

Build It

Guidance for Applicants

Introduction

Build It awards are for social entrepreneurs who have tried and tested a social enterprise idea and want to turn it into their full-time job. Build It funding is awarded four times a year. Eligible applicants may apply for up to £20,000 for a single salary and there is a further £5,000 available for additional essential costs, such as hiring other staff or key equipment.

Who can apply?

You can apply if your social enterprise idea is already running and has been trading for up to two years. Successful Build It applicants can usually demonstrate a strong track record of both income generation and measurable social impact.

Check out our [Success Stories](#) for examples of enterprises that we have supported.

Section One: Eligibility Checklist

Applications must meet the following eligibility criteria:

- The applicant is aged 16 or over.
- The applicant is a permanent resident of Scotland.
- The enterprise operates primarily for the benefit of people or communities within Scotland.
- The enterprise and its activities do not involve political campaigning or the advancement of religion.
- The enterprise is an independent organisation and not the project or subsidiary of an existing body.
- The enterprise provides direct social impact to individuals, communities, and/or the environment.
- The enterprise has been trading for two years or less.
- The enterprise has a track record of income generation and social impact.
- Profits from the enterprise are reinvested in the business and its social aims. No assets or uncapped dividends are transferred out of the organisation to private individuals or bodies.

If the application does not meet these criteria, it will be ineligible for Firstport funding.

If you have any questions about eligibility that aren't answered below, please contact us via email at info@firstport.org.uk or via phone on 0131 564 0331.

Eligibility FAQs

Q: My enterprise will be trading across the whole of the UK. Is this eligible?

There are no geographical restrictions on trading. However, as Start It is funded by the Scottish Government, the majority of the social impact must be delivered in Scotland. This means that the majority of people who will benefit from the good work of the enterprise must live in Scotland.

Q: I need funding for more than one salary. Can this be covered?

Build It can cover up to £20,000 for a single salary and a further £5,000 for additional essential costs. It can also cover multiple salaries up to the maximum of £25,000 award. For example, an application could be for £20,000 for a single salary and £5,000 for additional costs (equipment, rent etc.), or it could be for £25,000 split between two or more roles. Any roles funded by Build It should be permanent roles and not sessional / casual staff.

Q: What is direct social impact?

When a social enterprise carries out work or provides services itself for the good of its beneficiaries (this could be individuals, a community, or even the environment) we define this as direct social impact. On the other hand, when a social enterprise provides services to other **organisations**, who then go on to do the work with beneficiaries, this would be defined as indirect social impact.

For example: an enterprise providing counselling services to a vulnerable group would be seen as direct social impact; an enterprise providing counselling training to a charity who then provides this counselling to their beneficiaries would be seen as indirect social impact.

Q: My enterprise was incorporated over two years ago. Does this mean I can't apply?

The focus of Build It is to support enterprises that are still at a relatively early stage. If the enterprise was incorporated over two years ago, and has been trading since then, it won't be eligible. However, if you can demonstrate that your enterprise has been trading for less than two years, then we may be able to accept an application. Please note that you should provide details of this in your application.

Q: My enterprise is still relatively new. How much evidence of income generation and social impact is required?

We would usually expect to see a track record of around a year, especially if the enterprise has a seasonal business model. However, this is assessed on a case-by-case basis, and some successful Build It applicants have been awarded based on potential and proof of concept with a shorter track record of trading and social impact.

Q: I am a sole trader/registered as a private company limited by shares. Am I eligible for Build It funding?

While Firstport funds individuals as opposed to specific types of organisation, we give priority to applications where the intended legal structure reflects a stronger commitment to social enterprise principles – i.e. where there is a clear intention to reinvest profits back into the organisation and its social aims. The sole trader/private company limited by shares model is more common in traditional commercial organisations as it allows profits and assets to be distributed externally to private individuals or bodies.

Competition for Build It funding is particularly tough, and most of the applications we receive relate to enterprises with legal structures which prevent assets or profits being used for any other purpose than furthering social impact. For this reason, sole traders and private companies are highly unlikely to be supported at this level.

We would always strongly encourage applicants to base their choice of legal structure on what is best for the business, as opposed to being influenced by eligibility criteria for any particular funding stream – via Firstport or any other source. Please contact us if you would like further advice on this subject.

Q: I have already received Boost It funding. Am I eligible for Build It?

No. Given the level of demand for Build It funding, we must prioritise new applicants who have not already received a Boost It investment.

Section Two: About You

This is where you fill out your basic contact details.

If you have any accessibility requirements, please tick the box. Firstport endeavour to make the assessment process as accessible as possible, so it's important for us to know if and how we can help.

If you have engaged with one-to-one business advice through Firstport/Just Enterprise with a view to submitting an application, please let us know.

If you are developing the idea with someone else, please give further details.

Section Three: Your Idea

Please provide us with the name of your enterprise and the legal structure.

Please also provide us with your charity or company number. You can usually find this number on [OSCR](#) (charities) or [Companies House](#) (companies).

Some enterprises work across multiple sectors, but there should be a main sector which fits the enterprise in the drop-down list. If there isn't, please select the closest fit.

As above, some enterprises provide social impact across a range of geographical areas. If your beneficiary group is not localised, please select 'Scotland Wide'.

Introduction

The introduction to your enterprise should be brief and factual. The following points should be covered:

- What products/services the enterprise offers.
- How the enterprise generates income.
- How the enterprise generates social impact.

How long has your enterprise been trading?

If you have been trading since incorporation, enter the number of years and months here. If you haven't been trading that long, let us know. Please bear in mind that Build It is for organisations that have been trading for up to two years.

How much has your enterprise generated to date?

This should be your combined income to date. If you don't have this figure, then the last year's annual income will do.

How much of this income was grant funding?

This should be the amount of income that came from grant funding.

Please tell us about how your enterprise generates income and the social impact to date.

Where **Introduction** presented an overview of the enterprise, this question is about detailing the track record to date. Briefly outline the following:

- Products/services offered by the enterprise.
- How these products/services generated income to date.
- The social impact delivered by the enterprise.
- How much social impact (and in what form) has been delivered to date.

Supporting Documents

We require additional supporting documents as part of the Build It application. These documents are vital for assessment, so it is important they meet our requirements. Please read the following guidance carefully before submitting your supporting documents.

Business Plan

Your business plan must be submitted as a **Word document** or **PDF**. We do not currently accept Pages (Apple) documents.

It must not exceed 12 sides of A4. Any additional pages beyond the 12-page limit will not be taken into consideration.

We appreciate that business plans come in all shapes and sizes, but we strongly recommend you use the headings and associated guidance below to ensure you cover all the information we need to assess your application.

Section 1 – Vision

Provide a concise statement of your vision/ultimate goal for the enterprise. Try to present a clear picture of what you would like your enterprise to accomplish.

Your vision statement should act as the foundation for all your strategic planning and be reflected in your Mission and Objectives (see: [Section 4](#)).

Section 2 – Background

Provide an overview of your enterprise, briefly addressing the following points:

- **An outline of the social problem you are tackling.** Focus on what the problem is and the need you are trying to address.
- **Brief information on your beneficiaries.** These are the people you are trying to help and who are affected by the social problem detailed above. Be specific about who you are targeting – is it a particular age group, gender, or community? How many people have you helped so far?
- **Evidence that your beneficiaries' needs are unmet.** Use your own research, reports from local agencies, government statistics, and the demand for your existing services to evidence this.
- **A summary of the activities you have delivered so far.** Focus on any successes and milestones that you have achieved, both in terms of delivering social impact and developing your income streams. Please include how long your business has been operating and which legal structure you have adopted.
- **A summary of how a Build It award would allow you to expand on what you already do.** We support ambitious entrepreneurs that can show a clear plan for Build It funding, and how they will use this to grow and improve. We cannot support struggling projects that are in need of financial support to maintain their existing operations. Tell us how an award from Firstport would help your enterprise to change and grow.

The other sections of the business plan will provide you with the opportunity to expand and provide more detail, so this section is for overview purposes only.

Section 3 – Leadership

Provide details about yourself and other key people involved in your enterprise. You should include information about:

- **Your relevant skills and experience.** Explain why you are the right person to lead this enterprise. How were your particular skills and experience of benefit in getting the idea off the ground? How will they help you move on to the next stage?
- **The skills and experience of any other key people involved in your enterprise.** Provide information on board members, mentors or key supporters, as well as those involved in front-line service delivery.
- **Key partnerships and external support.** List any connections you have made with individuals and bodies outside your own enterprise that will be important to its continued success.

Section 4 – Mission and Objectives

Your mission statement should be a concise summary of your overall aims. It should outline why you exist, capture the soul of the organisation, inspire change and stimulate progress. For example:

Mission

- To improve the lives of the children who use the centre through:
 - o Improving the parenting skills of the parents using the centre
 - o Increasing children's self-esteem
 - o Helping parents give each other support

The objectives are the practical activities that you use to achieve your overall aim. For example:

Objectives

- Objective 1: to provide workshops, information and advice on parenting skills.
- Objective 2: to provide opportunities for play, drama, and dance.
- Objective 3: to run a drop-in centre with a play area.
- Objective 4: to organise outings for parents.

Both your Mission and your Objectives should tie into your vision statement in [Section 1](#).

Section 5 – Products and/or Services

Provide details about the products and/or services your enterprise offers. These should relate to the Mission and Objectives outlined in [Section 4](#).

- Be clear about which products/services you are already offering.
- Identify any new or expanded products/services you intend to offer in the event of a successful Build It application.

- Provide details of new targets you will set for both new and existing products/services in the event of a successful Build It application.

Section 6 – Operations

The operations section tells us about staff, premises and other resources required for your enterprise. It should also give us an overview of your plans for the next year and individual responsibilities.

- **Staff.** Outline the number of staff required (including any existing employees), their hours worked, job remits, and salary requirements.
- **Resources.** These may include – but are not limited to – premises, vehicles, furniture, and IT equipment. Tell us about the resources you already have that will help you deliver your products/services, as well as any additional resources you require, and how these will be secured and funded.
- **Time plan.** What is your timetable for the next 12 months? Tell us your key aims or milestones over this period and when you would expect to achieve them. These should relate to objectives as detailed in [Section 4](#).

It is important that [Section 5](#) (Products and Services) and [Section 6](#) (Operations) reflect each other in terms of what is provided by the enterprise and what is required to provide it. We should also see both sections reflected in the submitted cashflow projections.

Section 7 – Market Analysis

Provide evidence of a market for your products/services. You should aim to demonstrate a **paying market**, rather than just a **social need**. You should be able to back this up with evidence from your existing track record. We want to know about your success to date in generating income, as well as your plans for the future.

In this section, you should include the following:

- **A statistical analysis** of why you believe your products/services have a market.
 - o Information about levels of interest (from paying customers) you have managed to generate to date.
 - o Details of any market research demonstrating the potential to expand on what you already do.
- **An overview of your customers:**
 - o Customers are the individuals or agencies who pay for your products/services. Customers and beneficiaries are not always the same people.
 - o Who have your customers been to date? Do you have any existing regular customers or contracts?
 - o Do you have plans to target new customers in the future?
- **Analysis of competitors:**

- Who else provides products/services to the customers/beneficiaries that you have identified? These may not be similar products/services but may have the same market.
- How busy are they? How does this impact on your market?
- Do they offer the same or a different range of services?

In some instances, there may be a lack of provision and direct competition may not exist. However, if you are asking people to pay for your services, think about what else they may be spending their money on and if you are competing with other organisations for that money. This shows a broad understanding of your competition.

- **Explain your competitive advantage.** Why will people use your enterprise as opposed to your competitors?
- **Provide a summary of your pricing policy.** What are you charging for your products/services? How have you calculated this?
- **Give examples (if any exist) of how similar ideas have worked elsewhere.** Outline both the successes and failures of similar ideas and how you have learned from them.

Section 8 – Social Impact

Provide information about the social impact you are delivering through your enterprise.

- **Explain the social impact your enterprise has delivered so far.**
 - How has your social enterprise made a difference to your beneficiaries?
 - How has it helped improve quality of life for individuals affected by a particular problem or issue?
 - Has it created jobs or relieved poverty?
 - Has it improved the environment?
 - Include facts and figures to evidence what you have achieved.
 - Include short case studies, providing examples of real-life social impact.
- **Explain how you monitor the social impact of your enterprise.**
 - Identifying the social impact of your work is vital in order to communicate the value of what you do. Explain the systems and approaches you use for capturing social impact or change.
 - Do you collect baseline information to record changes that result from your work?
 - Have you set up a series of indicators that are regularly monitored?
 - Do you ask people to complete questionnaires?
 - Do you keep records on the people you work with?
 - How do you track what happens to people you work with?
- **Explain how the social impact will increase in the next 12 months.**
 - How will a Build It award help you to deliver more impact?
 - You have already told us about new products/services you plan to deliver in [Section 5](#), so now tell us how these changes will increase social impact.

- How will you measure the increase?
- How many more people will benefit?

Pitch Document

Your pitch document should be submitted as a **Word document** or **PDF**. We do not currently accept Pages (Apple) documents.

It must not exceed 2 pages in length and should summarise the key points from your business plan. It should not simply be the first two pages of your business plan. It should not include information that isn't contained elsewhere in your application.

You should approach your pitch document as if you are summarising your application for a reader who will not have access to your application form, business plan, or financial information.

A popular approach is to include a short paragraph on each of the business plan's sections. Your pitch document should at least contain information on the following:

- The background of your social enterprise, its core functions and why it exists
- Your trading track record and how your organisation generates income
- Your social aims and how the organisation generate social impact
- Your highlights and successes so far
- What you need the Build It award for
- Why you should be funded

Cashflow Projections

Your cashflow projections should show us how you see your business progressing over **the next two years** in terms of the income streams you plan to develop and the expenses you expect to incur.

These projections must be presented in our Excel cashflow template (available [as a download](#) from our website). We understand many applicants have already compiled their own cashflow projections in their own template, but you **must use our template** for the application to ensure that your submission is up to date and that we can compare it against others. You can change the headings in the template to suit your enterprise, but **other templates will not be accepted**.

The submitted document must be an Excel spreadsheet, not a PDF of the same.

You should complete the **"Year to Date" (YTD)** column of the cashflow. This should be the total income and expenditure to date and should be broken down as much as possible. This will help show the panel your trading track record. If this is less than a year, this should be noted in the **key assumptions**.

You should then fill in your projected income and expenditure over the next two years.

Month 1 will be likely be the month of the pitching panel, so be sure to check this on our website.

You should include **key assumptions** – notes to explain your calculations – in the space provided at the bottom of the template. Feel free to be as detailed as you can here. This section of the document is vital in helping us understand how you have arrived at your figures and your forecasts.

Further guidance on cashflow projections

The guidance below should help you complete the template, but **if you would like further support, please contact our business support team on 0131 564 0331 to arrange a meeting**. The team are usually busy as a Build It deadline approaches, so contact them early to ensure availability.

- **Your projections should show that your enterprise has the potential to develop into a financially viable and sustainable business.** Successful applications usually show that by the end of the two-year period, they are able to cover at least the majority of their costs through the income generated, with minimal (or a steadily reducing) reliance on further grant funding. It is particularly important to show that any salaries funded by the Build It award can continue once the funding ends.
- **You should demonstrate an awareness of how income and expenditure might fluctuate over the two-year period, and how this might affect the enterprise's overall finances and operations.** For example, if you expect your enterprise to be busier at certain times of year, can you show an ability to cover overheads during quieter periods? And do those busier periods mean planning for corresponding increases in expenditure, such as additional staff time?
- **Your cashflow should also show clear links between income and expenditure and vice versa.** For example, if you plan to take on additional staff, do you have the potential to generate more income? Or will your income remain the same while your expenditure increases with additional staff salaries?

Dos and Don'ts

DO research, research, and research again! The more you know about your income and expenditure, the more accurate the cashflow.

DO make sure you fully understand all aspects of your cashflow – what each income/expenditure line relates to and the relationships between each section. If you are shortlisted, you will be invited to pitch to a panel (see: **What Happens Next?**) where you may be asked detailed questions about your cashflow.

DO use the **key assumptions** section to clarify anything that may be questioned by a reader. More is more in this case, so err on the side of caution and provide an explanation wherever possible. Never assume the reader will work it out or come to the same conclusion as you.

DO show links between income and expenditure.

DON'T be unrealistic. Sales figures rising by a significant percentage without good supporting evidence in the assumptions can be seen as a lack of planning and therefore unlikely.

DON'T be overly conservative either. We see a number of cashflows at Build It level that show the salaries as unsustainable after the funding ends, when this isn't really the case.

DON'T rush the cashflow. Take your time to ensure you have filled it in correctly and have given it your full consideration. This is a highly important part of the application.

DON'T be afraid to ask questions if you're having trouble. Support is available if you'd like further guidance prior to application, but ...

DON'T leave it until the last minute! As previously mentioned, the run up to the Build It deadline is a busy period for advisors, so make sure you've factored in plenty of time for support if you think you'll struggle with aspects of the application.

Common Pitfalls

You should take care to avoid the following common mistakes:

- **No opening balance.** You need to provide evidence of a trading history to be eligible for Build It funding, so your opening balance should not be left blank or show a zero balance. Use your opening balance to show the enterprise's current funds and your key assumptions to reflect how this amount has been generated (i.e. through trading, grants and donations, or a mixture of both). If your enterprise has a negative opening balance, you should show this and use the key assumptions to provide an explanation.
- **Incorrect grant information.** Research grants or awards that you have secured or hope to apply for – including the Build It award! Many applicants forget to enter the Build It award. When they do enter it, they show the Build It award as a single payment in Month 1 of their cashflow, or as monthly payments across the two-year period. **Build It awards are paid in two equal instalments six months apart in Year 1 (so Month 1 and Month 6).** This can have a dramatic effect on the cashflow. If you have any other grants during the two-year period, make sure you're entering the payments accurately. If you have any questions on this, it's always best to call the funders direct for further clarification.
- **Flatlined income/expenditure.** This is where income/expenditure remains static month after month. While some items are unlikely to fluctuate – fixed monthly fees

such as rent, for example – other income/expenditure is likely to go up and down. Most businesses experience some level of seasonality, with busier or quieter periods through the year that would affect income levels, as well as periods where expenditure may be affected – higher heating bills in the winter, for example.

- **Impact of marketing.** An enterprise should only invest in marketing costs to increase sales or a service or product. If you include marketing costs in your cashflow, make sure your sales figures reflect the likely impact.
- **Using the wrong template.** We understand that many applicants may have already compiled their own cashflows and there are a number of different templates available. We require cashflows in our template to ensure the information provided is up to date and to ensure consistency of assessment.

PLEASE NOTE: If supporting documents are not in the required template or file format, they will be considered ineligible. Due to demand for this fund, we will not be able to contact you ahead of shortlisting to let you know that you have uploaded ineligible supporting documents. All shortlisting decisions will be made on the basis of the application as submitted.

Section Four: Budget

Here you need to itemise your funding request. This request will form the basis of your award if you are successful and should be for no more than £25,000 in total.

Eligible Costs

- **Wages.** Specifically, up to £20,000 for one wage, or up to £25,000 for more than one. These roles should be permanent and not seasonal.
- **Additional essential costs.** If you are applying for £20,000 for wages, there is a further £5,000 available for additional essential costs. This is awarded on a discretionary basis.

If you have any questions about eligible costs, please contact us via email at info@firstport.org.uk or by phone on 0131 564 0331.

Section Five: Bank Details

Here you need to provide us with your bank details to ensure swift payment if you're successful. Please note that at Build It level we are funding the individual, not the business, so the bank details provided should be for your personal account.

If you have a business account and would prefer to use this to pay wages, we recommend transferring the award from your personal account after payment.

Bank Account Name

This should be the account holder's name as it is presented on your bank statement, **not** the bank/building society name.

Account Number and Sort Code

These should be the same numbers as presented on your bank statement. Please note that the sort code should be a single 6-digit number with no spaces or dashes.

Section Six: Equal Opportunities

We only use equal opportunities information for statistical purposes and it will not form part of your application assessment.

If there are any questions that you would prefer not to answer, please leave the field blank.

Section Seven: Submit

And you should now be ready to submit! If you've missed any required fields, the form should let you know. The form will not inform you if the submitted supporting documents are in the required format, so please take care to submit eligible supporting documents.

If you're having issues submitting your application, please email us at info@firstport.org.uk or give us a ring on 0131 564 0331.

What Happens Next?

You should receive an email confirming we have received your application. The application will then go through our initial assessment process. All applicants will be notified within 2-3 weeks of the deadline date.

If your application is not shortlisted, we will notify you by email and provide you with feedback as to why it wasn't shortlisted. If we feel that your idea has potential, we will encourage you to work with our business support team to address the feedback with a view to submitting a further application to a future panel. If the shortlisting panel feel that your idea is not suitable for Build It funding, we will explain why and, where possible, suggest other avenues of support.

If your application is shortlisted, we will invite you to attend two preparatory sessions ahead of your pitch date: **Practise Your Pitch** and **Cashflow Challenge**. Both of these

sessions will take place over Zoom. Zoom is a video-conferencing tool, and we will provide you with a link ahead of the meeting. In order to use Zoom, you should have a webcam, microphone, and access to the internet – you don't need a computer to use it; a mobile phone will do. If you have any accessibility requirements that would make Zoom difficult, please let us know and we'll arrange a suitable alternative.

Practise Your Pitch is a session with a Relationship Manager where you can review your proposed pitch, ask questions about the format of the panel and pitching process, and review any questions you may receive from the panel about the pitch and business plan.

Cashflow Challenge is a session with a Business Advisor to review and improve your cashflow projections, as well as review any questions you may receive from the panel about the finances of the enterprise.

The aim of both sessions is to make the pitching experience less daunting by making you as prepared as possible. If you have questions or concerns, both the Relationship Manager and Business Advisor will be happy to address them.

The Pitch will take place on a designated date (see [Build It page](#) for details). You should ensure that you are available on this date. Traditionally, the pitches have been made in person, but current circumstances mean that all pitching will be done via Zoom. Hopefully you should have some experience with Zoom with the preparatory sessions. Again, if you have accessibility requirements that would make this difficult, please let us know.

The pitch will take no longer than 30 minutes in total. You will speak about your idea (10 minutes), followed by questions from the panel (20 minutes) about your idea, your business plan, and your cashflow projections.

After the panel, all shortlisted applicants will be notified of the decision by phone with a follow-up email. This will usually be within a few days of the pitch.

Any Questions?

If you have any queries at all or would like to speak to us before submitting an application, please give us a call on 0131 564 0331. Good luck!