

YOUNG ENTREPRENEURS BUSINESS GRANT PROGRAM INFORMATION

The Young Entrepreneurs Program is a component of Partners With Youth, which is a Provincial program operated by the Departments of; Agriculture, Food and Rural Initiatives; Education, Citizenship and Youth; and the Department of Industry, Economic Development and Mines. The program encourages Manitoba's young people to start their own full-time business and pursue self-employment as a career choice. Applications are accepted on a year-round basis from youth aged 18 to 29 years. Under the Young Entrepreneurs program, approved applicants are eligible for a grant of up to \$4000 to help defray business start-up costs and capital expenditures.

All youth interested in applying to the program must submit the following before an application can be assessed and reviewed for grant consideration:

- a completed program application, and
- a comprehensive business plan.

ELIGIBILITY CRITERIA

Please Note: Businesses that are currently in full operation are not eligible to apply.

A list of program definitions of words shown in *italics* can be found in the back of this application.

APPLICANTS

- Youth 18 to 29 years of age are eligible to apply (Proof of age will be required)
- Must be Canadian citizens or have received landed immigrant status
- Must attend a two or three-day Business Start training program. Some applicants may be exempt if able to demonstrate past attendance at similar business training.
- Where more than one business partner or investor is involved, the *principal applicant* to the program must be significantly involved in the management of the business. Not all business partners must be eligible youth, however, the principal applicant must be in the 18-29 years of age range and meet all eligibility criteria.
- Approved applicants must be working at the business on a *full-time basis*, or if the business is not yet operational, the applicant must plan to work full-time and may not be employed elsewhere or attending school on a full time basis.
- The applicant must be actively involved in all aspects of the business on a day-to-day basis.

BUSINESS VENTURES

- The business which is seeking program assistance must not be currently operated by the applicant on a *full-time basis*.
- The proposed business must be year-round and permanent in nature. Proposals to initiate part-time or seasonal businesses will not be considered.
- The proposed business must provide the *principal applicant* with full-time self-employment (at minimum 30 hours per week).
- Must be based within Manitoba.
- Must be a business created for the purpose of making a profit.
- Must demonstrate in the business plan and application that the business has a reasonable chance of success.
- Must not be an expansion of an existing business
- Where existing business ventures and/or assets are being purchased, the applicant must demonstrate that all business transactions will be/are completed at *fair market value*.

Those not eligible to apply to the Young Entrepreneurs Program include:

- Applicants who are full-time students or planning to return to school on a full time basis.
- Applicants who are currently self-employed full-time.
- Applications to support business ventures that are in *full operation* prior to applying to the program for assistance.
- Applications to expand existing businesses.
- Applicants who are receiving grant funding from any other Federal or Provincial program will not be considered. Loans and loan guarantees are not considered to be grants.
- An applicant who has received program support in the past.
- Applications to support the purchase of existing business ventures or assets that have received Young Entrepreneurs Program grant support within the previous two years.
- Business ventures that provide regulated professional services in *self-governing professional occupational categories* in Manitoba.

HOW TO APPLY

1. Read the Young Entrepreneurs booklet/application. Contact program officials listed on the back of the application if you have any questions relating to the application process or eligibility.
2. **Application must be submitted prior to the start of the business venture.** If necessary, completed business plans may be submitted to the program after the initial program application form has been forwarded.

In rural Manitoba

- Contact the Agriculture, Food and Rural Initiatives office or Community Development Corporation nearest your location. These offices can provide general information and assistance in completing the application and/or business plan. Agriculture, Food and Rural Initiatives office locations are listed on the back of the application.
- Complete all sections of the Young Entrepreneurs application and develop a business plan.
- Complete Section C - Business Plan Overview check list to ensure all key sections have been included in your business plan and application.
- Make a copy of your Young Entrepreneurs application, business plan and all correspondence for your records.
- Submit the Young Entrepreneur application to either a Community Development Corporation, or Agriculture, Food and Rural Initiatives office nearest your location.

In Winnipeg

- The Canada/Manitoba Business Service Centre listed at the end of this application can assist applicants with the development of their business plans.
 - Complete all sections of the Young Entrepreneurs application and develop business plan.
 - Register for the Business Start Workshop at 984-0037.
 - Complete the 2 page Business Plan Overview check list to ensure all key sections have been included in your business plan and application.
 - Make a copy of your Young Entrepreneurs application, business plan and all correspondence for your records.
 - Submit your application to the MB4Youth Division, located at Room 310-800 Portage Avenue, Winnipeg, Manitoba R3G 0N4.
3. If you have any questions or concerns, please contact your nearest Agriculture, Food and Rural Initiatives or Education, Citizenship and Youth office.

4. It is recommended that all applicants maintain a log of daily business activity and hours worked at the business venture. If approved, this documentation will be required by the program. This information can also serve as a valuable tool for new business owners.

FINANCIAL ASSISTANCE

The Young Entrepreneurs program provides grant funding to reimburse approved applicants for eligible business start-up costs and capital expenditures. The Young Entrepreneurs program grant is based on the ability of the applicant to identify a shortfall in start-up capital to properly establish the business, either for capital or operating expenditures. The program will provide a contribution of up to \$4000 based on 50% of start-up costs.

EXAMPLE 1

Approved applicant spends \$8000 to set up the business.

- ▶ Grant amount would be \$4000.00

EXAMPLE 2

Approved applicant spends \$7500 to set up business.

- ▶ Grant amount would be \$3750

ELIGIBLE START-UP COSTS - license fees, space rental, telephone installation, utilities, office supplies, equipment rental, business travel costs, etc. Inventory costs are not eligible.

ELIGIBLE CAPITAL COST EXPENDITURES - recent purchases of land, buildings, office equipment and other significant equipment or fixtures.

Please note:

- Inventory costs and “good will” are not eligible expenses under this program.
- In cases where existing business ventures and/or assets are being purchased, the program will require additional information to verify receipts and demonstrate the transactions were completed at “arms-length” or fair market value.

WHAT HAPPENS NEXT

Once an application has been submitted to the Young Entrepreneurs Program:

1. Applications will be assessed for program eligibility.
2. In Rural Manitoba
Local Agriculture, Food and Rural Initiatives or Community Development Corporation staff will contact applicant:
 - To discuss your application,
 - Request any additional information needed for the assessment of the application,
 - Offer referrals to another organization to assist with business plan development, and
 - Coordinate attendance of a Business Start Workshop.
 - These staff and related resources are intended to assist the applicant to develop a complete business plan prior to final review.

In Winnipeg

A program representative from Education, Citizenship and Youth or Industry, Economic Development and Mines will contact you:

- To discuss your application,
- If not yet completed, coordinate attendance of a Business Start Workshop,
- Request any additional information needed for the assessment of the application, and
- Identify resources and supports available at the Canada/Manitoba Business Service Centre to assist with business plan development.

- These staff and related resources are intended to assist the applicant to develop a complete business plan prior to final review.
3. Application Review and Assessment
 - Eligible applications which have submitted a comprehensive business plan to a local Community Development Corporation (CDC) will be reviewed and assessed by the local CDC board.
 - Eligible applications that have not been reviewed by a CDC will be forwarded to the Young Entrepreneurs Program for review and approval recommendations.
 4. Applicants will be notified by letter of the funding decision for their application.
 - If an application has been approved for grant funding, information on the claim for reimbursement process will be sent to you.
 - If an application is not selected for grant funding, program staff will identify the basis for this decision in the notification letter. You may contact the Young Entrepreneurs program at (204) 945-4284 for further information and clarification if needed.
 - All applications for Young Entrepreneurs business grants must be reviewed by several authorities as part of the approval process. Final approval of applications is at the discretion of the Young Entrepreneurs Program.
 5. At the end of 10 weeks of business operation, approved applicants must submit to the program: a log of their daily hours worked at the business, a completed and signed claim form with copies of paid invoices for purchases and cancelled cheques to support purchases. Please allow 6-8 weeks for processing of claims.

GRANT REIMBURSEMENT PROCEDURE

- Approved applicant will receive a letter outlining this process in greater detail.
- Approved applicants are required to maintain and submit a log of the daily hours and activities spent in operating their business for the first 10 weeks of business operation. As the applicant is required to work at the venture on a full-time basis, the program anticipates that a minimum of 300 hours will be worked during this period.
- Approved applicants will be reimbursed upon receipt of a Claim for Grant Funding form. This claim form can be submitted only after 10 weeks of full-time self-employment.
- Young Entrepreneur grants may be withheld if the applicant's contribution does not meet the minimum \$500.00 in eligible business start-up costs, does not work at the business full-time or if any other program condition is not met.
- All approved applicants will be subject to monitoring throughout the program duration.
- Claim for Reimbursement forms will not be processed until the applicant has been monitored, has completed a log of daily hours and the Business Start Workshop. A Claim for Reimbursement must be accompanied by copies of receipts and cancelled cheques for all purchases/expenses being claimed.

IMPORTANT NOTICE

The Young Entrepreneurs Application has been designed so that most applicants will be able to complete the application without assistance from a business consultant or other professional. Similarly, most applicants will be able to develop a business plan without the assistance of a business consultant or other professional. Community Development Corporations, Agriculture, Food and Rural Initiatives offices and the Canada/Manitoba Business Service Centre listed at the end of this application can assist applicants with the development of their business plans at no charge. Additional reference material can be obtained from the Canada Business Service Centres, Interactive Business Planner at: www.cbpsc.org/ibp.

Applicants who choose to use the services of a fee-for-service private business consultant or other professional are advised that the business consultant or other professional have no influence or connection with the Young Entrepreneurs program or the Provincial Departments responsible for this program.

NOT ALL APPLICANTS WILL RECEIVE A GRANT.

TERMS AND CONDITIONS

1. Officers of the program will make all necessary investigations in reviewing this application to ensure the information provided is true and complete.
2. Applicants may be requested to provide additional documentation that may be required to verify program eligibility requirements.
3. Young Entrepreneurs may make a public announcement relating to this approval of this grant.
4. Approved applicants agree to provide information that will assist in the review and evaluation of the Skill Development For Young Entrepreneurs program.
5. I understand that applicants may receive future contact from the Partners With Youth program that relate to workshops or other training opportunities for young entrepreneurs.
6. I understand that the officials responsible for Partners With Youth have the authority to assess each application on its individual merits and will exercise their absolute discretion in determining the amount of grant funding approved for each business.
7. I understand that payment made to the applicant/business will be taxable income in the year issued to the individual/business.

IMPORTANT CONTACTS

Canada/Manitoba Business Service Centre

Suite 250-240 Graham Avenue, Winnipeg, Manitoba. Phone (204) 984-2272 or

Toll-free 1-800-665-2019. Fax number: (204) 983-3852.

Website: <http://www.cbcs.org>

Contact the toll-free number above for information on the many satellite offices located throughout Manitoba.

Manitoba Business Start – 3 Day Workshop (offered by the Canada/Manitoba Business Service Centre) For more information on the program and upcoming dates contact Ann O'Connell at 204-945-7721 or Jeanine Lafond at 204-984-0037.

Canada Customs and Revenue Payroll Deductions Account

To obtain a Payroll Deductions Account Number and information on employer/employee contributions to E.I. and C.P.P., contact the Canada Custom and Revenue Agency at 1-800-959-5525.

Workers Compensation

To inquire about compulsory and non-compulsory registration phone the Workers Compensation Board of Manitoba in Winnipeg at 954-4505 or outside Winnipeg call Toll-free 1-888-504-1339.

Employment Standards

If you have any questions regarding your obligations as an employer in the Province of Manitoba, for example, payment of overtime, vacation pay, minimum wage or construction wages, please contact The Department of Labour - Employment Standards Branch:

In Winnipeg phone 945-3352 or outside Winnipeg call toll-free at 1-800-821-4307.

Website: www.gov.mb.ca/labour/standards/

YOUNG ENTREPRENEUR PROGRAM DEFINITIONS

Capital costs

As a general rule, capital costs are objects that you can see and touch (car, building, land and furniture). These assets will often have a longer useful life and therefore may include depreciation allowances for tax purposes. Computers and software are considered eligible by the program.

Full operation

The Young Entrepreneurs program uses a number of criteria to define full operation of a business. This program looks at the date that the applicant began making purchases and other details related to the delivery of goods or services on behalf of the business.

The program will determine when the owner(s) began to be fully engaged in the operation of this enterprise (ie: leaving previous employment or completed area of study) demonstrating a change in employment activity. Additionally, the program will review the dates used for tax purposes, to indicate official business start date.

Fair market value

The value of the asset if it were to be re-sold. This may also include an examination of the replacement cost of the assets. Determination that the asset(s) value is real and has not been over or under represented for the purpose of the program application.

Full-time basis

On average, the youth business owner is personally involved for a minimum of 30 hours per week in the provision of services, development of products and administration of the business which directly relate to the venture

Good will

A cost which may be added to the purchase price of an existing business. This cost may include actual customer or client lists, but may also include intangible items such as community relations and profile.

Principal applicant

The principal applicant is the person who submits the program application on behalf of the business venture. If the business is not a sole proprietorship, this principal applicant must be at least an equal partner or share holder in the business and have a role in the management and administration of the business activities. The program will request supporting documentation to verify partnership and corporate ownership.

Self-governing and self-regulating professional occupational categories

In Manitoba there are 24 self governing professions and occupations. The list of Manitoba professional occupations found below are not eligible to apply to the Young Entrepreneurs program for assistance to operate a business venture providing these professional services.

The following occupations are regulated in Manitoba by the Licensing Regime and only those who are qualified individuals are permitted to provide the regulated service:

Agrologist	Land Surveyor	Pharmacist
Architect	Lawyer	Physician or Surgeon
Chiropract	Licensed Practical Nurse	Physiotherapist
Chiropractor	Midwives	Psychiatric Nurse

Dentist
Denturist
Engineer
Geoscientist

Naturopath
Occupational Therapist
Ophthalmic Dispenser/Optician
Optometrist

Registered Nurse
Respiratory Therapist
Speech & Hearing Therapist
Veterinarian

**YOUNG ENTREPRENEURS BUSINESS GRANT
APPLICATIONS AND INFORMATION IS AVAILABLE
AT AND CAN BE SUBMITTED TO:**

MANITOBA EDUCATION, CITIZENSHIP AND YOUTH

Young Entrepreneurs
310-800 Portage Avenue
Winnipeg MB R3G 0N4
945-4284 / Toll Free 1-800-282-8069 ext. 4284
shampton@gov.mb.ca

In Rural and Northern Manitoba

Beausejour

125 – 20 First Street
Box 50
Beausejour MB R0E 0C0
268-6064

Brandon

2022 Currie Boulevard
Box 22147
Brandon MB R7A 6Y9
726-6551

Dauphin

27 – 2nd Avenue SW
Dauphin MB R7N 3E5
622-2158

Deloraine

101 Findlay Avenue E
Box 389
Deloraine MB R0M 0M0
747-3332

Morden

323 Railway Street
Morden MB R6M 1S9
822-2843

Selkirk

103 – 235 Eaton Avenue
Box 1519
Selkirk MB R1A 0W7
785-5005

Steinbach

Room 335 – 323 Main Street
Box 2680
Steinbach MB R0A 2A0
346-6240

Thompson

100 – 23 Station Road
Thompson MB R8N 0N6
778-4138

The Pas

Third and Ross Avenue
Box 2550
The Pas MB R9A 1M4
627-8389

LOCAL COMMUNITY DEVELOPMENT CORPORATIONS

Please complete all sections.

SECTION A: PERSONAL AND BUSINESS INFORMATION

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

"This personal information is being collected under the authority of the MB4Youth Division of Manitoba Education, Citizenship and Youth. The information will be used and may be shared with MB4Youth Division partners for the purpose of determining eligibility for the program, monitoring and accountability requirements, as well as research and evaluation purposes. These partners include Manitoba Agriculture, Food and Rural Initiatives, Manitoba Industry, Economic Development and Mines, and Manitoba Advanced Education and Training. As well, this information may be used to contact you in the future for follow-up and evaluation purposes. This personal information is protected by the Protection of Privacy provisions of *The Freedom of Information and Protection of Privacy Act*. If you have any questions about the collection, and use of this information, contact the MB4Youth Division: Laurie E. Unrau, Program Manager, at (204) 945-3556, Room 310-800 Portage Avenue, Winnipeg, Manitoba, R3G 0N4."

I consent to the collection, use and disclosure of personal information as outlined above.

Signature

Date

- MR
MS
MRS

Surname

Given Names

Present Mailing Address

No. and Street

City/Town

Province

Postal Code

Home Phone No.

Work Phone No.

Fax No.

E-Mail Address

- Are you a: Canadian citizen? Landed Immigrant? Other?

If other, please explain: _____

- Are you between 18 and 29 years of age? Yes No Date of Birth

YY / MM / DD

Please include a photocopy of driver's licence or Birth Certificate to confirm date of birth.

- Gender: Male Female

5. Social Insurance Number

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- The following information is being collected for statistical purposes only.

Do you fall within any of the following Affirmative Action categories of the program?

Yes No If yes, please check all categories applicable:

Aboriginal Decent

Income Assistance Recipient

Other

Disabled

Visible Minority

OFFICE USE DOB Verified with _____ by _____ on _____

7. Please indicate your current or highest level of study.

High School	grade 9 or less Senior 1	grade 10 Senior 2	grade 11 Senior 3	grade 12 Senior 4	
Community College:	year 1	year 2	year 3		
University:	year 1	year 2	year 3	year 4	year 5 or greater
Area of Study:	_____				
Other Training or Courses:	_____				

8. Are you: *(Please check all that apply at the time application)*

- Not a student
- A full-time student
Taking 60% or more of a normal year's studies
- A part-time student
Taking less than 60% of a normal year's studies
- Unemployed
- Employed full-time (working 25 hours or more per week)
- Employed part-time (less than 25 hours per week)
- Farming
- Self-employed full-time
- Self-employed part-time

9. Please provide information on your most recent employment

Company Name: _____

Address: _____

Title: _____ Employed From: _____ To: _____
MM/YY MM/YY

Responsibilities: _____

10. Legal Name of proposed business: _____

Operating Name (if different): _____

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Business Address No. and Street City/Town Province Postal Code

11. Please give a brief description of your business:

12. Is the business/organization currently in operation?

NOTE: Businesses that are in *full operation* are not eligible to apply. Yes No

If no, please provide proposed start date: _____

If business is in operation, indicate start date _____

13. a) Is the proposed business a:
 Sole Proprietorship Partnership or Corporation or Limited Company
- b) If the proposed business is to be a partnership or limited company, please state the name(s) and ages of all business partners/investors/shareholders and their position(s) with the new company. Please note that partners and investors are not required to meet program age requirements. Copies of partnership agreements or articles of incorporation must be submitted with your application.

Name	Age	Position with Company

14. Have you applied to any other government program for funding (i.e. Business Start, Rural Entrepreneurial Assistance, Aboriginal Business Canada, Self-Employment Assistance, Young Entrepreneurs Skill Development Program)?

Yes No If Yes, Please identify the program name and current status of the application.

Name of Government Program	Status of Application (approved, rejected or pending)

15. Estimated business start-up costs – for the first 12 months of operation. Please research and provide details for each item listed.

GENERAL START-UP EXPENDITURES		CAPITAL EXPENDITURES	
Rent		Land/Building	
Licenses/Permits			
Insurance		Equipment	
Advertising			
Office Supplies		Store/Business Furnishings	
Loan Interest			
Employee(s) wages & benefits		Vehicles	
Utilities			
Legal and Financing fees		Other (indicate)	
Purchase of Inventory			
Equipment Rental			
Other (indicate)			
TOTAL	\$	TOTAL	\$

16. Based on the total costs and expenditures listed above, what is the amount of Young Entrepreneurs grant you are seeking? Please note that inventory is not an eligible expense for the Young Entrepreneurs Program.

TOTAL GRANT AMOUNT REQUESTED

\$

17. Personal Assets and Liabilities Please provide details of your current personal finances as of the date of application to the Young Entrepreneurs program.

Assets		Liabilities	
DETAILS	VALUE/ AMOUNT	DETAILS	AMOUNT
Cash	\$	Mortgage(s)	\$
Liquid Assets (Stocks, Bonds, etc.)	\$	Credit Cards	\$
Real Estate (state name(s) of registered owners)	\$	Other loans outstanding (auto, personal, etc.)	\$
Vehicles/Automobile – state name(s) of registered owners	\$	Loans (other)	\$
Other	\$	Other	\$
<u>TOTAL ASSETS</u> \$		<u>TOTAL LIABILITIES</u> \$	

SECTION B: CERTIFICATION

- A. I, _____, hereby declare that I am the Applicant, or the authorized representative of the Applicant business, named in the Personal and Business Information Section of the Young Entrepreneurs Application form.
- B. I certify that I have read and agree to the criteria, terms, conditions and requirements of this application form.
- C. I certify that all of the information given by me in this application is true and complete. I authorize the officers of the program to make all necessary credit investigations and provide the Partners with Youth program office with any relevant information. I have included with this application the business description, for which I am requesting program assistance, I understand that this and any subsequent information submitted by me and approved under Partners with Youth become part of this application.
- D. I understand that upon approval of this application, I agree to permit the program to audit the records of the business during the first year of operation.
- E. I understand that upon approval of this application the individual named in the Personal and Business Information Section of the Young Entrepreneurs Application undertakes to comply with all conditions as set out in this application.
- F. I understand that if the Applicant named in the Personal and Business Information Section fails to meet with any or all of the terms and conditions as set out in this application or has provided false / incomplete information to the Young Entrepreneurs Program, the Applicant shall, upon request by the Government of Manitoba, be required to repay all funds paid to the Applicant.

Name of Owner or Applicant (Please Print)

Position With Business

Address

Telephone Number

x

Signature

Date

SECTION C: BUSINESS PLAN OVERVIEW

To ensure that all aspects of the business plan have been addressed, please ensure that all of the following data has been included in your business plan.

Be advised that incomplete business plans or applications will not be assessed.

- Research data and general assumptions used to determine your business projections.
- Names of major suppliers (locations, and services/products) and their credit terms. Can you change your suppliers easily if required?
- Who are your competitors? How long have they been in business? We require names, locations and services/products.
- What group will make up your customer base and where are your customers located (demographic information)?
- Why will customers prefer your product or service to that of your competitors?
- Research conducted or found that supports these assumptions about your customers.
- The estimated size of your market in terms of territory, type of customer and consumer price ranges for your product or service.
- The form(s) of advertising you plan to use to market your business. (i.e. business cards, radio, newspaper, pamphlets).
- The amount you plan to spend on advertising during the first (6) months of business operations.
- What materials will be used to make your product or provide your service?
- What is or will be the average cost of these materials?
- What is the average labour cost required to make your product or to provide your service?
- What are the overhead costs (rent, hydro, water, taxes, permits, licenses, mailing, maintenance, equipment, machinery, vehicle, etc...) that will be factored into your product or service price in order to cover general business expenses?
- Details on the costs associated with providing credit from your sales.
- Provisions made for warranty/servicing costs in your pricing.
- Provisions made for start-up costs in your pricing.
- Average cost per unit for your product or service including all labour, expenses and other overhead costs.
- Price you will charge for your product or service.
- Price the competitors charging for similar services or products.
- Level of sales you will have to reach to break even (including your labour, expenses and other overhead).
- What insurance, government regulations, licenses, permits and/or other approvals are required for your business and have they been obtained?
- Business requirements as to size and type of premises (including, building, land, office space, etc.) and major pieces of equipment, vehicles, furniture, fixtures, signs, etc.
- Special skills required to operate your business venture.
- Plans you have to help you and your business succeed (i. e. courses in accounting or management, training, workshops, personal mentors or business advisors, etc.).
- Estimated number of employees required (**excluding owners**) at business start up and within 3 years of business start-up. How many of the positions will be full-time and/or part-time?
- Franchise, patents, trademarks, licensing agreements, etc. in your business.
- Financial implications of pending franchise, patents, trademark or licensing agreements?
- Cash flow forecast for the first 12 months of business operations.
- Projected income and expenses for first two years of business operations.
- Assets or equity that will be used in the business venture.
- Other sources of funding being used.