# COVID-19 SME Equity Investment Scheme

## Summary

The University of Surrey COVID-19 SME Equity Scheme has been put in place to support our innovation ecosystem in this time of crisis and is specifically designed to support those SMEs who are unable to raise investment due to COVID-19 situation.

We have a total funding pot of £150,000. The University of Surrey Seed Fund Ltd will subscribe to purchase new shares valued at no more than £30k in each individual company. We may re-evaluate this initial position once we have assessed demand from members of our ecosystem.

We expect that the need will exceed the funds available and therefore, we are asking SMEs to apply for the equity investment using this form. Applications will be assessed against the criteria outlined in the next section and final decisions will be made by the University Seed Fund Ltd. Priority will be given to companies that are not able to receive financial support from the Government or whose current equity investment raising activities have been negatively affected by the pandemic.

Aid will be granted under the State Aid de minimis scheme. Where SMEs have already exceeded their allowance, aid can be granted under the Temporary Aid scheme. <https://ec.europa.eu/commission/presscorner/detail/en/ip_20_527>

**Criteria**

To apply for a COVID-19 SME Equity Investment the applicant must:

1. Be a start-up, micro, small or medium-sized company located in the UK with fewer than 250 employees and an annual turnover of less than £50 million or a balance sheet total of under £43 million.
2. Be an active member of our innovation ecosystem. This includes:

* Members of SETsquared Surrey Incubator, or
* A company in which the University of Surrey or the University of Surrey Seed Fund Ltd already owns shares, or
* A resident company in the Surrey Technology Centre, or the University of Surrey Research Park, or
* An SME in an collaborative project currently underway with University academics

1. Not have been in difficulty prior to December 2019 (within the meaning of State aid General block exemption regulation. <https://ec.europa.eu/competition/state_aid/legislation/practical_guide_gber_en.pdf>
2. Be able to evidence a commitment to raising investment prior to March 1st 2020.
3. Be able to evidence how the equity investment will help ensure company survival until end of December 2020.

## How to submit your application

Please return this form, and any supporting documents, to [TechTransfer@surrey.ac.uk](mailto:TechTransfer@surrey.ac.uk) by Friday May 1st 2020.

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| **SECTION 1 – COMPANY DETAILS** | | |
| **Name of Company** | |  |
| **Key Company Contact** | |  |
| **Company Address** | |  |
| **Postcode** | |  |
| **Email Address** | |  |
| **Are you an SME?** | | YES / NO |
| **Was your business in difficulty prior to 31st December 2019?** | | YES / NO |
| **Do you qualify for the Small Business Grant Scheme** | | YES / NO |
| **Do you qualify for the Coronavirus Business Interruption Loan Scheme (CBILS)** | | YES / NO |
| **1.2** | **Relationship with the University Innovation Ecosystem** | |
| **SETsquared Surrey Member** | | YES / NO |
| **STC or Research Park Resident** | | YES / NO |
| **Uni of Surrey Spin-out** | | YES / NO |
| **Active R&D Collaborator** | | YES / NO (Name of collaborative project) |

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| **1.3** | **Please provide a brief description of your company** (product/service, age, development stage, size) |
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| **SECTION 2 – BUSINESS IMPACT OF COVID-19** | | |
| **2.1** | | **Please describe how your business had planned prior to COVID-19 to raise investment, please attach board meeting minutes to support statements. Please include details of investments sought and identified sources and stage (Seed, Round 1 etc) and how far these had progressed.** |
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| **2.2** | **Please describe the effect of COVID-19 on these plans to raise investment, please evidence any correspondence from potential sources of funding.** | |
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| **2.3** | | **Please document your COVID-19 mitigation plans (attach board meeting minutes where appropriate), showing how the company is actively seeking to minimise the impact and risk associated with the current climate.** |
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| **2.4** | | **Please give a brief overview of the likely effect COVID-19 will have on your industry as a whole. E.g. are there any features of your industry that may act as specific opportunities or threats.** |
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| **2.5** | | **Please describe the impact that failure to raise new investment will have on the business in the next 6-9 months and any further knock-on effects. Within this please detail how an investment of this size (circa £30k) will help mitigate these impacts** |
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| **2.6** | | **Please support your application with financial data and a pitch deck that will have been required for raising investment and will allow the committee to assess viability and requirement. The following balance sheet, P&L for last 12 months, cash-flow projection for next 12 months, pitch deck and business plan should be attached. If you have previously raised equity please give pre and post valuation details.** (please list documents attached below) |
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| **SECTION 3** | **The value of the grant will count as de minimis State Aid for the SME.\* Please provide details of any other de minimis State Aid (including e.g. DBAH funded incubation) the SME has received over the last 3 financial years.** |
| |  |  |  | | --- | --- | --- | | **Source of public funds** | **Value** | **Date received** | |  |  |  | |  |  |  | |  |  |  |   \*To make use of de minimis aid, your business must not have received more than €200k (c. £185k) of De Minimis aid over a rolling, three fiscal year basis. This is calculated from the date you are awarded the grant, going back 3 fiscal years (the previous 2 fiscal years and the current fiscal year, from April to March, not your own financial year). | |

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| **SECTION 4 - SME Declaration** |

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| To the best of my knowledge, I can confirm that the information supplied in this equity application is correct and complete.  If successful, this organisation will use the funding only for the purpose in this application form and will meet the terms and conditions of the funding agreement to any offer that is accepted.  I consent to my name and company details being processed for the use of this application and any subsequent award including publicly available case studies for the purpose of reporting on the impact of COVID-19 SME Equity Investment. | | | |
| **Signed**: |  | **Name (print):** |  |
| **Position**: |  | **Date:** |  |
| *Note: the signatory must be an officer of the company to bind the organisation in legal agreements*  (Physical signature required)  **Company/Organisation:** *(full legal name)* | | | |