



# Entrepreneur Work Visa Guide

A guide to completing an Entrepreneur Work Visa application

## Information about this guide

Entrepreneur work visas are a category of work visa allowing self-employment in New Zealand.

Please take time to read this guide carefully and refer to it when completing your *Entrepreneur Work Visa Application* (INZ 1222).

Numbered boxes like this **A60** refer to question numbers in the *Entrepreneur Work Visa Application*.

You need to submit all the information that we ask you for when you lodge your application. The information required is summarised in the 'Application checklist' in the *Entrepreneur Work Visa Application*. **If you do not include all the information we request, your application may be returned.**

For more information and application forms, visit our website at [www.immigration.govt.nz](http://www.immigration.govt.nz).

## Who should use this form?

This form should be completed by:

- first-time Entrepreneur Work Visa applicants, or
- applicants who hold a work visa under the Entrepreneur Work or Long Term Business Visa Category (LTBV) and are applying for a further work visa, or
- applicants who are applying for consent to change their business plan.

## How do I apply?

You can apply by completing and submitting the *Entrepreneur Work Visa Application* yourself, or you can ask another person to assist you.

## What you need to know when entering New Zealand

You may not be allowed to board your flight to New Zealand if:

- you do not have an appropriate visa to enter New Zealand; or
- your visa has expired; or
- your visa has not been transferred to your current/new passport or the passport being used to enter New Zealand,

To minimise any disruption to your travel plans, ensure your travel documents are up to date and that you have the appropriate and current visa. If you have any questions, see [www.immigration.govt.nz](http://www.immigration.govt.nz).

## Importing your car, boat, and/or household items

You may be able to bring your car, boat, and/or household items to New Zealand free of Customs charges. For detailed information on restrictions, and to find out if you must pay Customs charges, see the New Zealand Customs Service website [www.customs.govt.nz](http://www.customs.govt.nz). For enquiries, email [feedback@customs.govt.nz](mailto:feedback@customs.govt.nz), or telephone:

- 0800 428 786 (within New Zealand)
- +64 9 300 5399 (outside New Zealand).

## Documents

**All documents presented must be in their original form or certified copies.** Certified copies are photocopies that have been endorsed by a person who is authorised to do so by law, such as a Justice of the Peace, notary public, lawyer, or court solicitor.

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## Translations

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If you provide a translation, it must:

- be in English; and
- be accompanied by the original document or a certified copy; and
- not be made by you, any of your family members or an immigration adviser assisting with your application; and
- be certified as a correct translation made by a person familiar with both languages and competent in translation work; and
- be on the official letterhead of the translation business (if applicable); and
- have the stamp or signature of the translator or translation business; and
- be paid for by you.

Translations may be prepared by:

- the Translation Service of the New Zealand Department of Internal Affairs; or
- reputable people within the community who are known to translate documents accurately; or
- embassies or high commissions (if the translation is endorsed with the appropriate embassy or high commission seal); or
- any other private or official translation business.

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## Fee and immigration levy

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If you are a first-time Entrepreneur Work Visa applicant, or have held a work visa under the Entrepreneur Work Visa Category, or LTBV, for three years and are applying for a further work visa, you will need to pay a fee and immigration levy (unless you are not required to do so). See our *Fees Guide (INZ 1028)* or visit our website [www.immigration.govt.nz](http://www.immigration.govt.nz) for details.

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## Photographs

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Attach two passport-sized photographs for each person included on the application.

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## Validity of work visas

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If your application is approved you will be granted a visa for twelve months to allow you to establish and commence the operation of your proposed business in New Zealand. You may be granted the remainder of your visa for the balance of the three-year period (a further 24 months) if:

- you apply within the validity of your Entrepreneur Work Visa
- you provide satisfactory evidence to demonstrate that your investment capital was transferred to New Zealand through the banking system, and
- you provide satisfactory evidence to demonstrate that you have taken reasonable steps to establish or invest in your proposed business.

No further fee or immigration levy will be charged for obtaining the balance of your Entrepreneur Work Visa after the initial 12 month stage. If, however, you submit a request for the remainder of your Entrepreneur Work Visa for a changed business, you may be required either to:

- lodge and pay the fee and immigration levy for a new Entrepreneur Work Visa application, or
- return to the original business proposed.

If you are unable to provide satisfactory evidence of having taken reasonable steps to establish or invest in your proposed business, but it appears that you may be able to provide such evidence within a specified time, a further start-up stage may be granted to allow you to take further steps to establish and operate your proposed business.

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## Changing a business proposal

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If you wish to change your business proposal within the validity of your visa you must seek the consent of a business immigration specialist to the change.

The holder of an Entrepreneur Work Visa may submit one request to change their business plan within the validity of their visa. A request can be submitted either in the Start-up stage (the initial 12 months) or the Balance stage (the remainder of the three year period).

Any changes proposed must be minimal, or the request will be declined. Change requests may be granted if:

- the changes proposed are minimal and do not significantly alter the proposed business
- the proposed changes would have been granted the same or greater points in the points scale as the original business proposal
- the business still requires the same or a greater level of capital investment than the original business proposal
- you have sufficient business experience relevant to the proposed business, and

- the business offers the same level of benefit to New Zealand, for full time positions being created for New Zealand citizens or residents, annual turnover, new exports and/or the introduction of unique products or services to New Zealand or to a particular region.

If the request to change a business proposal is refused, you will be offered the option of continuing with the original business proposal. If you still wish to pursue the new business after the request for a change has been refused, you must lodge a new application for an Entrepreneur Work Visa and pay the applicable fee and immigration levy.

You may become liable for deportation if you undertake a different business proposal to your original proposal without being granted consent from a business immigration specialist.

If you are unsure whether a change you are making to your business proposal will require consent from a business immigration specialist, you should email the Porirua Office at [entrepreneurs@mbie.govt.nz](mailto:entrepreneurs@mbie.govt.nz).

## Renewal of work visas beyond three years

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Further work visas may be granted to you beyond the initial three-year period (for periods not exceeding three years) if you can satisfy a business immigration specialist that you have valid reasons for needing a further visa.

You will need to pay a new application fee and immigration levy, at the current rate for an Entrepreneur Work Visa, for a renewal or a new application.

If you are seeking a renewal for a period beyond the initial three years on the basis of a new business proposal, a business immigration specialist may require that a new application be lodged.

Further work visas will be granted only where a business immigration specialist is satisfied that:

- any time you have spent in New Zealand has been spent setting up and operating your original business proposal; or
- if you made a change to your original business proposal, consent was granted for that change by a business immigration specialist; and
- you and any family member accompanying you have not drawn on the New Zealand welfare system; and

- you intend to spend the further period in New Zealand either implementing the original business proposed or a subsequent business proposal for which a business immigration specialist has given consent;
- you have, in addition to investment capital, access to sufficient funds for your own maintenance and accommodation and that of any spouse, partner or dependent child/ren accompanying you; and
- you and any partner and dependant child/ren accompanying you meet health and character requirements.

## Evaluation requirement

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If your application is approved, you must agree to participate in an evaluation of the Entrepreneur Work Visa Category for a period of up to five years from the date your application is approved.

You must also agree to inform INZ of any changes to your postal/contact address within five years from the date of approval of your application for the purpose of participating in this evaluation.

## Tax obligations while residing in New Zealand

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If you are planning to be self-employed, operate a business or buy or sell real estate in New Zealand you will need an IRD number. All your tax, entitlement and personal details are linked to this number, which is unique to you. This is administered by Inland Revenue, New Zealand's tax service. You can apply for an IRD number online at [www.ird.govt.nz/irdnum-individuals](http://www.ird.govt.nz/irdnum-individuals).

## New Zealand Business Number

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You must indicate the New Zealand Business Number (NZBN) of all New Zealand businesses included in the form. For help, you can go to [www.nzbn.govt.nz](http://www.nzbn.govt.nz).

## More information and advice

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If you have questions about any of the information in this guide:

- see our website [www.immigration.govt.nz](http://www.immigration.govt.nz)
- telephone our call centre on 0508 558 855 (within New Zealand)

# GUIDE TO COMPLETING THE APPLICATION FORM

## Completing Section A Principal applicant's personal details

### A8 Passports/travel documents

You must provide your passport or certificate of identity, or if that is unavailable, your full birth certificate (or a certified copy) or other identity document (or a certified copy). If you are in New Zealand, you must show you have a current visa. Your application will not be considered if you do not hold a current visa. Any dependants must also have current visas.

While you can provide a certified copy of your passport with your application, **we highly recommend you provide your original passport. This will enable us to process your application faster and it may be needed to complete your application.** Please note during the processing of an application an immigration officer may request any document, including your original passport.

## Completing Section D Partner's personal details

### Evidence of relationship to the principal applicant

If your partner is included in your application, you must provide evidence that you and your partner:

- are living together in a genuine and stable relationship; and
- meet the minimum requirements for partnership (see the *Residence Guide (INZ 1002)* for full details of partnership instructions).

## Completing Section F Dependent children

For each child – provide an original or certified copy of a full birth certificate stating the names of both parents.

If you have adopted children, you must provide a full adoption order from the home country, along with documents that show the adoption is in accordance with the New Zealand Adoption Act 1955.

### F29 Custody arrangements

If you are separated or divorced and wish to bring children to New Zealand you must provide one of the following:

- custody papers showing you have the sole right to determine the residence of the child, or
- a court order permitting you to remove the child from his or her country of residence, or
- custody papers and a signed statement from the other parent, witnessed in accordance with local practice or law, agreeing to allow the child to live in New Zealand.

## Completing Section G Character requirements

### G1 Police certificates

If you are a first-time applicant or you have held a work visa under the Entrepreneur Work Visa Category for three years and are applying for a further work visa, each person included on the application and aged 17 years or older must provide:

- a police certificate from their country of citizenship; and
- police certificates from any country in which they have lived for more than five years since attaining the age of 17 years.

All certificates must be less than six months old at the time the application is lodged.

- G5** If you have been removed, deported or excluded from any country, then you may not meet character requirements and may not be eligible to be granted a visa. You must declare if you have been removed, deported or excluded from any country, excluding New Zealand.

## Completing Section H Fit and proper person requirements

- H1** Any laws enforced by countries where the business operates or is registered are relevant to the assessment of business compliance.

## Completing Section I Health requirements

You and your family need to be in good health to be granted an Entrepreneur work visa. The questions in this section apply to every person who is included in your application.

- I1** You (and any other applicant included in your application) are required to provide a completed *General Medical Certificate (INZ 1007)* and a *Chest X-ray Certificate (INZ 1096)*, unless you have previously provided these certificates and they were issued less than 36 months ago.

If you (and any other applicant included in your application) have provided a medical certificate and chest X-ray certificate within the last 36 months, you do not need to provide further certificates unless:

- the health status of any applicant has deteriorated since their previous certificates were issued, or
- you have been requested in writing by an immigration officer to provide updated certificates, or
- any applicant included in your application has spent six consecutive months since their last chest X-ray certificate was issued, in a country, area or territory not listed as having a low incidence of TB (see the leaflet *Health Requirements (INZ 1121)* for further information).

If you (and any other applicant included in your application) are required to provide a medical certificate and chest X-ray certificate, they must be less than three months old when we receive your application.

**Note:** Pregnant women and children under 11 years of age are not required to have an X-ray, unless a special report is required.

In most countries we require the medical examinations to be carried out by one of a selected panel of medical practitioners or institutions. The details of these countries and the names and addresses of the approved panels are listed on our website. Alternatively you can contact your closest INZ office.

- I2** The purpose of the questions at **I2** and **I3** is to find out whether you may have a medical condition for which a medical waiver cannot be granted. If you answer 'yes' at **I2** or **I3**, make sure you provide a full explanation of your circumstances so we can assess your medical condition(s).

- I4** The special education services referred to in **I4** are for situations where a child requires a specialist teacher and/or other specialists such as a speech language therapist, an occupation therapist, a physiotherapist, and an educational psychologist to assist with their education.

### Submitting your medical and chest X-ray certificates

Refer to the leaflet 'Health Requirements Guide' for further information.

**J** English language requirements

First-time principal applicants under the Entrepreneur Work Visa Category or principal applicants who are applying to renew their visa for another three years and who have not previously met English language requirements, will need to meet a minimum standard of English.

Partners and/or dependants included in your application are not required to meet a minimum standard of English at this stage. All applicants, however, will need to show they can meet a minimum standard of English (or pre-purchase ESOL tuition) should you go on to apply for residence at a later date.

You may show that you meet the minimum standard of English by providing:

- English language test results, as set out in the table below; or
- evidence of an English-speaking background.

**Acceptable English language test results**

Test	Minimum score required
International English Language Testing System (IELTS) – General or Academic Module	Overall score of 4.0 or more
Test of English as a Foreign Language Internet-based Test (TOEFL iBT)	Overall score of 31 or more
Pearson Test of English Academic (PTE Academic)	Overall score of 29 or more
Cambridge English B2 First (FCE) or B2 First for Schools (FCE for Schools)	Overall score of 142 or more
Occupational English Test (OET)	Grade D or higher in all four skills (Listening, Reading, Writing and Speaking)*

\* A score of Grade D or higher in all four skills is required for the OET as there is no overall grade for this test.

**Evidence of an English-speaking background**

Acceptable evidence of an English-speaking background includes:

- a certificate, or certificates, showing completion of all primary education and a minimum of three years secondary education in English (this means the equivalent of Form five or year 11 in New Zealand); or
- a certificate, or certificates showing completion of at least five years of secondary education in English (this means the equivalent of Form seven or year 13 in New Zealand); or
- a certificate showing a course of at least three years duration, leading to the award of a tertiary qualification at institutions using English as the medium of instruction, was completed; or
- for applicants already in New Zealand and who have worked in New Zealand for a minimum of 12 months, references from employers on company letterhead which state the occupation and dates of employment and the contact phone number and the address of the employer, or an employment contract with confirmation from the employer that the person is still employed; or
- General Certificate of Education (GCE) “A” Levels from Britain or Singapore with a minimum C pass. The passes must specifically include the subjects English Language or Literature, or Use of English; or
- International Baccalaureate – full Diploma in English Medium; or
- Cambridge Certificate of Proficiency in English – minimum C pass; or
- Hong Kong Advanced Level Examinations (HKALE) including a minimum C pass in Use of English; or
- STPM 920 (Malaysia) – A or B pass in English Literature; or
- University of Cambridge in collaboration with University of Malaya General Certificate of English (GCE) “A” levels with a minimum C pass. The passes must specifically include the subjects English or General Paper; or
- South African Senior Certificate, including a minimum D pass in English (Higher Grade), endorsed with the words “matriculation exempt”; or
- New Zealand Tertiary Entrance Qualification gained on completion of the seventh form (year 13).

## Other evidence of English language ability

You may also provide other evidence which satisfies an immigration officer that, taking account of that evidence and all the circumstances of the application, you meet the minimum standard of English.

These circumstances may include but are not limited to:

- the country in which you currently reside
- the country(ies) in which you have previously resided
- the duration of residence in each country
- whether you speak any language other than English
- whether members of your family speak English
- whether members of your family speak any language other than English
- the nature of your current or previous employment (if any) and whether that is or was likely to require skill in English language, and
- the nature of your qualifications (if any) and whether the obtaining of those qualifications was likely to require skill in English language.

**Note:** Even if evidence of an English-speaking background is sighted, you may still be required to provide an English language test result.

## Completing Section K Business information

You need to complete a specific and detailed business plan as part of your application for an Entrepreneur Work Visa. There is advice on what to include in your business plan in sections O and P of this guide.

### **K1** Business type

Indicate the industry sector of your proposed business.

### **K2** Location of the business

Enter the location of your proposed business.

### **K3** Maintenance funds

You must provide evidence that you have, in addition to investment capital, sufficient funds for your maintenance and accommodation and that of any spouse or partner and/or dependent children who are applying for temporary visas to accompany you to New Zealand.

Note that you and any accompanying family members must not apply for and be granted welfare assistance under the Social Security Act 1964 while in New Zealand during the currency of your temporary visas.

### **K4** Business failure or bankruptcy

Provide details of the circumstances surrounding previous business failure or bankruptcy. If you have been involved in a business failure or bankruptcy within the last five years, your application for an Entrepreneur Work Visa cannot be approved.

### **K5** Fraud or financial impropriety

Your application cannot be approved if you have any previous convictions for fraud or financial impropriety.

### **K6** Business status

State whether you are establishing a new business or purchasing an existing business.

## **K7** Details of business to be purchased

You must provide details of the trading name and address (and the vendor's name and contact details) of the business you wish to purchase, as well as evidence of value and profitability of the business and comments on the business' past performance and trends. You should include:

- independently audited accounts for the business for the past two years, and
- any conditional sale and purchase agreement, and
- evidence of the basis for the purchase price (i.e. an independent valuation), and
- a profit and loss statement for at least the two previous years, including up to the date of your application.

Applicants who are establishing a new business do not need to complete question **K7**.

You may provide employment agreements with personal details removed, as long as the number of position/s and nature of employment for each one (e.g. full time, part time, casual) is clear.

## **Completing Section L** Minimum capital investment

In order to be approved for an Entrepreneur Work Visa, applicants must have a minimum capital investment of NZ\$100,000 (unless this requirement is waived). Applicants must also genuinely intend to invest their capital investment in their business.

### **L2** Ownership of funds

Funds can either be owned by you, or jointly by you and your partner provided your relationship meets the requirements outlined in Section D of this guide and your partner supports the use of funds for the proposed business.

If funds are held jointly by you and someone other than your partner, you may only claim the value of that portion of funds which you can prove you own.

You cannot include investment funds you intend to bring to New Zealand for your personal use – for example to buy a personal residence, car, or boat.

### **L3** Location of funds

List funds in local currency and equivalent in New Zealand dollars, and provide evidence that any funds already in New Zealand have been transferred directly from your bank through the banking system to New Zealand.

### **L4** How these funds were acquired

You will have to provide evidence to show that these funds and/or assets:

- are owned by you, or jointly by you and your partner
- are unencumbered, ie not subject to any mortgage, lien, or other claims
- are not borrowed (though they may have been gifted unconditionally), and
- have been earned or acquired legally.

Funds must be earned or acquired in accordance with the laws of the country in which they were earned or acquired.

Business immigration specialists may decline an application if they are satisfied that, if the funds had been acquired in the same manner in New Zealand, that method would have been contrary to the law of New Zealand.



## Completing Section M Waiver of capital investment requirement

Note: Only fill in this section if you are seeking a waiver of the capital investment requirement

### **M1** Waiver of the capital investment requirement

The requirement for applicants to demonstrate a minimum capital investment of NZ\$100,000 can only be waived for businesses in science, ICT, or other high value export-oriented sector.

Tick one of the options in L1, if you are applying for a waiver on one of these grounds. If you are seeking a waiver of the capital investment amount, you will need to provide evidence of why your business proposal qualifies.

#### **Business in science, ICT, or other high value export-oriented sector**

Information and Communications Technology (ICT) is defined as one of three important activities in the economy: ICT manufacturing, telecommunications and information technology (IT) services.

A high value, export oriented business is one with credible ambitions to:

- create 5 or more new full time positions for New Zealand citizens or residents, and
- achieve an annual export turnover of NZ\$500,000 per annum or more.

#### **High level of innovation or credible short-term high growth prospects**

An innovative business is one that has succeeded in discovering and applying new ways to produce more with the same quantity of inputs.

If you believe your business has short term high growth prospects, outline what growth you expect to achieve, over what time period, in terms of:

- significantly increased productivity (increased production with same amount of resources), and/or
- significantly increased turnover and profit.

You will need to provide evidence to show that your claims are realistic.

## Completing Section N Points scale

In order to be approved for an Entrepreneur Work Visa, applicants must meet or exceed the pass mark (as set out below) on a scale which awards points for factors relating to the likely success of the proposed business and its value to New Zealand.

Categories in the points scale	Potential Points	Points claimed
<b>Points for business experience (can be awarded in only one category)</b>		
Relevant self employment		Points claimed
10 years +	40	
5 years +	30	
3 years +	20	
Other self employment		Points claimed
10 years +	20	
5 years +	15	
3 years +	5	
Relevant senior management experience		Points claimed
10 years +	10	
5 years +	5	
<b>Points for benefit to New Zealand (can be awarded in up to two categories)</b>		
New full time employment creation		Points claimed
10+ new full time positions for New Zealand citizens or residents	80	
5 or more new full time positions for New Zealand citizens or residents	50	
3 or more new full time positions for New Zealand citizens or residents	30	
2 new full time positions for New Zealand citizens or residents	20	
1 new full time position for a New Zealand citizen or resident.	10	
Points for approved export businesses (based on a credible business plan)		Points claimed
\$1,000,000 + turn over a year	80	
\$750,000 + turn over a year	60	
\$500,000 + turn over a year	40	
\$400,000 + turn over a year	30	
\$300,000 + turn over a year	20	
\$200,000 + turn over a year	10	
Points for unique or new products or services to New Zealand		Points claimed
A credible business proposal that provides unique or new products/ services to New Zealand, or to a particular region, not currently being provided by existing businesses in New Zealand.	30	
<b>Points for capital investment</b>		<b>Points claimed</b>
\$1,000,000 +	80	
\$750,000 +	60	
\$500,000 +	50	
\$400,000 +	30	
\$300,000 +	20	
\$200,000 +	10	
under \$200,000	0	

Points for age of prospective applicant (at date of lodging application)		
24 and under	15	
25-29	20	
30-39	20	
40-49	20	
50-59	10	
60 and over	0	
Bonus points		Points claimed
Business based outside Auckland as defined in BB6.1.35.	40	
<b>TOTAL POINTS CLAIMED</b>		

### **N1** – **N5** Points for business experience

Refer to the definitions below, to help you fill this scale in accurately:

#### Self-employment

- Self-employment is active involvement in the management and operating of a business which the principal applicant has established or purchased, or made a substantial investment in.
- Substantial investment is defined as the purchase of 25% or more of the shareholding of a business. It does not include involvement of a passive or speculative nature.
- Self-employment must be lawful.
- Self-employment must be full time.
- Applicants for an Entrepreneur Work Visa may claim points for experience of self-employment in the points scale for businesses outside of New Zealand, or for self-employment in New Zealand on a visa which allows this.

#### Senior management

- Extensive experience at a senior level within a business, in planning, organisation, control, change-management and direction-setting, acquired through senior management experience in a lawful business enterprise that has at least five full-time employees or an annual turn-over of NZ\$1 million.
- To demonstrate senior management experience, an applicant will need to be able to demonstrate previous experience in which they held the day-to-day responsibilities of managing a business or company or corporation, or function within a large company (with 5 or more full time employees, or a turnover in excess of \$1,000,000 per annum), with specific executive powers conferred onto them by the board of directors and/or the shareholders.

### **N3** Details of your past businesses

You need to provide evidence of company/ies you have run in the past, including:

- the type of business/es
- the background of the business/es
- turnover and profitability, and
- the number of employees.

You must provide documentation to support your answers, including:

- business registration licences
- financial statements (audited if available)
- copies of tax returns
- contact details for the business/es, and
- organisation charts, and
- employment agreements.

Alternatively, you may provide a report covering these points from an internationally-recognised accounting firm.

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#### **N4** Relevant self-employment or senior management experience

- Explain how your experience and skills is relevant to your proposed business, and will help your proposed business succeed.

#### **N5** Shareholdings

- Provide details of shareholdings in your former business/es.

#### **N6 – N9** Points for benefit to New Zealand:

#### **N7** Outline the number of new roles your business would create, aside from positions that are already part of the business.

A full time and ongoing job means a permanent role for at least 30 hours a week:

- as demonstrated in written employment contracts for the role, and
- excluding contract or casual roles.

In cases where new permanent and ongoing part time jobs have been created and are equivalent to new full time roles, evidence must be provided to demonstrate that these roles:

- are for two or more new roles with fixed hours that are equivalent to one new full time job, and
- are for permanent and ongoing roles as demonstrated in written employment contracts for the roles, and
- meet all employment and immigration laws, and
- exclude contract, sub-contracted or casual roles.

Where the proposed business involves the purchase of an existing business, ensure you have included information in question **K7** on numbers of positions currently employed in the business, such as wage records, anonymised job contracts and job descriptions for each role, or Employer Monthly Schedules prepared for Inland Revenue.

#### **N8** Export turnover

Provide detailed projections in your business plan outlining how you expect to meet this turnover, and outline any certification, registration or distribution rights or licenses you will need to export your goods, and what you have done to obtain them. If your business will earn both export and domestic turnover, you must provide a breakdown of how much will be from export markets and how much from domestic markets.

#### **N9** Unique or new products or services to New Zealand or a particular region:

Outline why your proposed product or services meets the definition of a new product:

- a significant enhancement or product line not being provided by existing businesses in New Zealand or the region of New Zealand in which the prospective business would be located, or
- a proposed enhancement that would promote New Zealand's economic growth within the 3 year validity of the Entrepreneur Work Visa.

Or a product or service that is "unique", that is:

- the only product or service of its type being provided in New Zealand; or
- a product or service that is not available elsewhere in New Zealand or the region of New Zealand in which the prospective business would be located.

#### **N10** Points for capital investment

Provide evidence to show that these funds and/or assets:

- are owned by you or jointly by you, your partner
- are unencumbered, i.e. not subject to any mortgage, lien, or other claims
- are not borrowed (though they may have been gifted, and
- have been earned or acquired legally.

Funds must be earned or acquired in accordance with the laws of the country in which they were earned or acquired.

Capital investment does not include:

- passive or speculative investments, such as reserve funds or term deposits,
- the purchase of items for the personal use of the applicant(s),
- remuneration paid to the applicant or their immediate family, or
- investment in residential property, except approved new developments.

## **N12** Business based outside of Auckland

A business based outside Auckland means a business with its headquarters or sites based outside the area covered by the authority of the Auckland Council. Please see the Auckland Council website for details of the area they cover.

## **Section O**

## **Business plan**

### **01** Meeting the objective of Entrepreneur instructions

You must explain how your business will demonstrate at least one of the characteristics identified in the Entrepreneur objective. The objective of the Entrepreneur category is to contribute to economic growth by enabling experienced business people to grow or establish businesses which have the following characteristics:

- high growth
- innovative
- export potential.

### **02** Business plans must be specific to the proposed business, not a generic or template business plan; and include satisfactory evidence that you have:

- funds to finance your business and support yourself and any dependent family members
- enough relevant business experience to increase the chances of it succeeding
- done market research into the demand for your business in New Zealand, and
- based your business plan on realistic financial forecasts
- a sound business record – (if you have been involved in business failure or bankruptcy within the last five years your application cannot be approved)
- sound business character – (if you have ever been involved in business fraud or impropriety your application cannot be approved), and
- registration – you have obtained professional or occupational registration in New Zealand if registration is required for the proposed business, and
- export rights – you have obtained any certification, registration or distribution rights or licenses you will need to export, or evidence that you can obtain these.

You have the choice of:

- preparing your own business plan in your own format, as long as it covers all of the material outlined in sections O to P in the Entrepreneur Work Visa application (INZ 1222), or
- following the checklist and tables in section O to P in the Entrepreneur Work Visa application (INZ 1222).

As each business plan is unique to the proposed business, your plan must be specific to your application. Standard responses, templates, and broad statements open to interpretation may result in your application being declined.

The plan must be no more than three months old on the date the application is made.

Your business plan will be assessed on the credibility of the information you provide and the knowledge that you display of the proposed business and the New Zealand business environment.

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Your business plan must, therefore, be supported by suitable evidence and reflect your research into the proposed venture. Each section of your business plan will be assessed separately, but the information you provide in each section should link together and be consistent.

If you are applying for a renewal of your LTBV or Entrepreneur Work Visa or for a Change of Plan for your business, you may not need to do a complete new business plan. Email the Porirua Office at [entrepreneurs@mbie.govt.nz](mailto:entrepreneurs@mbie.govt.nz).

### Elements of business plan

#### (i) Details of proposed business venture

You should include:

- a description of the proposed business
- the industry that the business will operate in
- the proposed customers of the business
- where the business will source suppliers
- the intended distribution network of the company, and
- what assets the company will require.

#### (ii) Documents

Documents must be originals or certified copies. Documents must be in English or have an acceptable translation attached.

#### (iii) Intended involvement/role in the proposed business

Describe what level of involvement you intend to have in the proposed business by providing an accurate and detailed job description. Use of a title such as 'Director' without an accompanying job description is unacceptable.

#### (iv) Proposed ownership structure of the business

Select the legal structure that is most appropriate to your proposed business. Provide a chart illustrating the proposed ownership structure of the business including the names of any potential business partners. You must have a minimum shareholding of 25 per cent in the business.

#### (v) SWOT analysis

Complete a brief SWOT analysis. A SWOT analysis identifies the main strengths, weaknesses, opportunities and threats that will impact on the business. Your analysis should explain how any threats or weaknesses identified will be overcome.

#### (vi) Knowledge of the New Zealand business environment and market research

Provide detail of any exposure that you have had to the New Zealand business environment, including any previous business dealings or connections with other New Zealand businesses. Ensure that the knowledge you convey is relevant and specific to the area in which your proposed business will operate.

If you have done or commissioned any market research on the prospect for your proposed business in New Zealand, provide details and supporting documentation in English of the findings of the research on the viability of the proposed business.

#### (vii) Advice from trade associations in New Zealand

Provide details and supporting documentation of any contact that you have had with relevant New Zealand trade associations.

#### (viii) Professional advice

Provide details and supporting documentation of professional advice that you have received regarding establishing the business in New Zealand.

(ix) Professional qualifications or registration

Provide evidence that you have obtained professional or trade registration, if this is required in order to operate the proposed business in New Zealand. If you are in the process of obtaining registration, outline what you have done to achieve this.

(x) Other consents required

Provide detail of consents that your business may require under the Resource Management Act or the Overseas Investment Act. State whether other consents or regulations (for example, health and safety requirements) apply to your proposed business.

(xi) Other qualifications

Provide certified copies of other qualifications that are relevant to your proposed business.

(xii) Marketing strategy

Provide details of how you intend to market your business, including:

- the estimated market size in New Zealand
- the business's targeted market share
- how this market share will be achieved
- analysis of the degree of competition in the market; the business's distribution instructions, and
- any pre-arranged agreements that either the business or you have with suppliers or distributors, and
- any certification, registration or distribution rights or licenses that you must have in order to export.

(xiii) What business will achieve in its first three years

Describe in detail what you expect the business to achieve within its first three years of operation. Go beyond restating the financial results forecast in 'Section P: Financial information'.

Achievements must be specific goals – for example, establishing relationships with five suppliers, gaining 100 new customers, employing seven full-time staff.

(xiv) Timeline

Provide details of the proposed timeline for establishing the business in New Zealand. Include in your timeline an estimation of the time required to complete the following milestones:

- establishing the business
- obtaining approvals
- finding premises
- purchasing equipment
- recruiting staff
- establishing a distribution network, and
- starting operations.

**Copy of your business plan and all supporting documents**

You need to keep a copy of your original business plan and any supporting documents you submitted, as you will need to refer to this in order to be approved for an Entrepreneur Residence Visa.

If you are using an immigration adviser or other adviser to do your business plan, ensure that they give you a copy of your business plan and copies of any documents submitted in support of your application.

**P1 – P2 Capital investment for the business**

State the total capital that is required to establish the business and list the items that it will be used for.

Include a table summarising the funds available and, where applicable, show the net funds available in local currency, the conversion rate applied, and the resultant funds available in New Zealand dollars.

This table must be supported by third party evidence such as bank statements. If your funds are invested in property or other assets, explain how you are going to utilise them.

**P4 Details of the forecast profit and loss statements for the business**

This is a template for completing the forecast profit and loss statement. The ratios must be calculated using the following formulas:

- gross profit margin (%) = gross profit/revenue x 100
- net profit margin (%) = net profit after tax/revenue x 100
- interest cover (times) = earnings before interest and tax/interest expense.

All supporting assumptions should be included. Assumptions should be consistent and link together with other sections of the business plan.

The following assumptions are particularly important.

- Revenue/sales – explain the basis for forecasts, such as past experience, undertakings from prospective customers, or market research. Where appropriate, assumptions should include number of units, price.
- Gross profit margin – as per revenue/sales, the basis for the gross profit margin should be explained and supported. Provide evidence where appropriate.
- Salaries – this should reconcile with the number of employees you stated you were intending to employ in **K7** and **N7**. Ensure you include the cost of full-time and part-time employees.
- Drawings – list the drawings, including your own salary, that you expect to make. Note that you must pay yourself a salary for the business to be considered profitable.
- Rent – as above, explain the basis for your forecast (for example, the cost of the existing lease, the current market rental for equivalent premises).
- Although you do not need to include a balance sheet, it is worthwhile including one to clearly show the capital structure and the assets that will be used by the business.
- It will also be helpful in preparing the cash flow forecast.

**P5 Projected cash flow forecasts**

Provide details of the three year projected cash flow forecast for the business in the format detailed below. Complete form or attach forecasts separately.

This is a template for completing the cash flow forecast. You must complete all sections. Pay close attention to the section detailing movements in working capital as this will help you to assess cash requirements, which is essential if you are forecasting rapid growth for your business. You will find it beneficial to expand at least the first year to a monthly forecast.