Guidelines for completing an application for R&D funding

Enterprise Ireland
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1 Introduction

1.1 Background

Note: Before completing an application you should contact and discuss the application in detail with your relevant Development Adviser.

These guidelines are intended to assist in the completion of the application form for Research & Development funding from Enterprise Ireland.

Note that in order to reduce the administration required for smaller applications in particular, the application process has been structured into two levels.

- a Small Fund (Total Anticipated Grant less than €150,000)
- the Standard Fund (for larger projects, with an upper grant limit of €650,000)

Both funds are open to existing and potential Enterprise Ireland and Údarás na Gaeltachta clients that are manufacturing and/or internationally traded service companies. The small fund is also open to City and County Enterprise Board clients that are manufacturing and/or internationally traded service companies.

A company may submit up to 3 projects for consideration to the Small Fund application but the overall expenditure (inclusive of all projects) must not generate a grant indication greater than €150,000. Otherwise, applications may have 6 projects, but companies are urged to concentrate on strategic projects and not seek support for their entire development programme.

If it is not clear to which fund the company wishes to apply, completing the Projects Costs workbook first (item 4) in the table below will help clarify this. The Project costs workbook is the same for both the Small Fund and Standard Fund.

The grant approval limit of the R&D Fund Committee for the standard fund is €650,000. Larger applications (applications which involve total support level of greater than €650,000) may also be made using the R&D Fund applications and guidelines but will be considered for approval by the Enterprise Ireland Investment Committee.

1.2 Overview of the Application Form

The application has several elements, which are listed below.

Items marked **Not Small** are not required for Small Fund applications.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Required for ‘Small’ application?</th>
<th>Required for ‘Standard’ application?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Plan Summary</td>
<td>This is part of the application is done online on the Enterprise Ireland web-site. The focus is on outlining the business plan and the project(s) for which support is being sought. Guidelines for its completion are in Part A below</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Financial Data Sheet (FDS)</td>
<td>This spreadsheet is used to summarise the financial track record and projections for the company. The guidelines to assist in the completion are included in the FDS Excel document itself. If you need assistance completing the FDS, please contact your Development Adviser.</td>
<td><strong>Not Small</strong></td>
<td>Yes</td>
</tr>
</tbody>
</table>
R&D Fund – Company Guidelines

<table>
<thead>
<tr>
<th>R&amp;D Fund Project Costs Workbook</th>
<th>This spreadsheet is used to capture the costings for the proposed project(s). The same form is used for all projects. Guidelines for the completion of the spreadsheet are in Part B below</th>
<th>Yes (up to 3 projects are allowed)</th>
<th>Yes (up to 6 projects are allowed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Project Description</td>
<td>This document describes the technical details of the project. It should be filled out by the technical staff of the company. Guidelines for the completion of the Technical Project description are in Part C below</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

1.2.1 Additional Information Required

Additional information is required to assist in the assessment of your application:

- **The company’s most recent audited and management accounts (P&L and Balance Sheet) should be forwarded with the application.**
  - Required for both Standard and Small

- **Detailed group structure (if applicable).**
  - Not Small

- **Full company financial projections.**
  - Not Small

- **Cashflow projections.**
  - Not Small

An application is considered valid and complete when all the relevant parts are submitted.

1.3 Submission of Applications

The Business Plan Summary is completed on-line. The on-line system will advise on additional documents required and how and when to submit them.

1.4 Assessment Process

All applications will be subject to a Commercial and Technical Assessment by Enterprise Ireland. Additional information in support of your application may be requested in the course of this assessment.

Applications are processed on a monthly call close basis. Please note the turnaround time from the monthly closing date to the date for the R&D Fund Committee meeting is typically 8-9 weeks. Within that period a defined set of action items have to be completed. In order to adhere to defined deadlines, the company is asked to facilitate the Technical and Commercial assessor both in terms of having early meetings and in providing all necessary information as requested. We thank you for your support in this matter.
2 Part A: Business Plan Summary - On Line Application Form

Note, this is completed on-line on the Enterprise Ireland website. Registration is necessary. The on-line application will provide full guidance detail. This section is included to aid preparation for completing the on-line form.

2.1 The application wizard

The application wizard is designed to bring you to the correct form. You will need to know the total anticipated R&D grant (if you have already completed the Project Costs worksheets - Part B, the indicated total grant will be available). It is important to start with the correct application form (Small Project or Standard Project).

The Online Forms homepage allows for the review of any existing applications and for making a new application. Choose the Begin button to commence a new application.

At the New Application page, a list of available funding schemes is presented and allows for the selection of R&D Fund.

After choosing R&D Fund, the wizard will seek to establish if the company is large (>250 employees) or an SME (Small or Medium Enterprise). Select as appropriate.

The wizard then requests details of the project size and requests a confirmation that the project has been discussed with a Development Adviser.

Once the details have been confirmed, the wizard seeks confirmation that the application should now proceed. The Online Application consists of 11 tabs which should be selected and completed as follows:

2.2 Tab 1 - Application Overview

This tab provides information on the status of the application and gives access to Share the Application, Produce a Printable Copy and Delete the Application.

2.3 Tab 2 - Company Profile

Please note that this tab is stored for future applications and should not require attention again unless some relevant aspect of the company has changed.

This tab requests information on company type, (for R&D applications, “Company” must be selected), contact details, bank name, business activity, structure, trading history, ownership and management structure, and company products and services.

2.4 Tab 3 - Company Contact

This tab holds details of the company contacts responsible for grant applications. If this is a first online application or a new contact is to be entered, name and contact details will need to be entered; otherwise it is only necessary to select the contact for this application.

2.5 Tab 4 - Market Opportunities and Strategy

This tab deals with the company business strategy, the competitive landscape, priority export markets, accessing the market, revenue model, product/service delivery (Not Small), skill capability of management and staff, strategic impact and risks, and the benefits and needs for Enterprise Ireland Support (the incentive effect).
2.6 Tab 5 - Project(s) details
This tab asks for a summary of the proposed R&D programme, and details on previous state funded R&D projects. The Technical Project Description template can be downloaded from here. See Part C for more information.

2.7 Tab 6 – Finance
This Tab requests information on the historic and forecasted trading position, sales pipeline, sources of funding, future impacts on share ownership and directors / promoters remuneration.

Employment and turnover details are also requested Only ‘Small Fund’ as these are included in the Financial Data Sheet for other applications.

The Financial Data Sheet form can also be downloaded from this tab.

2.8 Tab 7 - Key Manager Details
This Tab should only be completed if you have discussed with your Development Adviser the recruitment of a key person. If no key person is to be applied for, select Exclude Section.

If there is a Key Manager hired, job description, job role and salary costs are required.

2.9 Tab 8 - De Minimis Declaration
This Tab should only be completed if you have applied for support for the recruitment of a key person. If no key person is to be applied for, select Exclude Section.

2.10 Tab 9 – BES/EII/SCS Declaration
Please list any relevant investments in the table provided.

2.11 Tab 10 - Company Declaration by Authorised Officer
Please complete the declarations as requested by selecting the YES/NO prompt as appropriate and entering the name of the Authorised Officer of the applicant company.

2.12 Tab 11 - Review and Submit
The online application tracks the fields yet to be completed. When all fields are marked as complete, the application should be carefully reviewed for accuracy and then submitted by using the Submit button. A confirmation email will be sent to the email account specified for the Company Contact. The email will contain important information concerning documents still to be submitted.

The application is not complete until all the required additional documents have been received. A further email confirmation will be sent once all documents have been received and checked for eligibility.
3 Part B: R&D Fund Project Costs Workbook

The guidelines below apply for all worksheets.

The cells have been colour coded as follows:

- Cells in tan colour contain formulas and are calculated automatically and so do not require an entry.
- Cells in pale blue are for EI use only, please ignore them.

**Notes on Summary Sheet**

The Summary Sheet should be completed first.

| Programme Start Date and Duration | The earliest eligible start date is the day following the end of the month in which the application is submitted.  
A programme duration of 3 years is normally accepted as the maximum allowed. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Projects</td>
<td>Use the drop down menu to choose the number of individual projects being submitted in the proposal.</td>
</tr>
<tr>
<td>Summary of Total Expenditure</td>
<td>This table (in grey/orange) will be automatically completed by figures taken from the individual ‘R&amp;D Project’ worksheets, once these have been entered. If the total eligible expenditure indicates a grant less than €150,000, the project(s) may be treated as an R&amp;D Small Fund application.</td>
</tr>
<tr>
<td>EI Grant Rate being applied for</td>
<td>The grant rate is dependant on company size and whether or not there is collaboration. See Appendix 1 for details of company size criteria. See Section 1.12 of the Reference document for Grant rates. The Grant Rate is automatically entered when the details in the company size and collaboration fields have been entered.</td>
</tr>
</tbody>
</table>

The maximum R&D grant that a company can receive is €650,000. Companies with projects in excess of this amount will be evaluated on a case by case basis by the Enterprise Ireland Investment Committee using a similar approach and grant rates as the R&D Committee.

3.1 Notes on ‘R&D Project’ Worksheet(s)

3.1.1 General Notes

Companies should fill out a Worksheet for each individual project.

Please Note: Separate projects should ONLY be used where the R&D is clearly different and there is a separate team working on the project.

A single project should be used where it will essentially be the same team involved, and/or the R&D tasks involved are all contributing to a single higher level strategic project objective. This is relevant because each project approved leads to a separate legal grant agreement and there is no mechanism to transfer costs between projects if one was under-estimated and another over-estimated.
3.1.2. Project Details

Project Title | Give a short title for the project.
Project Start Date and Duration | Please insert project start date and duration. A project duration of 3 years is normally accepted as the maximum allowed although shorter durations are more normal.

3.1.3. Project Planning

For suitable projects, the simple Gantt chart provided in the spreadsheet can be used. Otherwise submit a suitable project plan in a format accessible to the technical assessor.

3.1.3. Salary Costs for Project R&D

| Employee Name | Enter the full name of the employee. If not known at this stage, use “TBC”. It is understood that the names used here are a best guess at the time of the application and that the names may change during the project.
| Role on Project | Enter job role e.g. project manager, software developer, researcher etc.
| Category | Enter Y if employee is or will be newly hired for the R&D program, otherwise enter N.
| Annual Salary | Salary costs for personnel e.g. researchers, technicians and other supporting staff to the extent employed on the project are eligible. Only the first €80,000 of salaries is supported (exclusive of employer’s PRSI contributions).
Note that pension contributions and bonuses are not eligible as salary costs.
Note that the costs of administration, finance, IT support etc., are covered under the 30% overhead allowed. The overhead is calculated automatically and added to the salary costs in the Summary Table.
The salary costs of the Managing Director (MD) or Chief Executive Officer (CEO) is not eligible with the exception of Small Enterprises where a maximum 30% of the MD’s or CEO’s time may be eligible where it is deemed to be critical to the project.
For Secondment or the loan of qualified personnel, see Appendix 2.
| Daily Cost | This is automatically calculated from the annual salary figure. The calculation is based on 232 working days per annum.
| High Level Project Days & Number of Days per Task | Enter the high level task name e.g. technical challenge A, module XYZ, etc.
Enter the number of days each employee is expected to spend on each individual task. It is understood that the number of days entered here are a best estimate at the time of the application and that the actual time spent may change during the project.
### 3.1.4. Capital Equipment Costs for Project R&D

| Equipment | Include R&D equipment (tangible assets) purchases which are essential to the project. This section is for long-term rights or outright purchase, costs of software purchased outright (perpetual licences, with no recurring cost) may also be entered in this category. Licenses or rent for use of equipment or software for the period of the project is covered below in Materials. Enter the category of asset e.g. developer PCs, oscilloscopes, software license, etc. Note that support for specific assets is subject to the following criteria being met: o That the items are essential for the successful completion of the R&D programme described in the application. o Only the time that the asset is specifically used on the R&D programme is supportable. Building costs for dedicated new R&D premises for a new R&D team if necessary may be entered here. Eligible costs of assets are limited to the extent and for the period they are used in the research project. If such assets are not used for their full life within the research project, only the depreciation costs corresponding to the life of the research project, as calculated on the basis of good accounting practice, are considered as eligible. In accordance with the EU guidelines for R&D capital grants, the depreciation in years (useful life) for equipment is 5 yrs. For ICT capital costs (including software & software licenses costs) a shorter appropriate number of years could be used, e.g. 3 years. Linear depreciation is assumed, see Figure 3.1.4 below. |
| Description and Purpose | Give a short description of the asset and what it will be used for. |
| No. of Units and Unit Cost | Enter the number of units and the price per unit. Quotations should be obtained. |
| Depreciation of Capital Equipment | Enter the depreciation period (i.e. the predicted functional life of the item in months). If the company has a formal depreciation policy agreed with its auditors, these figures may be used. Otherwise, generally equipment is considered to be depreciated over 3 years for ICT (computer) equipment and 5 years for other equipment. Buildings are depreciated over 20 years. Enter the time the asset will be used on the project (months). This cannot be longer than the project duration. The project costs sheet automatically calculates the correct amount once the required fields have been entered. |
3.1.5. **Materials Costs for Project R&D**

<table>
<thead>
<tr>
<th>Description and Purpose</th>
<th>Given a short description of the materials and what they will be used for.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected Cost</td>
<td>Enter the most accurate costings available. Quotations should be obtained. Indicate if quotations have been obtained or give a reason as to their absence.</td>
</tr>
<tr>
<td>Recoverable Value</td>
<td>Enter an estimate of the scrap or other value of materials after processing during the R&amp;D project.</td>
</tr>
</tbody>
</table>

3.1.6. **Travel and Subsistence Costs for Project R&D**

<table>
<thead>
<tr>
<th>Destination</th>
<th>Enter the destination.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose of Trips</td>
<td>Give a short description of why the trip is necessary e.g. for requirements gathering; conduct Beta trials with customers etc. Note travel and subsistence for Consultants should be included in their daily rate (and not charged separately here). Marketing, sales, or training related travel is not eligible for support.</td>
</tr>
<tr>
<td>No. Trips, No. People, Days per Trip &amp; Expected Cost</td>
<td>Fill in the best estimate of how many trips are expected to take place, for how many people and for how long. Note the following limits apply to travel and subsistence expenses:</td>
</tr>
</tbody>
</table>

For example, if the cost of capital equipment is €100,000 and the project duration is 2 years and the useful life for the equipment is 5 years. The depreciated amount will be \((1/5) \times 100,000 \times 2 = 40,000\) (the depreciated cost of the capital equipment which could be approved by the assessor).
Mileage 60 Cents/Km  
Economy Car Hire  
Subsistence*, 24 hr period, €150 per Day  
Subsistence*, Day rate, €60

Overseas  
Economy Air/Rail Fares  
Mileage 60 Cents/Km  
Economy Car Hire  
Subsistence*, 24 hr period, €200 per Day  
Subsistence*, Day Rate €60

*For all out of pocket expenses including, hotels, meals, taxis, local fares, incidentals etc.

Subsistence can only apply where a person is absent on business at a location more than 8 kilometres (overnights 80km) from their work base.

### 3.1.7. Technical Consultancy / Contractual Research

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Enter the name of the consultant or contractor</th>
</tr>
</thead>
</table>
| Purpose of Consultant/Contractor | The cost to the company of availing of consultancy input from third parties is eligible in so far as it relates to the technical aspects of the development project. Costs can be included for:  
  - Testing costs as part of the product/service development, (certification costs are entered in the next section below).  
  - Input from technical consultants,  
  - External consultant to help implement the R&D project.  
  - Design Costs - Industrial design costs are normally considered an eligible cost as part of an overall development project. The company must be able to make a clear distinction between the proposed design input and the normal routine design activity of the company (which are ineligible for support). The use of designers, either internal or external to the company, will be covered in these cases in so far as they relate to a specified R&D programme.  
  - Funding towards market-led research/consumer focus panels is eligible where there is a clear requirement for the results to be used to develop the product/process which is the objective of the R&D project. Projects consisting solely of market-led research/consumer focus panels/consumer reaction to products which are not integral to the R&D project are not eligible.  
Give a short description of the role of the consultant and the expertise being provided e.g. functional food expert providing specialist technical advice in new nutritional drinks product. |
| Number of Days and Daily Rate | Consultants daily rate should be inclusive of all travel and subsistence expenses. (1 – 20 days inclusive @ €900/day; 21 – 40 days inclusive @ €700 day; 41 plus days @ €600 day). The rates apply to each consultancy firm.  
To ensure value for money it is suggested that clients seek three competitive submissions for consultancy assignments where the consultant’s fee is €75,000 or
more – payment of grant is conditional on receipt of supporting documentation so that the inspection team can evaluate if the submission chosen represents value for money.

Consultant costs should be a modest portion of the overall project costs. Further clarification may be demanded for unusually high levels of consultancy costs.

3.1.8. Certification Testing and/or Clinical Trial Costs for Project R&D

<table>
<thead>
<tr>
<th>Item</th>
<th>Description and Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Give a short description of the cost and how it is linked to the project. Funding towards market-led research/consumer focus panels/clinical trials (phase I and II) are eligible provided that the results are a necessary input to develop the product/process as part of the R&amp;D project and will not be used solely for consumer reaction to products. Projects focused solely on market-led research/ consumer focus panels/ consumer reaction to products are not eligible.</td>
</tr>
</tbody>
</table>

Expected Cost
Enter expected cost.

3.1.9. Technology Licensing

(This category is not often used and is hidden on the Project Costs Workbook spreadsheet; Consult your development advisor if you wish to unhide and use this category)

<table>
<thead>
<tr>
<th>Item</th>
<th>Description and Purpose</th>
</tr>
</thead>
</table>
|      | Give a short description of the cost and how it is linked to the project. Companies applying for funding for Technology Acquisition (Intellectual Property IP Acquisition) should have carried out their due diligence and identified the technology they wish to acquire. The applicant company should also know the details of the license agreement between the two companies and details of the costs involved should be outlined as part of the application. The technology acquisition must be a necessary component of an R&D project and its costs should not exceed 50% of the total cost of the project. Technology acquisition must be a component of an R&D project (there must be significant R&D work required to develop the acquired technology). Technology Acquisition costs may include:  
  ➢ License cost - Down-payment and an agreed number of phased payments for the purchase of a license over a maximum period of two years.  
  ➢ Purchase of patents over the same period.  
  ➢ Ineligible Expenditure: The following costs will not be eligible  
    o Patent Filing in relation to the Technology Acquisition.  
    o Royalty Payments to the licensor which provide for commercial manufacture or use of products or processes based on IP.  
    o Professional fees to cover technical, commercial and legal due diligence |

Expected Cost
Enter expected cost.
### 3.1.10. Patenting Costs for the Project

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter the cost item. Costs relating to the preparation, filing and validating of a patent application are eligible as well as translation and other costs incurred in order to obtain the granting or validation of the right in other appropriate countries.</td>
<td></td>
</tr>
<tr>
<td>Small and Medium companies can avail of this patent cost if the costs are part of the project.</td>
<td></td>
</tr>
<tr>
<td>Patent costs for Large companies are not eligible for support.</td>
<td></td>
</tr>
<tr>
<td>Grant aid for patents is “ring fenced” and may not be reallocated to other categories later on in the project if unused.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description and Purpose</th>
<th>Give a short description of the cost and how it is linked to the project</th>
</tr>
</thead>
</table>

| Expected Cost | Enter expected cost. |
4 Part C: Technical Project Description

This template should be filled in by a technical person in the company, ideally the technical lead on the project. You can assume that the audience has a technical background.

The level of detail should be appropriate to the complexity of the project. Please include diagrams where appropriate and paste in content from any existing project scoping or requirements documents if that would be helpful.

The questions are designed both to provide input to the Enterprise Ireland assigned Technical Assessor on the eligibility of the project and also to help you to clarify important project planning questions early on in the project.

Full details on how to submit the document as part of the application are provided as part of the online application process.
Appendix 1 - Definitions


1. The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

2. Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.

A company that exceeds the upper limits of the Medium Enterprise is automatically classed as a Large Enterprise.

Appendix 2 - Footnotes

Secondment – Loan of Qualified Personnel:

For Small and/or Medium Sized Enterprises a portion of the cost of the loan of qualified personnel seconded to the applicant company is eligible. Up to a maximum of 50% of salary costs, for up to three years, in addition to agreed recruitment costs incurred by the Company, are eligible. Secondment describes the temporary employment of a person by the applicant company for an agreed period of time after which the person has the right to return to his/her previous employer. The maximum salary on which this % is based will be determined by the Approving Committee. The person may be seconded from a research organisation or a large enterprise to the SME company, and the seconded person must be employed in a newly created function, must work on research, development and innovation activities and must have been employed for at east two years in the research organisation or large enterprise.