Comhpháirtíocht Leader Phort Láirge
Waterford Leader Partnership

Decision of Evaluation Committee

Project ID	31LDRWAT112481
Project Type:	Capital
Project Name:	Purchase of laser cutting equipment
Promoters Name:	Inmasoll Ltd
Address:	The Old Waterworks, Knockenduff, Tramore, Co. Waterford
Description:	The promoters are looking to invest in a laser cutting machine capable of cutting sheet metal to support their metal fabrication work which they currently have to sub contract. There are 3 facets to the business;- CNC Machining, Plastic Fabrication and Sheet metal fabrication. Having previous been awarded funding to support the first two elements which have now made them self sufficient they now want to invest in sheet metal fabrication due to the slow lead in times in obtaining product. This will make the overall business much more competitive and create two more jobs.
Theme:	LO2 Economic and Enterprise development
Sub-theme:	SA 2.1 Supporting local enterprise development and economic development
Link to LDS	Supporting rural enterprises and creating jobs

Total Project Costs	€69,900
Eligible Project Costs	**€69,900**
Funding sought by promoter:	*€34,950*
State one of the following: - First Review / Previously Deferred or Not Recommend	**Previously Deferred**
Funding recommended by Evaluation Committee:	*€34,950*
Details of private funding:	*€34,950 in house funds*
Voluntary Labour: YES / NO (If yes provide detail)	**No**
Synopsis of project:	Investment in a laser cutting machine which will enable the promoter to provide all key services in house enabling them to become more competitive and attractive and create new jobs

Detail exactly what WLP will be funding (List items from Project Assessment Report)	**Detail**	**Total Cost (Expenditure)**	**Grant Aid recommend by the Evaluation Committee @ 50 %**
	Laser cutting	€69,900	*€34,950*

Total Funding	machine		
		€69,900	*€34,950*

Was an assessment completed?: Date: __06-05-2020______________	**Yes**
Are detailed costings provided for the project? Were the costs for the project considered reasonable and how was this measured?	Yes. Direct tendering was used and the most economic advantageous tender assessment used to select the chosen supplier
Where the procurement process resulted in less than 3 quotes, the EC must show the additional steps taken to ensure the reasonableness of costs:	Not applicable. The required 5 quotations were provided
Innovative Element of the project:	The investment in this technology will enable the promoter to provide all three key services fully in house
Consideration of Deadweight:	The promoter is reliant on the funding to invest in this technology
Consideration of Displacement:	The business is already in operation for 10 years and has fully established its own markets without impacting on other businesses
Economic justification for project:	Investment in this technology will enable the company to provide all three services in house thus making them more competitive and attractive to new businesses
Average Score for Project:	The project scored 83/100
% level of aid & ceiling:	50% of €69,900: *€34,950*
E. C. Executive Summary/Rationale for Funding	**The Evaluation Committee agreed to recommend funding this project for the following reasons:-** 1. The project scored 83/100 2. The project fits the Local Development Plan (LDS) for supporting Enterprise projects. **3.** The promoters have the skills and expertise to successfully implement the project. **4.** Previous funding lead to increased employment. **A maximum of €34,950.00 or 50% of eligible expenditure, whichever is the lesser**

Jobs Created	Jobs Sustained	Match Funding	Previous Grant Aid Received
5	**9.5**	*€34,950 In house*	**€32,456.85 July '17** **€80,250 Sept '19**

Confirmation on the applicant's position re De-Mininus and double from the relevant agencies.	Date of Confirmation	Signed By
Local Enterprise Office	05/05/2020	Brid Kirby

Detail of Discussion on the 2nd June 2020: The following were the main points raised in the discussion of the project: -

- Ms Claire Connors noted that the promoters were funded twice previously, firstly for a CNC machine and the second time for equipment for the plastic fabrication side of their business. They are investing heavily in workshop equipment and premises to deliver a bespoke service to their clients. Currently they outsource the sheet metal fabrication side of the business but this laser cutting machine will enable them to bring it in-house.
- Ms Connors advised that currently they have a staff of 8 f/t and 1 p/t. Which is up from 4 f/t when originally funded.
- The Evaluation Committee noted that the promoters are bringing their business from one level to the next agreeing that they promoters have the skills and expertise to successfully implement the project.
- It was queried if the promoters were re-considering moving premises given the COVID 19 situation. Ms Connors advised that the promoters emailed last week to say that they were postponing the move until next year. A discussion ensued on the proposed move and if it was necessary. With the new premises the promoters will have a lot of borrowings and it was questioned if it was wise from them to make this move now. Ms Connors clarified that while the equipment will fit in the current premises it will not allow for an increase in staff. They do not have the option to extend where they are currently.
- Mr Jimmy Taaffe noted that it is important to question if the business has good administration as it is vital for a growing organisation. Comparable organisations such as DPE put a good management structure in place, hiring in financial controllers to help them running the business. The Committee noted that there seems to be fairly well balances competencies within the firm. They have successfully grown the business so far and increased employment.
- It was queried if there was a connection in the ownership of the premises as the lease is signed by Anthony Fleming and one of the Directors is Tony Fleming. Ms Connors advised that the premises is rented from the promoter's father. The Evaluation Committee agreed that it is a very favourable monthly rate.
- The Evaluation Committee expressed concern that most of the marketing focuses on existing customer base. While it is a very niche market, they should be continually trying to source new customers. Ms Connors replied that they offer a bespoke service with lots of repeat business. The offer a suppliers brochure which the regular send out to customers.
- It was noted that the documentation referred to funding source as borrowings in the application but from cash flow in the projections. Ms Connors advised that they are using reserve funds to bridge the entire project.
- A Committee Member questioned the credit of €25,489.65 in and out of the bank account on the 30th Jan 2020. It was noted that it could have been paid in error and refunded.
- Concerns were also raised regarding the projections as there appears to be omissions such as rates, water charges, etc. Rent/loan repayments for the new premises is omitted. Ms Connors replied that as they do not know what they will be renting as it was deferred to next year so it would be difficult to predict.
- It was noted that the promoters are going to purchase another piece of equipment in Q4 that is not funded by LEADER and that there is no provision for this in the projections.
- Both the Debtors and Creditors appear to be quite high relative to turnover.
- It was noted that the promoters have been very successful so far and have built up a good business over the years. It is a very good project, but they just need to firm up a few details.

The Evaluation agreed to defer the project for clarification on the following:-

- Projections to be re-visited to ensure they are fully inclusive of all costs.
- Clarify business plan particularly in relation to the proposed move and build any potential costs into projections.
- Query the transaction on the 30th Jan for €25,489.65 in and out of the account.
- Consider revisiting the marketing plan

Detail of Discussion on the 16th June 2020: The following were the main points raised in the discussion of the project: -	
- Ms Claire Connors advised that the following documentation were circulated to address the queries raised at the previous meeting: - • **Updated Financial Projects** • **Addendum to Business Plan** - Mr Paul Clerkin advised that he did not receive the documents but was happy for Ms Connors to go through them. The rest of the Committee advised that they had received the documents in advance. - It was agreed that the promoters gave a very comprehensive reply and provided good clarification on all the queries raised. - A Committee Member noted that there was a very big increase in sales in 2023 to 2024 compared to previous years but stated that he was generally quite happy with the response given. - It was noted how impressive its customer list is and how 7 to 8 new customers were added this year alone in the 2 to 3 months trading. This addressed the concerns raised regarding not focusing enough on new business. The Evaluation agreed to recommend funding this project to the Waterford LCDC as presented. **A maximum of €34,950.00 or 50% of eligible expenditure, whichever is the lesser.**	
Amount Recommended: *€34,950*	**50% of Eligible Project Funding:** €69,900

Signed: ______________________________ **Signed:** ______________________________

Chairperson of Evaluation Committee **Committee Member**

Date: ______________________________ **Date:** ______________________________

Issues / Queries raised by Evaluation Committee	**Project Officers Response**

Signed:____Claire Connors____________________ **Dated: __22nd June '20____________________**

WLP Project Officer

Please insert photos below of reference purposes:

Denise Walsh

From: pclerkin@cablesurf.com
Sent: Saturday 20 June 2020 17:54
To: Denise Walsh
Subject: Draft minutes of Evaluation Committee meeting on 16th June 2020.

Dear Denise,

I have reviewed the draft minutes of above meeting and I am in agreement with them.

Regards,

Paul Clerkin

Evaluation Committee Scoring Record

Date: 16 . 06 . 2020 Time: 11am

Project Title: Purchase of Laser Cutting Equipment.

Project Reference Number: Inomasoll Ltd. 31 LDRWA7112481

Assessment Criteria	Objective	Issues raised by Evaluation Committee	Weighting	Score
Compatibility with Local Development Strategy	Do the project proposals meet the criteria set out in the LAG business plan for the relevant measure?		Yes / ~~No~~	
Innovation	Is the product innovative in its nature and does it displace existing enterprises? - Product / Service 9/19 8 - Displacement 5/19 5 - Job Creation 5/19 5		19	18
Promoters experience	Does the promoter have the training/skills, track record or experience to deliver? - Standards of Operation 6/25 5 - Track Record 6/25 5 - Structure of Business 6/25 5 - Necessary skills base 7/25 5		25	20
Financial Viability	Are the project costs justifiable (reasonableness of costs) and / is funding available to co-fund the project? - Overall Costs 7/25 5 - Co Funding 6/25 5		25	

	- Financial Plan 6/25 5 - Deadweight 6/25 5			20
Sustainability	Is the project viable and will the service continue to be delivered?		13	10
Requirement	Does the proposal target a specific need or address a specific gap in the market?		18	15
Total			100	83

N.B. Project must receive a minimum score of 65% prior to being recommended for approval.

- **Has the potential level of deadweight been assessed for this project?** **YES / ~~NO~~**
- **i.e. would the project proceed without LEADER funding?** **~~YES~~ / NO**

Recommendations of the Evaluation Committee: Grant aid

Signature: Paul ...

Signature of Evaluation Committee Chair

Date: 22 – 06 – 2020