**INSERT BUSINESS NAME AND ADDRESS/PUT ON HEADED PAPER**

Business Grants Team

South Derbyshire District Council

Civic Offices,

Civic Way,

Swadlincote,

Derbyshire DE11 0AH.

**INSERT DATE**

Dear Business Grants Team,

# Subsidy Allowance Declaration

The COVID-19 business grants schemes were introduced following the outbreak of the coronavirus, to support businesses impacted by local and national restrictions.

**Please complete the tables and declarations in this document to demonstrate your eligibility.**

# ­Small Amounts of Financial Assistance Allowance

I confirm that I have previously received the following subsidies granted as *de minimis* aid or as Small Amounts of Financial Assistance under Article 3.2(4) of the TCA during the current and two previous fiscal years from any subsidy awarding body:

|  |  |  |  |
| --- | --- | --- | --- |
| **Body providing the subsidy** | **Value of assistance (in £)** | **Date subsidy awarded** | **Nature of subsidy/aid** |
|  |  |  |  |
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|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total award** |  | **Please note, the total you can receive under this allowance is £325,000** | |

*Add more lines as appropriate, so that each grant and each awarding body/organisation is listed individually.*

If using the **­Small Amounts of Financial Assistance Allowance**, please confirm the below:

|  |  |
| --- | --- |
| **Declaration** | **Business response** |
| **Small and micro enterprises[[1]](#footnote-1):** I declare the business is not subject to collective insolvency proceedings. | I confirm  N/a |
| **Medium enterprises:** I declare the business is not an ‘undertaking in difficulty’. | I confirm  N/a |

You may elect not to receive grants under the **Small Amounts of Financial Assistance Allowance** and instead receive grants only using the **COVID-19 Business Grant Allowance** & **COVID-19 Business Grant Special Allowance**. If you choose to do this, please complete the below table(s) and declarations:

# COVID-19 Business Grant Allowance

I confirm that I have received the following subsidies under the COVID-19 business support grant scheme and under Section 3.1 or 3.12 of the European Commission’s Temporary Framework across any other UK scheme.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Body providing the subsidy** | **Value of assistance (in £)** | **Date subsidy awarded** | **Allowance threshold used, e.g. COVID-19 Business Grants Allowance** | **Nature of subsidy/aid** |
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| **Total award** |  | **If limits are reached under the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance enables a further £1,600,000 to be paid to a single economic actor\*.** | | |

*Add more lines as appropriate, so that each grant and each awarding body/organisation is listed individually.*

*\*This allowance includes any grants previously received under the COVID-19 business grant schemes and any State aid previously received* *under Section 3.1 of the European Commission’s Temporary Framework across any other UK scheme.*

If using the COVID-19 Business Grant Special Allowance, please confirm the below:

|  |  |
| --- | --- |
| **Declaration** | **Business response** |
| I declare that when cumulated with any other grant under the allowances, the business will have received above/below £500,000. Please note: All figures used must be gross, that is, before any deduction of tax or other charge. **If above £500,000, the grants will be declared on the BEIS transparency database** [https://manageuksubsidies.beis.gov.uk](https://manageuksubsidies.beis.gov.uk/) | Below £500,000  Above £500,000 |

# COVID-19 Business Grant Special Allowance

I confirm that I have received the following subsidies under the COVID-19 business support grant scheme and under Section 3.1 or 3.12 of the European Commission’s Temporary Framework across any other UK scheme.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Body providing the subsidy** | **Value of assistance (in £)** | **Date subsidy awarded** | **Allowance threshold used, e.g. COVID-19 Business Grant Special Allowance** | **Nature of subsidy/aid** |
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| **Total award** |  | **If limits are reached under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, businesses may be able to access a further allowance of funding of up to £9,000,000 per single economic actor if a series of further conditions are met (see funding conditions table and Annex 1).** | | |

If using the **COVID-19 Business Grant Special Allowance**, please confirm (see Annex 1) the below:

|  |  |
| --- | --- |
| **Statement** | **Business response** |
| I declare the funding will be used to cover uncovered fixed costs\* incurred during the period between 1 March 2020 and 31 March 2022, including such costs incurred in any part of that period (‘eligible period’). **Uncovered fixed costs’ means fixed costs not otherwise covered by profit, insurance or other subsidies.** | I confirm that the funding will only be used to cover uncovered fixed costs |
| I declare the business can demonstrate a decline in turnover during the eligible period of at least 30% compared to the same period in 2019. The calculation of losses is based on audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC which includes information on the applicant’s profit and loss.  **Please attach a copy of your audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC accounts and an explanation of where the loss can be seen to this signed declaration.** | I confirm that the business has seen a 30% decline in turnover.  I have attached a copy of the accounts and explanation of loss |
| **Small and micro enterprises[[2]](#footnote-2):** I declare the level of funding claimed does not exceed 90% of the uncovered fixed costs. | I confirm  N/a |
| **Medium enterprises:** The level of funding claimed does not exceed 70% of the uncovered fixed costs. | I confirm  N/a |

# About total awards

In total an economic actor could combine the allowances for the **­Small Amounts of Financial Assistance Allowance**, the **COVID-19 Business Grant Allowance** and the **COVID-19 Business Grant Special Allowance** and potentially receive a total allowance of **£10,935,000** from these business grants schemes (subject to the precise applicable amount calculation for the Small Amounts of Financial Assistance Allowance).

You may need to declare these amounts to any other subsidy awarding body who requests information from you on how much subsidy you have received.  You must therefore retain this letter and produce it on any request from the UK public authorities.

I confirm that:

|  |  |
| --- | --- |
|  | **I am authorised to sign on behalf of {enter business name}** |
|  |  |

Name: (enter name of person signing):

Position: (enter job title of person signing):

Date:

Signature:

# Annex 1 - Covid-19 Business Grant Special Allowance conditions

1. Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, it may be able to access a further allowance of funding under these scheme rules of up to £9,000,000 per single economic actor, provided the following conditions are met:
2. The Special Allowance covers only the applicant’s uncovered fixed costs incurred during the period between 1 March 2020 and the date of application, including such costs incurred in any part of that period (‘eligible period’);
3. Applicants must demonstrate a decline in turnover during the eligible period of at least 30% compared to the same period in 2019. The calculation of losses will be based on audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC which includes information on the applicant’s profit and loss;
4. ‘Uncovered fixed costs’ means fixed costs not otherwise covered by profit, insurance or other subsidies;
5. The grant payment must not exceed 70% of the applicant’s uncovered fixed costs, except for micro and small enterprises (for the purposes of this scheme defined as less than 50 employees and less than £9,000,000 of annual turnover and/or annual balance sheet), where the grant payment must not exceed 90% of the uncovered fixed costs;
6. Grant payments under this allowance must not exceed £9,000,000 per single economic actor. This allowance includes any grants previously received in accordance with Section 3.12 of the European Commission’s Temporary Framework; all figures used must be gross, that is, before any deduction of tax or other charge;
7. Grants provided under this allowance shall not be cumulated with other subsidies for the same costs.

# Annex 2 – Undertaking in difficulty definition

‘Undertaking in difficulty’ means an undertaking in respect of which at least one of the following circumstances occurs:

1. In the case of a limited liability company (other than an SME that has been in existence for less than three years) where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, ‘share capital’ includes, where relevant, any share premium.
2. In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years) where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses.
3. Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria for being placed in collective insolvency proceedings at the request of its creditors.
4. Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee or has received restructuring aid and is still subject to a restructuring plan.
5. In the case of an undertaking that is not an SME, where, for the past two years: (1) the undertaking's book debt to equity ratio has been greater than 7.5 and (2) the undertaking's EBITDA interest coverage ratio has been below 1.0.

1. *Small and medium businesses are defined as less than 50 employees and less than £9,000,000 of annual turnover and/or annual balance sheet.* [↑](#footnote-ref-1)
2. *Small and medium businesses are defined as less than 50 employees and less than £9,000,000 of annual turnover and/or annual balance sheet.* [↑](#footnote-ref-2)