

Subsidy allowance declaration

Dear applicant

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

Please use the tables below to declare relevant subsidies received, undertaking in difficulty status (if relevant) and eligibility under the COVID-19 Business Grant Special Allowance and therefore your potential eligibility to receive a COVID-19 business grant.

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

You may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using the below allowances available under this scheme.

COVID-19 Business Grant Allowance & 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.

[I confirm that my undertaking was not in difficulty on 31 December 2019]¹

[I confirm my undertaking is a micro or small enterprise and is not subject to collective insolvency proceedings.]

¹ Confirmation of undertaking in difficulty status only required if receiving grants under the Covid-19 Business Grants Allowance or under the COVID-19 Business Grant Special Allowance and you are not a micro or small enterprise.

[I confirm the conditions are met for subsidies under the COVID-19 Business Grant Special Allowance and that documentation can be provided to demonstrate eligibility.]

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

Under the scheme rules for COVID-19 business grants the maximum level of subsidy that an economic actor² may receive under each level of allowance is set out below:

Small Amounts of Financial Assistance Allowance - this allowance is the equivalent of 325,000 Special Drawing Rights³, to a single economic actor over any period of three fiscal years and includes any subsidy previously received as *de minimis* aid or as Small Amounts of Financial Assistance under Article 3.2(4) of the TCA from any subsidy awarding body.

COVID-19 Business Grant Allowance - 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. 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.

COVID-19 Business Grant Special Allowance – if limits are reached under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, you 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 Annex 1).

In total an economic actor could combine the allowances 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

² Defined as an entity or a group of entities constituting a single economic entity regardless of its legal status, that is engaged in an economic activity by offering goods or services on a market

³ As at 2 March 2021 this was the equivalent of £335,000. The Special Drawing Right calculator here can be used to calculate the exchange rate on the day the subsidy is awarded: https://coinmill.com/SDR_calculator.html.

therefore retain this letter and produce it on any request from the UK public authorities.

Grants provided in excess of the Small Amounts of Financial Assistance Allowance may not be granted to applicants that were defined as an ‘undertaking in difficulty’ on 31 December 2019 (see Annex 2). Grants can be granted to micro or small enterprises that were already in difficulty on 31 December 2019 provided that they are not subject to collective insolvency proceedings.

DECLARATION

Company	
Company Representative Name	
Signature	
Date	

Annex 1 - Covid-19 Business Grant Special Allowance conditions

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:

- a. 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’);
- b. 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;
- c. ‘Uncovered fixed costs’ means fixed costs not otherwise covered by profit, insurance or other subsidies;
- d. 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;
- e. 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;

f. 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:

a. 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.

b. 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.

c. 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.

d. 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.

e. 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.