deed of Partnership' is usually drawn up outlining the obligations of each partner

**Please note:** it is highly recommended that you consult an accountant or solicitor before choosing an ownership structure for your business

## How do I register my Business Name?

Once you have registered as self employed with the Revenue Commissioners [www.revenue.ie](http://www.revenue.ie) then you may register your **business name** online with the Companies registration office at [www.cro.ie](http://www.cro.ie)

**For any names that you might be considering for your new business you should first check if they are already registered / active on the Companies registration office web site [www.cro.ie](http://www.cro.ie)**

## **If approved for a grant what are the terms and conditions?**

**If you are approved for a priming/business expansion grant all grantees must abide by the following terms and conditions.**

### **General Conditions**

Grant assistance is payable to the grantee/s subject to the following general conditions:

#### **Other State Funds**

It is a condition of grant payment that the grantees must not be in receipt of a similar grant from any other State or EU source, except in the case of a promoter who is in receipt of benefit under the approved Department of Social Protection Back to Enterprise Allowance Programmes. Evidence of entitlement to any such Dept of Social Protection entitlements should be submitted

#### **Statutory Regulations**

Grantees should ensure that all statutory and local fire and safety regulations are strictly adhered to and to obtain the approval of the Fire Authority and the Local Authority in respect of any works to be carried out and to comply at all times with the planning permission granted for the development.

#### **Insurance**

Grantees should insure the equipment and the premises where the equipment is held is at all times in the full reinstatement value such policies will indemnify the LEO, Enterprise Ireland Central Co-ordination Unit and the Department of Jobs, Enterprise & Innovation.

**Evidence of commercial insurance for the relevant capital item (s) will need to be furnished before a grant payment can be made by the LEO to the grantee.**

#### **Disposal of Grant Aided Assets**

Equipment should not be disposed of or otherwise sold without the consent of the Grantor within a period of **ten** years from the date hereof.

#### **Legal Costs**

The Grantee is liable to pay any legal costs to the Grantor in relation to the Grantor obtaining a Mortgage or Charge on the assets of the Grantee.

#### **Record of Grant Aid**



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and the European Union



The LEO reserves the right to include details of this grant aid in official reports, summaries and publications. The Minister for Jobs, Enterprise, & Innovation, the EU , Enterprise Ireland Central Co-ordination Unit, the LEO and its officers and agents shall at all reasonable times have access to all the relevant records in relation to this grant.

### **EU Publicity**

Due acknowledgement should be given, by way of reference in promotional literature and on a **wall plate**, on the premises to the support of the LEO, The Irish EU Structural Funds Programme and the Europeans Union's role in part funding this project. This will be provided to you on Final Payment of the grant. If the grant concerns a web site similar acknowledgment of Exchequer & EU Funding on the web site is also required. *Beneficiaries should note that the acceptance of funding is an acceptance of their inclusion in the list of beneficiaries published in accordance with point (d) of Article 7(2) of the Implementation Regulation (EC) No 1828/2006. This list can be accessed on the Southern & Eastern Regional Assembly website [www.seregassembly.ie](http://www.seregassembly.ie)*

### **Time Limit for drawdown**

The **full grant must be drawn down within a maximum period of one year** from the date of the LEO Approval **or as otherwise stated**. Any grants or part thereof not drawn down within that period shall be automatically deemed to be de-committed. That grant aid shall not be provided in respect of expenditure prior to the date of the Approval. Please note that in exceptional circumstances a time extension beyond 12 months may be requested. A written request must be furnished no later than 2 months before final deadline date after which approval from both the LEO and Enterprise Ireland must be sought. There is no automatic guarantee of an approval of a time extension.

### **Tax Affairs**

On January 1st 2016 Revenue formally introduced a new electronic Tax Clearance (eTC) processing system. Applicants for tax clearance no longer receive a paper tax clearance.

The application is processed in **real time** and the result of the application is displayed on screen. An email confirming the results is sent to the applicant's Revenue Online Service (ROS) or myEnquiries Inbox. This will include a Tax Clearance Access Number which with the applicant's Tax Reference Number can be given to any third party entity that wishes to verify their TCC. From January 1st 2016 all new applications for tax clearance will be through the online eTax Clearance system, except for customers with an exemption from mandatory electronic filing requirements, i.e. on age grounds or due to broadband access or similar. See [www.revenue.ie](http://www.revenue.ie) for more information. Failure to do so can result in a delay in payment.



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**August 2016**

In the case of self employed persons it will be necessary to submit an auditors certificate of the commencement date of the business, the promoters PPS or RSI number as appropriate, confirmation that the business is registered with the Revenue Commissioners for income tax purposes and that the auditor is undertaking the completion of annual returns and that all statutory deductions in respect of PRSI and Income tax are being made.

For the purposes of drawing down the second instalment in respect of any grant aid approved for the purposes of salary, confirmation will be required from the auditor that the business has traded for the previous six months and that all tax and PRSI deductions have been made in respect of the grant aided salaries of employees.

### **Payment of the Grant**

The payment of monies or the provision of aid by the LEO shall be based on the records supplied and private funds invested in the project concerned. No part of the grant will be payable until all the conditions have been complied with.

For the purpose of the foregoing all relevant facts shall be vouched and certified in such manner as the LEO may require.

### **Procurement Rules**

#### **Ensure for contracts under €5,000**

- At least one verbal quote has been obtained (note on file)

#### **Ensure for contracts between €5,000 - €50,000**

- A minimum of three written quotes have been sought;
- That tenders have been evaluated objectively against specified requirements using a scoring sheet;

#### **Ensure for contracts between 50,000 and 206,000**

- formal tendering is carried out either using the Irish Government website [www.etenders.ie](http://www.etenders.ie) and/or other suitable publication; or 5 written quotes are sought and evidence that at least 3 were received is available on file.

**Where direct invitations are issued, firms from which quotations are sought should be a good representative sample of all potential bidders in the market concerned. Contracts should be awarded based on responses to specifications sent by fax or email to at least three suppliers or service providers. All records should be maintained on file.**

## Revocation

The LEO, may at any time within a ten (10) year period revoke, cancel recover or abate the grant in the event of any one or more of the following events happening:

- **If at any time any of the foregoing conditions are not complied with, to the satisfaction of the Enterprise LEO,**
- **If there should be a material change in the proposals which formed the basis of the application made for the grant,**
- **If an order is made or any effective resolution is passed for the winding up of the operations of the grantees,**
- **If a Receiver is appointed over the grant-aided property or if a distress or execution is levied or served on any of the property and is not paid off within 14 days;**
- **If, without the consent of the LEO, the operations of the project should cease.**

## Repayment

If the grant should be revoked, cancelled or abated by the LEO the grantee/s will repay to the LEO all sums received in respect of the grant, or so much as the LEO may determine and that in default of such repayment, such sums shall be recoverable by the LEO as a simple contract debt.

If the full amount of the grant aid approved is not drawn down, then part of the non- refundable element of the grant aid, may, at the sole discretion of the LEO and its officers, be adjudged to be refundable aid. Generally speaking, in such conditions the overall package of assistance will be re-balanced in line with the ratios of refundable and non refundable grant aid approved.

Additional Provisions which apply specifically to Refundable Aid element of the grant offer.

## Repayment of Refundable Grant

A moratorium of repayments of generally 3 months from the date of final drawdown, in whole or in part, of the grant aid applies before any repayment falls due, with subsequent repayments falling due on the equivalent date of each succeeding month until the refundable grant aid is repaid in full to the LEO.

All of the monies paid to the grantee by the LEO on foot of the letter of Refundable Grant offer are subject to the Conditions outlined above. Repayments specified herein must be repaid together with any interest due in full to the LEO in accordance with the terms of the Refundable Grant Aid Deed of Covenant and Promissory Note. You may pay off in full the amount outstanding at an earlier date than envisaged above.

### **Standing Order**

Prior to any funding being advanced, you will be required to set up a standing order in favour of LEO, details attached, for the purpose of making repayments. In accepting these conditions you agree to adhere strictly to all terms set out in the conditions including those in the Deed of Covenant and Promissory Note which have been signed.

### **Interpretation**

That in any dispute arising on the interpretation of the above conditions the decision of the LEO shall be final and binding.

Signed acceptance of the offer must be returned within 14 days of the date of this offer, otherwise the offer will automatically lapse. If you require clarification on any point please contact this office.

### **Project Reviews**

Please note that the LEO is required to undertake regular reviews of your project and progress made from approval date. Please ensure that co-operation is made with the project executive in relation to this. Such items reviewed will be progress on the business plan, markets, turnover, profitability, employment, milestones and new developments. An annual employment survey will also be carried out in November.



## Appendix A - Useful websites

Below is a list of useful websites, most of which provide free information. We hope these will assist you in your research.

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### Country Research:

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Enterprise Ireland Export Guides	<a href="#">Enterprise Ireland Export Guides / Country Reports</a>
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### The World Factbook –

detailed information about every country in the world, with digital references, maps and appendices on international organisations	<a href="https://www.cia.gov/library/publications/the-world-factbook/">https://www.cia.gov/library/publications/the-world-factbook/</a>
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Overview of each EU member country (as well as information on the EU)	<a href="http://www.europa.eu">www.europa.eu</a>
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BBC Monitoring Country Profiles	<a href="http://news.bbc.co.uk/2/hi/country_profiles/default.stm">http://news.bbc.co.uk/2/hi/country_profiles/default.stm</a>
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Information on OECD member countries	<a href="http://www.oecd.org">www.oecd.org</a>
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World Bank	<a href="http://www.worldbank.org">www.worldbank.org</a>
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### Statistical Research:

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Ireland	<a href="http://www.cso.ie">www.cso.ie</a>
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UK	<a href="http://www.statistics.gov.uk">www.statistics.gov.uk</a>
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USA	<a href="http://www.census.gov">www.census.gov</a>
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Official Statistics on the Web - listing	<a href="http://www.offstats.auckland.ac.nz">www.offstats.auckland.ac.nz</a>
International statistics portal	<a href="http://www.stat.fi/tup/maanum/index_en.html">www.stat.fi/tup/maanum/index_en.html</a>
International trade statistics	<a href="http://comtrade.un.org">http://comtrade.un.org</a>
European Statistics	<a href="http://epp.eurostat.ec.europa.eu/">http://epp.eurostat.ec.europa.eu/</a>
Patents/ Intellectual Property:	
Irish Patents Office	<a href="http://www.patentsoffice.ie">www.patentsoffice.ie</a>
European Patent Office	<a href="http://www.epo.org">www.epo.org</a>
International Patent Classifications	<a href="http://www.wipo.int/classifications">www.wipo.int/classifications</a>
Google Patents (mainly US)	<a href="http://www.google.com/patents">www.google.com/patents</a>
US patents and trademarks	<a href="http://www.uspto.gov">www.uspto.gov</a>
Technical/Standards	
National Standards Authority - Ireland	<a href="http://www.nsai.ie">www.nsai.ie</a>
International Standards Organisation	<a href="http://www.iso.org">www.iso.org</a>
EU Standardisation	<a href="http://www.cen.eu/cen/pages/default.aspx">www.cen.eu/cen/pages/default.aspx</a>
Engineering standards	<a href="http://www.ili-info.com">www.ili-info.com</a>

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Duties and Regulations:

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Market Access Database <http://madb.europa.eu/mkaccdb2/indexPubli.htm>


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Central Bank Regulatory advice <http://www.centralbank.ie/regulation/Pages/home.aspx>


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Communications regulation Ireland [www.comreg.ie](http://www.comreg.ie)


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Food and Drug Administration (US) [www.fda.gov](http://www.fda.gov)


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EU Law [www.eur-lex.europa.eu/en/index.htm](http://www.eur-lex.europa.eu/en/index.htm)


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Revenue Guides (search site for export guides) [www.revenue.ie](http://www.revenue.ie)


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Enterprise Development:

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Enterprise Ireland [www.enterprise-ireland.com](http://www.enterprise-ireland.com)


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Local Enterprise Office [www.localenterprise.ie](http://www.localenterprise.ie)


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Revenue Department [www.revenue.ie/en/business/running/registering-tax.html](http://www.revenue.ie/en/business/running/registering-tax.html)


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EU SME site [www.ec.europa.eu/enterprise/policies/sme/](http://www.ec.europa.eu/enterprise/policies/sme/)


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Irish government site [www.basis.ie](http://www.basis.ie)


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Companies Registration Office [www.cro.ie](http://www.cro.ie)