

# Starter Company PLUS

Training + Mentoring + Funding Opportunities

## Eligibility & Program Guidelines

Starter Company PLUS is a program offered through Enterprise Renfrew County (ERC) and is funded by the Province of Ontario. This program is designed to provide business training for entrepreneurs who are launching a new business or expanding an existing business that has been operating for five years or less. This program will have 3 intakes per year.

### Program Objective

The Program will help to build a prosperous Ontario:

1. Serve entrepreneurship programming needs of Ontarians, aged 18 and older.
2. Align activities with local and/or regional needs and opportunities related to small business.
3. Generate economic results through business creation and expansion.
4. Support and strengthen main street business

### About the Program

Through the Starter Company PLUS program you receive:

- Guidance and support from Enterprise Renfrew County (ERC) staff
- Business training through a custom online training platform that will walk you through how to design a business and write a business plan
- Interactive workshops on topics from financial literacy, operations, market research and financial forecasting
- Support in creating a formalized business plan
- Mentoring from local successful entrepreneurs
- Opportunity to compete for a grant of up to \$4000

### Who is eligible?

- Anyone aged 18 and over
- Are proposing a new company, expansion of an existing company or buying an existing business
- Are not a full time student and not returning to school full time
- Are a resident of Ontario; a Canadian citizen or a permanent resident
- Prepared to complete the business training components of the Starter Company PLUS Program as prescribed by ERC
- Are prepared to commit a minimum average of 35 hours a week running your business and operate full time year round showing revenue and or expenses in at least three quarters of the year
- Can provide proof of 25% matching funds in cash or in-kind assets (\$1000)

- Must attend mentorship sessions with ERC for six months if awarded the Starter Company PLUS grant.
- Have not received a Starter Company grant in the past
- The applicant must be a **resident of the County of Renfrew** and the **business must be based in and operating in the County of Renfrew.**
- Businesses fitting the following characteristics will be looked upon more favourably as they fall within the key strategies for economic growth and development with the County of Renfrew's economic development strategic action plan and include businesses in
  - Tourism, agri-business, manufacturing, innovative services & retail, wood products, aerospace and clean technology.
  - Showing a potential to expand including but not limited to staff, square footage, additional location, and product line(s) etc.
  - Potential to fill vacant commercial and industrial spaces

The Program will focus on business in the start-up phase up to five years in operation.

### Persons Not Eligible

- County of Renfrew employees and their spouses /partners are ineligible to participate in the funding application process (grant of up to \$4,000)
- Attending school or returning to school full-time or currently working more than 24 hours in another job
- Those receiving concurrent funding from training or mentoring-based programs (Futurpreneur Canada\*)

\*Futurpreneur Canada financing may be eligible as long as it is obtained prior to, or after the Starter Company granting period – not concurrent with

**If you have any questions about your eligibility call us at 613-432-6848 ext 114 or 613-735-8224**

### What type of business can I start?

Almost any type of full time business is eligible, as long as it:

- Is a sole proprietorship or corporation where the applicant must own at least 50% of the shares; must be fully engaged in all business decisions, and genuinely operating the business
- A partnership\*
- Is an independent business venture
- Fits the Canada Revenue Agency definition of being self-employed in [Form RC 4110](#)
- Operates at arm's length from family and any other type of business ventures
- Operates in Ontario
- Operates full-time as defined in the business plan

- Maintains its own books and records
- Maintains a separate business bank account
- Follows government rules and regulations for operating a business and must provide **proof** of certifications and licenses that are required for the specific business

\*Only one partner is eligible for Starter Company PLUS; he/she must demonstrate 50% minimum ownership of the company

**NOTE:** On-line businesses are acceptable, but there must be face-to-face opportunities to sell your product as well.

### **Business not eligible for Starter Company includes:**

- Distributorships
- Franchises
- Commissioned sales
- Incorporated businesses that are controlled directly or indirectly by a person who would not be eligible for a Starter Company Plus Award
- Not-for-profit or charitable enterprises
- Multi-level marketing ventures
- Single events such as a theatrical production, a DJ gig, a music concert, a dance/party event, fundraiser, a sporting tournament, etc.
- Businesses that are strictly pay per click
- 1-900 businesses

**Note:** Enterprise Renfrew County at its sole discretion may determine that a particular business is inappropriate for the Starter Company program.

### **Starter Company PLUS Application Process**

- A scheduled intake process operates on a four month cycle.
- Interested individuals submit an application inquiry form from Enterprise Renfrew County's website.
- The applicant is invited to attend a mandatory program information session
- Applicants with a desire to continue in the process must complete a written application form that consists of the following:
  - entrepreneurial self-assessment
  - education and employment history
  - business concept overview
  - be prepared to provide their personal credit report & score

- A one-on-one telephone interview takes place between Program staff and the applicant to discuss the following:
  - interest in Starter Company PLUS Program (reasons for applying to the Program)
  - business idea / concept
  - participation commitments and responsibilities
  - program accommodations
  - previous experience in the sector/industry
  - management experience
  - training and mentorship needs
  - review of credit report & score

Applicants accepted into the Program will:

- Sign a learning contract
  - Attend the 3 full day in-class mandatory workshops
  - Attend a three hour legal/accounting/insurance session
  - Complete the online business training course
  - Submit the business plan and cash flow by the specified due dates. Must have compatible software in order to use Microsoft Word and Excel templates for the business plan and cash flow.
- Those applicants not accepted into Starter Company PLUS are encouraged to use Enterprise Renfrew County's business development services including:
    - business planning consultations
    - training and seminars
    - business networking and learning events
    - referrals to business planning information and/or community partners
    - potential re-application to the Starter Company Plus Program.

Applicants who have completed all mandatory training and have submitted a business plan and a two year cash flow are eligible to compete for up to \$4000 business funding. Applicants have six months to complete all training and program requirements from the intake date of the four month session.

### Grant Application Process and Disbursement

- Provide proof of equity (\$1000)
- Provide evidence of an appropriate procurement for all expenses supported by the grant money
- Prepare a 10 min presentation to give to the Grant Review Committee (with the assistance of ERC staff)
- Grant Review Committee presentations will be scored on the following:

- Business plan, cash flow projections and the intended use of the grant monies. A separate cash-flow spreadsheet will be submitted outlining what start –up costs will be supported by the grant money.
- Personal contributions to the business
- Evidence of full-time employment existing or which will be created by the business
- Demonstration of business growth potential over five years
- History of sales success to date if you are in operation over a year
- Demonstrable market knowledge
- Firm understanding of financial and cash flow

After the presentation, if your application is approved by the Grant Review Committee, you will be required to:

- Sign a Participant Letter of Agreement for the grant, outlining each party's rights and responsibilities for program participation and possible grant disbursement.
- Agree to comply with the program guidelines and implement the business substantially in accordance with the business plan and cash flow included with your application
- Agree to additional training in accordance with the signed learning contract upon acceptance into the Program which includes:
  - Attendance in two mentorship sessions with ERC for a six month period upon approval of the grant
  - Participating in networking opportunities as recommended by ERC staff
  - Minimum of 3 progress reports and reviews with ERC centre staff
- Provide copies of business name registration, proof of business bank account and any required licensing or certification documents to ERC for verification
- Open and operate a separate business bank account for the business
- If operating a partnership, provide copies of the partnership agreement and proof of joint signing authority on the business bank account
- Operate your business on a full-time basis, minimum average of 35 hours a week
- Starter Company PLUS grant recipients must provide annual revenues for three years
- Agree to one business site visit by ERC staff
- Acknowledge Enterprise Renfrew County and the Government of Ontario Starter Company PLUS program for their assistance in the start-up or expansion of their business in opening ceremonies and/or media stories
- Maintain appropriate business records of income and expenditures including receipts
- Participate in an exit interview with ERC staff (learning outcomes and experience)

You will receive 75% of total eligible funding upon approval (\$3000) to put towards the start-up or expansion costs. The remaining 25% (\$1000) will be received after 3 months later upon achieving mutually agreed upon milestones/targets.

#### Notes

1. Funds from Starter Company PLUS award cannot be used for:
  - a. The purchase or lease of a vehicle.
  - b. Rent
  - c. Salaries for self or employees
  - d. Personal reimbursement of funds already allocated to the business
  - e. Leasehold improvements will be reviewed on a case by case basis and funding may only be applied to a commercial/industrial property
2. Failure to successfully complete the program will result in default as specified in the Letter of Agreement.
3. Funding must be used to implement all components outlined in the business plan and spent within six months of receipt. Certain restrictions will apply.

#### **Tax Treatment of Award**

The Starter Company Plus grant is considered taxable under the Canada and Ontario Income Tax Acts. A T4A slip will be issued to the recipient of the award.