

RDPE Leader OM form 10 Businesses, Farmers, Growers, Foresters.
Project application



The European Agricultural
Fund for Rural
Development:
Europe investing in rural
areas



Linking
Life & Landscape

LODDON AND EVERSLEY LEADER

Rural Development Programme for England

Application Form for Grant Aid

Businesses, Farmers, Growers, Foresters

Confidential

Office Use Only

Application Reference:	0999- [REDACTED]
Approval date:	
Measure/s	312-Microbusinesses

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Completed form to be returned to:

Emily Preston
Loddon and Eversley Leader Programme Manager
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Individuals, businesses or partnerships that are considering applying for Loddon & Eversley Leader funding must complete this form. It will be used by the Local Action group to appraise your project.

Funding for the Leader programme is provided by the EU and Defra through the Rural Development Programme for England, which is being administered by the South East England Development Agency (SEEDA) in the South East region.

As this programme is competitive you are strongly advised to refer to the priorities in the Regional Implementation Plan and Prospectus of the RDPE, both available on the SEEDA web site at www.seeda.co.uk/rdpe. You are also advised to refer to the Loddon and Eversley Local Action Group Local Development Strategy.

We also recommend that you refer to the Project Manager's Guide as an indication of what will be expected of you should your application be successful.

If you have any questions about Leader funding or the application process, please contact Amanda Bassett on 01256 381186

Data Protection Act 1998 – The information you provide on this form may be shared with other organisations including SEEDA, Department for the Environment, Food and Rural Affairs, and the members of the Local Action Group Appraisal Panel for appraisal, monitoring and reporting purposes. By signing this form at Section 5.7 you consent to this information being shared.

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1. Applicant Details

Name of applicant AND your status in relation to the business	<div style="background-color: black; width: 150px; height: 15px; margin-bottom: 5px;"></div> Owner 50 % / Manager		
Business name	Hampshire Cheeses Limited		
Business address	(currently) Hyde farm, Herriard, Basingstoke, Hants. Postcode: RG25 2PN		
E-mail address	info@hampshirecheeses.com		
Telephone number and mobile number	<div style="background-color: black; width: 150px; height: 15px;"></div>		
Rural Payments Agency SBI Number and vendor number (if known)		Is this is business registered for VAT ?	Yes
What is the legal status of this business ?	Limited Company		

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2. Agent Details

If you are acting as an agent for the applicant and are completing this form on the applicant's behalf please give your details below. The applicant must also sign this section to give you the authority to act.

Your name and status	
Business name	
Business address	
	Postcode:
E-mail address	
Telephone number and mobile number	
I/we am/are the applicant(s) and I (we) give our agent the authority to act on our behalf with this grant application. I/we accept full responsibility for all information supplied by our agent.	Signature of applicant(s): Status of signatory: Date signed:
I am the agent for the applicant named in section 1 of this form.	Signature of agent : Status of signatory: Date signed:

3. Business Details

<p>3.1 Tick any of these that apply to your business</p>	<p><input type="checkbox"/> Food processor</p>
<p>3.2 Please give further details of your businesses activities</p>	<p>Briefly describe the nature of your business/organisation and the size of the enterprises you operate.</p> <p>Hampshire Cheeses Limited produces artisan cheese.</p> <p>Number of full time equivalent people employed in the business including partners and directors.</p> <p>Currently employs 2 full time and three part time people</p> <p>If involved in food production, are you a registered organic business, if so give your registration number.</p> <p>NO</p> <p>If your business has more than one place of operation please give details of all associated business operations.</p> <p>If your business is a company please give details of any associated or linked companies.</p>
<p>3.3 You must provide three years business accounts with the most recent being no older than 9 months. Please provide additional information as shown</p>	<p>What is your best estimate of the total current value of all your assets, valued at today's prices ? Please state if this is not applicable to you.</p> <p>██████████ less depreciation</p> <p>How much capital has been put into the business and how much has been withdrawn in the last three years ?Please state if this is not applicable to you.</p> <p>The business was started with a ██████████ investment by the founding partners plus an RES grant of £16,000. All of</p>


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	<p>the original [REDACTED] loan has been repaid.</p> <p>What is the current total level of borrowing including loans, mortgages, hire purchase, creditors, and private loans ? Nil</p> <p>What was the business/organisation's profit before tax in the last two years and what level of profit are you predicting over the next two years (without the benefit of the investment proposed in this grant application)? Please state if this is not applicable to you. 2007-2008 profit before tax [REDACTED] 2008 -2009 profit before tax [REDACTED] 2007-2009 [REDACTED] [REDACTED]</p> <p>Predicted profit before tax without the investment proposed in this grant application 2009- 2010 [REDACTED] 2010-2011 [REDACTED]</p>
<p>3.4 Grant received from other sources in the last three years</p>	<p>Please give details of any public funding you have received In the last three years that have been described as providing State Aid. To check this refer to the offer letters or contracts to see if they refer to the payments coming under state aid rules. Please note this excludes Agri-environment payments and the Single Payment Scheme. If in doubt ask the Loddon & Eversley Leader Programme Manager for guidance.</p>

4. Project Description

<p>Hampshire Cheeses Expansion</p>

4.2 Brief description of the project
<p>Hampshire Cheeses will be building a new dairy processing unit in order to expand the production of Tunworth Cheeses. The funding will be used to build the dairy and buy equipment.</p>
4.3 If this project involves collaboration please explain the nature of the collaboration and give the names and addresses of your collaborators. You must also indicate the type of businesses operated by the collaborators.
4.4 Where will the project be located – give the full address, postcode and a map grid reference. (If the project is a different address to the business, give the address details of where the project is located).
<p>Herriard Nursery, Scratchface Lane , Herriard, Basingstoke, Hampshire. RG 25 2TX</p>
4.5 Briefly summarise why the project is needed. What would happen if the project did not go ahead, what would happen if you did not receive grant aid?
<p>Hampshire Cheeses has been unable to produce enough Tunworth cheese to meet the demand of current customers. In order to produce more cheese and make the business more profitable a new dairy processing plant is needed. Also the lease on the current site expires in March 2010. If the project did not go ahead Hampshire Cheeses would be unable to expand and increase sales. Without the grant aid Hampshire Cheeses would be unable to raise enough capital to expand the business.</p>

4.6 Will your project compete with other similar enterprises in the South East region, and if so what do you estimate will be the impact of your project on these other businesses? This must be addressed realistically because if it is identified that this has not been adequately addressed the application will be rejected.
There are no other cheesemakers in this area and I see no reason why it would compete with any other business locally.
4.7 How does this project fit with your existing business ?
It is an expansion and improvement of the current business.
4.8 What are the project start and end dates. (If the project is to commence upon receipt of the grant, please state this and also the duration of the project, so that we can allocated a completion date).
10 weeks duration from receipt of grant contract.
4.9a Who will manage the project to ensure it is completed successfully, on time and within budget ? What experience and skills does this person have of managing this type of project ? Stacey Hedges, owner manager of Hampshire Cheeses will manage the budget for the project as she has been involved in an RES grant application previously. Also Alan Hayes will manage the construction of the new dairy. He has previously had experience in building food production plants and specifically cheese plants.
4.9b Who will be responsible for preparation and submission of grant claims, progress reporting and who will manage the project post-construction?


4.10 When the project is running, what additional skills will be needed by the business/organisation to make best use of this new resource and how do you plan to acquire these skills ? RDPE can provide support for relevant training.
IT training in accounts. Improved marketing skills. I have already been in touch with Business link in Basingstoke who are putting me in touch with training courses in this area
4.11 Your project must fit within the funding priorities for the South East as detailed in the Regional Implementation Plan and the RDPE Prospectus (www.seeda.co.uk/rdpe). Please indicate which funding measure(s) you think apply to this project. Your project must also contribute towards at least one of the themes (section 3.2) in the Loddon & Eversley Local Development Strategy and meet with at least one of the objectives (section 3.3). Please indicate which theme(s) and objective(s) your project fits best.
The expansion of Hampshire Cheeses limited would fit into measure 312. It fits within Theme 1 as Hampshire Cheeses would be supporting and working in collaboration with a dairy farm and paying a premium for their local, high quality milk, enabling them to achieve improved economic performance and thereby supporting the livestock sector. By improving Hampshire Cheeses efficiency it would allow us to spend more time promoting the benefits of buying local food. In order to reach Hampshire Cheeses sales targets the business will have to employ a significant number of local employees thereby diversifying and improving the rural economy and the rural way of life and therefore fits within Theme 3. The project also meets with the objective to promote local food and the benefits of buying local produce.
4.12 Before you can claim RDPE grants all items must be paid for and evidence of payments made available. Therefore, what arrangements have you made to bank roll the project, assuming that it could be several months between paying for an item and receiving the grant payment?
The [redacted] will be [redacted] the company the match funding of [redacted] required. This will allow us to bank roll the project as well as current trading account.

4.13 Describe how this project will deliver wider benefits to other businesses or communities in your area. You might consider them under the headings of Economic, Social and Environmental.

Hampshire Cheeses buys its milk from a local farm and pays that farmer a premium for high quality milk. With the expanded business proposal Hampshire Cheeses premium payment will enable the dairy farm to employ one more local herdsman.

Hampshire Cheeses will employ more local people as it expands enabling people from surrounding villages to cycle or walk to work. Hampshire Cheeses also hopes to open its doors to local schools in order to teach the children how to produce cheese and will work with the local landlord and dairy farmer to encourage education in farming and food production.

Hampshire Cheeses also hopes to encourage students studying dairying at local colleges to do have guided tours and to do work experience in the dairy.

4.14 Please provide a brief overview of the risks associated with this project. i.e problems which may arise and how they'll be mitigated (use the below points as a guide only).

1. Delays in the building process—
By using an experienced foreman, [REDACTED], the co-ordination of the different tradesmen will be organized in order to keep delays to a minimum.
2. The business has not shown any sales reductions in the current recession as we are a niche product and have not flooded the market. However if the UK went into a depression Hampshire Cheeses may take longer to achieve the sales targets shown in the business plan.

5. Additional Project Information

5.1 In response to your earlier expression of interest the Loddon & Eversley Local Action Group (LAG) requires you to submit the following information to support your grant application.

A partial budget indicating the impact of the investment (indicate timescale) – complete annex 2 (at end of this application form).

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5.2 Project expenditure projections – each item must be supported with three competitive quotes.

Costs on which you plan to claim grant aid	Costs net of VAT (where appropriate) £	Date work will be completed and paid for	Comments (You MUST state your reasons for choosing preferred supplier/quote)
Building works To include drains, wall panelling,	51,500	Part payment January 1 st 2010 in order for work to commence. Second and final payment February 15 th 2010 at completion .	The dates are dependant on planning permission and grant approval.
Floor	Paid by landlord	N/A	
Equipment	38,500	Part payment January 1 st 2010 as a deposit. Second payment on February 15 th 2010 on delivery of final pieces of equipment	
Installing utilities	10,000	Work completed by end of February.. Paid for on March 15 th 2010.	
Marketing costs	£2,000	Completed on March 15 th 2010 . Paid March 15 th 2010.	
Project management fees	£5,000	Completed and paid for on March 15 th 2010	
Other costs (specify) Contingency plan	£10,000		

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Other costs (specify)		
Professional fees	£3000	January 15 th 2010
Totals	£120,000	

With reference to table 5.2. If you plan to do any work using your own labour or equipment you must supply a detailed estimate of costs for each activity and support this together with three competitive quotes as evidence of the normal commercial rates for these activities. If the Loddon & Eversley LAG agrees the use of own labour/equipment the rates will be specified in the contract. If you opt to not use the cheapest of the three competitive quotes you must provide an explanation why the selected supplier offers the best value for money.

5.3 Project funding
Please show how you propose to fund the project. Please also note that you must have your Non-RDPE funding in place before applying for RDPE funding.

Funding source	£	% of total package
Own cash		
Commercial loans or mortgages (specify from which source and attach confirmation from the lender that this facility has been approved)		
Private loan (specify from which source and attach confirmation from the lender that this facility has been approved)		
Sale of assets (give details of asset sales and confirmation)		
Other deferred payment method * – give details and indicate when you will take full ownership of the		

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assets purchased by this method		
Landlord contribution		
RDPE Leader grant rate requested	£70,000	60%
Totals	£120,000	100%

*NB : Scheme rules do not allow grant to be paid on any items purchased under deferred payment until final payment is made and full ownership has passed to the applicant."

5.4 Project milestones

Milestone – key stages and dates in the delivery of the project	Comments	Date to be achieved
Flooring and Drainage	Start immediately after grant approval.	January 10 th 2010
Structure of building up Utilities and Equipment	Panelling very quick to erect – 2 weeks for total building structure up	February 15 th 2010 March 1 st 2010

5.5 Grant claim dates and amounts

Claim dates – note that only in exceptional cases will the Loddon & Eversley LAG accept more than two grant claims.	Grant rate requested % as shown in table at 5.3	Amount of grant claimed	Comments
February 15 th 2010	60%	£35,000	
March 15 th 2010	60%	£35,000	

5.6 You must supply with this application

- A signed and dated copy of this form
- The last three years' audited accounts
- Three competitive quotes for each item of expenditure together with detailed specifications of all items
- Copy of planning consent and any other approvals/licenses
- Evidence of commercial and private loans
- Letters of support from third parties
- Plans, engineers reports, architects reports.
- Completed sustainability checklist – RDPE OM form 12
- VAT declaration form – RDPE OM form 13
- Landlord confirmation of approval
- If tenanted, confirmation of length of tenancy
- The information listed at section 5.1
- An electronic version of the application

5.7 Declaration

I/We declare that:

- The information supporting this application is correct and I/we accept full responsibility for it.
- I/We understand the information provided in this application will be used to assess and select proposals for funding under the Rural Development Programme for England (RDPE).
- I/We agree to disclose information about this application to organisations or consultants which the Loddon & Eversley LAG wishes to consult during the appraisal, ongoing management and evaluation of RDPE applications.
- In applying for RDPE funding I/we accept conditions of payment and understand that payments may be withheld or recovered if it appears that any undertakings have not been complied with or a false or misleading statement has been made.
- We will not be seeking other EU or Defra support for the actions included in this application.
- **I/We understand and accept that if this application is successful the grant award will be published by SEEDA, Defra, EU and the RPA, including the name and address of the applicant and the RDPE funding that has been agreed.**
- I/we confirm that the information supplied on this form is correct and complete. If successful, this funding will be used solely for the purposes shown in the application and will meet all the terms and conditions attached to any grant offer that is accepted.

I/We undertake that if this application is successful I/we will:

- Fulfil the obligations of the RDPE including promotion of EU/Defra inputs to this project.
- Provide any further information as may be required by SEEDA.
- Allow access to records and premises to which this application relates for the purpose of carrying out an inspection and ensuring the compliance of this undertaking. This will include allowing access for external auditors and consultants.
- Co-operate and participate as required in any monitoring or evaluation exercises conducted by the Loddon & Eversley LAG or SEEDA appointed consultants, the RPA, Defra or the EU.
- Notify the Loddon & Eversley Programme Manager immediately in writing if any changes occur to the application details.

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Note that for partnerships all partners must sign this form. For limited companies a director must sign the form.

1. Signed:

Status:

Name (please print)

Date

2. Signed:

Status:

Name (please print)

Date

3. Signed:

Status:

Name (please print)

Date

Annex 1

Business Plan Contents (where applicable – you may not be asked to provide this, depending on the level of investment applied for)

To support your RDPE grant application the supporting business plan must cover at least the following. The size of the business plan should be proportionate to the size of the enterprise, but please keep them succinct and to the point. The **maximum** size of business plan we would expect to receive is 40 sides of A4 plus 20 pages of supporting evidence, but the majority should be much smaller.



1. The rationale for the proposed investments, and a description of the technical specification that will be used in delivering the project. If the project is collaborative give details of the collaboration agreement and the collaborators.
2. Market research evidence and a brief marketing plan.
3. An assessment of the wider economic and social impacts of the project
4. An evaluation of the environmental impact of the project and ways in which it will use current best practice to mitigate the impact on the environment
5. A financial appraisal of the impact of the project including
 - Three years cashflow projections
 - Five years profit/loss forecasts
 - An assessment of the impact on the balance sheet
6. Evidence to support the need for public funding
7. Details of the key personnel responsible for delivering this project, the skills required for ongoing running of the project, and how these skills will be developed
8. Confirmation of any advice you have taken from external experts
9. The risks associated with this project and how you plan to mitigate them.
10. How this project can help deliver the objectives of the following:
 - Loddon & Eversley LAG Leader Local Development Strategy
 - RDPE
 - SEEDA Regional Economic Strategy
 - The Regional Forestry Framework (if the investment involves forestry)
 - The Woodfuels Strategy
 - The Sustainable Farming and Food Strategy
 - Any other relevant regional strategies

Annex 2

The financial impact of the investment for when the project is fully operational - a partial budget (indicate timescale)

Costs saved as a result of this investment	£	Additional costs as a result of this investment	£
<p>1. Per unit cost of production of Tunworth cheese will be reduced considerably due to the increase in volume and the more efficient flow of the unit.</p> <p>2. Staff costs per unit production reduced from [redacted] pence per unit in 2009/10 to [redacted] pence per unit in 2011/12</p> <p>3. [redacted]</p> <p>4. [redacted]</p> <p>etc</p>		<p>1. Rent [redacted] per annum</p> <p>2. Utilities increase [redacted] per annum</p> <p>3. Building Insurance costs</p> <p>4. Loan repayment</p>	<p>[redacted] per annum</p> <p>[redacted] per annum</p> <p>Approximately [redacted] per annum over [redacted] years.</p>
Total costs saved – A		Total additional costs - C	
Extra income as a result of this investment	£	Income lost as a result of this investment	£
<p>1. Operating profit increase from [redacted] to [redacted]</p> <p>2. Increased income for all employees</p> <p>3. [redacted]</p> <p>4. [redacted]</p> <p>etc</p>	[redacted]	N/A	

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Total extra income – B		Total income lost - D	
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The net financial impact of this investment $A + B - C - D = \text{£}12,350$ per annum

In addition, the applicant must make arrangements to cover the cashflow implications of this investment particularly as the grant payments are made retrospectively some time after the costs have been borne.