



Welcome to Accountants Minute. I'm Peter Towers, Managing Director of ESS BIZTOOLS.

Accountants – SMEs want you to identify grants for them

A very common statement that I hear from small/medium enterprises and from some industry consultants is: *"The thing that really upsets me is when a competitor receives a grant that I know nothing about."* This is the statement that many small/medium enterprises have made.

Identifying grants is a proactive way that accountants can introduce a whole new way of solving business problems to small/medium enterprises, with the government paying 50% (in some cases 75%) of the costs. This is a great way to introduce business advisory services to your clients.

Some of the grants that can really assist in the transformation of a business include:

Business Growth Grant

This grant covers priority industries that the Federal government has identified, including:

- Advanced Manufacturing
- Oil, Gas and Energy Resources
- Medical Technologies and Pharmaceuticals
- Mining Equipment, Technology and Services
- Food and Agribusiness

Enabling technologies and service industries that support one or more of the priority industries, including:

- Professional Services – mainly scientific areas
- Freight and Logistics
- Infrastructure Related Construction
- Information and Communications Technology (ICT)
- Digital Technologies

When you analyse those businesses, over 650 different types of businesses, including most of the trades, can be eligible under those classification, subject to the applicant being a company and having a minimum turnover of \$1.5M. If the company is located in Northern Australia, which covers the areas in Queensland, Western Australia, North of the Tropic of Capricorn and the whole of the Northern Territory, the minimum turnover is \$750,000. The companies must have been operating for 3 years. They can receive grants of up to \$20,000 on a 50% contribution basis, to assist the company to literally do anything within their business that will improve business performance.

Accelerating Commercialisation Grant

This is another popular grant, for the commercialisation of a product, process or service. This is after the research and development phase has been finished.

Anyone can apply for this grant, however if a grant is offered, the applicant must incorporate as a company. The turnover requirement is from \$NIL up to \$20M. Preference is given to applicants from one of the priority industries mentioned earlier, however any other type of business is eligible to apply.

Accelerating Commercialisation Grant is large, with grants of up to \$1M on a 50% subsidy basis. There's quite a number of companies around Australia who are receiving this grant every month.

Research Connections

This is another grant that many people overlook. This grant is to assist small/medium enterprises to collaborate with research sectors, such as a university, CSIRO and Australian Institute of Marine Science, to develop new ideas with commercial potential. Grants of up to \$50,000 on a 50% basis are available.

This grant is targeted at companies in the priority industries or a company that has been admitted to the Accelerating Commercialisation Grant program. The company must have a turnover of minimum \$1.5M. For companies located within Northern Australia, the minimum turnover is \$750,000. If the company has been in the Accelerating Commercialisation Program, the minimum turnover could be as low as \$0.

Northern Australia Tourism Incentive

This grant only applies to Northern Australia. Businesses need a minimum turnover of \$750,000. The business must have been operating for 3 years. Grants of up to \$20,000 on a 50% basis is available, to literally undertake any type of business improvement activity.

The applicants don't have to be companies, they can be any type of business.

Industry Skills Fund

This is another very popular grant. This grant provides businesses with access to training so that they're better placed to succeed in a rapidly changing economy. This grant is available to any type of entity, not just companies, with preference being shown to priority industries. Other industries can apply.

The grants are slanted towards the number of FTE (Full Time Equivalent) employees within the business:

- For a micro-business, a business with 0-4 FTE employees, the grant is 75% throughout Australia.
- For a small business with 5-19 FTE employees, a grant of 66% is available. If the business is located in Northern Australia, 75% grant is available.
- Medium businesses with 20-199 FTE employees can generally obtain a grant of 50%. Medium businesses located in Northern Australia can obtain a 75% grant.
- Large businesses with 200+ FTE employees can obtain a grant of 25%. Large businesses located in Northern Australia can obtain a grant of \$50%.

The businesses must have operated for 3 years.

These are just samples of some of the grants. There are hundreds of grants targeted at small/medium enterprises offered by the Federal, State and Territory governments.

If you wish to create a great business advisory service environment in your accounting/advisory business, be proactive in identifying grants and then contracting for some of the work in areas such as business plans, budgets & cashflow forecasts, HR strategies, debtors' review, systems review, etc, is a great way to get started in offering a new income stream.

We will be conducting a special webinar on government grants, featuring **"Identifying Grants for SMEs"**, on Wednesday 8th June 2016 at 12pm AEST. You're invited to attend this webinar, free of charge. Please [click here](#) to register to attend.

A complimentary copy of the article we've produced, **"Using Government Grants to Fund Your Business Improvement"** is attached with this transcript.

If you have any questions on government grants, please don't hesitate to contact us.

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