

## Business Grants

Whether you have a new business venture and need additional capital to help get you started, or you have an existing business looking to expand or invest in new equipment, a grant may be a good alternative to traditional business borrowing.

### What is a grant?

A grant is a sum of money awarded for a specific purpose or project, either by the government or other organisations. Availability of funds is limited and the competition to be awarded a grant can be very high. The money is usually repayable if the terms and conditions of the grant are not met and care should be taken to look at the terms carefully, as they can frequently change.

Many grants are only available for proposed projects – so make sure you apply before you actually start the new work/project. It should also be noted that many grants will only cover a percentage of the funds required, with the business needing to fund the balance.

For further details on government and EU grants, see these websites:

- <https://www.gov.uk/business-finance-support-finder>
- [http://ec.europa.eu/contracts\\_grants/grants\\_en.htm](http://ec.europa.eu/contracts_grants/grants_en.htm)

Grants are also available through local authorities and you will be able to find out more details on your local authority website, or here: <http://www.grantnet.com/>. Many schemes are available to all businesses, but some will be specific to new businesses, deprived areas, specific industry sectors or even for particular types of expense.

### Applying for a grant

Before you apply for a grant, it is advisable to check whether or not you will need to be able to match any award should it be granted and whether you can start a new project, or if you must wait until the application has been processed.

As funds are limited and in certain areas competition will be high, it is preferable to apply as soon as possible, especially as some grants will only be available for a limited period of time. Information required by the relevant assessor will vary depending on the nature of the grant, but you are likely to need a business plan as well as detailed analysis of costings for the specific project, investment in equipment etc.

### Other help for small businesses

In addition to considering applying for a business grant, there are other forms of help for new and small businesses.

- *Tax Credits*  
If you are starting a new business, your income may be a lot less than it usually is in the first period and you could be entitled to claim tax credits. To see if you qualify, use the online questionnaire available here: <http://www.hmrc.gov.uk/taxcredits/start/who-qualifies/quick-questionnaire.htm>



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## General Business Guidance

### Business Grants

- *Research & Development Relief for Small Companies*  
Relief is available for projects that seek to achieve an advance in overall knowledge or capability in a field of science or technology through the resolution of scientific or technological uncertainty. The requirements are complex, so please see our separate helpsheet on research & development relief. For a small company, relief is available at 225% meaning that for every £100 qualifying expenditure, your company can save a further £125 of corporation tax.
- *Employment Allowance*  
A new Employment Allowance was introduced on 6 April 2014, which gives qualifying employers up to £2,000 relief against their employers' National Insurance liability. For many small businesses, this means that there will not be any employers' National Insurance liability at all, as it will be reduced to nil.

#### Need help?

Waveney Tax Solutions can help you with grant fund applications and the reliefs mentioned above. For further details, please call us on 01502 370620 or 07919 924273, or alternatively you can email us at [nina@waveneytaxsolutions.co.uk](mailto:nina@waveneytaxsolutions.co.uk).