



INFORMATION/GUIDELINES FOR GRANT APPLICATIONS

**To be used as a guide when completing
Central Lakes Trust applications**

The Trust encourages all applicants to discuss its project or service with Trust staff prior to completing an application form.

MISSION STATEMENT

"To enhance assets and enrich lives"

VISION STATEMENT

"To make our community a better place to be"

Contact Us

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Central Lakes Trust – funds bestowed from the Otago Central Electric Power Board

BACKGROUND INFORMATION

Helpful Hints to Assist in Completing Funding Applications

- Ensure you have spoken to a staff member at the Trust Office prior to submitting an application form to ensure that the project or service meets the Trust's funding criteria.
- Read the guidelines and application form carefully prior to completing it.
- Include **ALL** the information requested. Incomplete applications may be returned to the applicant.
- Be specific about your project. Answer the questions as clearly and accurately as possible.
- Please do not write "See Attached". Summarise in the boxes provided and add an extra page if required.
- Assume the Trust knows nothing about your organisation or project. Applicants must provide background information about its organisation and its objectives.
- Outline your organisation's current financial position.
- Ensure the two contact people listed on the application form are also the signatories, and are available to discuss the application if required.
- Retain a copy of the full application form and supporting documentation. This will be helpful when undertaking any evaluation requirements, should the application be successful.
- Be realistic and honest, and don't rely on one funder to fund the entire project.
- Each grant will be assessed on its own merits and in the context of other grants which have been, or are currently being considered.
- Central Lakes Trust can only approve grants for requests which will benefit the people of the Central Lakes Trust region.
- Develop a realistic budget for the project. Generally grants are approved as a proportion/percentage of the total project cost. Please do not inflate budgeted costs as any decrease in actual costs will generally result in the approved grant amount being decreased accordingly, or a portion having to be paid back to the Trust.
- Encourage all applicants to get quotes/estimates from local suppliers/companies in the Central Lakes Trust region.

ABOUT THE TRUST

The Central Lakes Trust is a charitable trust which was formed in December 2000 from funds bestowed from the Otago Central Electric Power Board. The Trust office is situated in Cromwell and is open on weekdays from 8.30 am – 5 pm. Applicants are encouraged to contact the Trust prior to submitting an application to discuss the proposed project with one of the Grants Assessors. If you wish to meet with a staff member it is recommended that you telephone the office first to make an appointment. Staff will normally visit you to look at your project, or alternatively you may come to the Trust's office.

FUNDING CRITERIA

The Central Lakes Trust's grant programme will only fund charitable projects. This includes recreational facilities as provided for by Section 61(A) of the Charitable Trusts Act 1957. To qualify as charitable, projects must relate to one of the following four Heads of Charity and benefit the community in a way which the law regards as charitable. The four Heads of Charity are defined as:

- **Relief of Poverty** – the purpose must be directed at the relief of the poor, in need, aged, and weak, disabled, mentally ill, or suffering genuine hardship.
- **Advancement of Religion** – the purpose must be for the benefit of a religion and aim to pass on the relevant religious faith to others. This includes building, maintaining and restoring churches, but excludes maintenance of graves or tombs unless they are on church grounds.
- **Advancement of Education** – the purpose must provide some form of education and ensure learning is passed on to others. This includes formal education, training and research in specific areas of study and expertise. It also includes less formal education in the development of individual capabilities, competencies, skills and understanding. It does not include propagandist or political activities.

- **Other purposes beneficial to the community** - must satisfy the requirement that the purpose benefits the public. The purpose must be charitable, affordable and easily accessible for the general public. Generally this includes emergency services (volunteer fire brigades and ambulance services), public recreational facilities, libraries, parks and museums.
- **Recreation Facilities**
Facilities for recreation or leisure-time occupation are eligible if the facilities are provided in the interests of social welfare. The definition of social welfare is central to charitable eligibility, therefore the organisation's purposes must be considered to be for the public benefit. The application must satisfy the following requirements before it is eligible for charitable funding:
 - The organisation's constitution states that its purpose is recreational rather than sporting;
 - The facilities must be accessible to members of the public at large;
 - The facilities need to be provided with the purposes of improving the conditions of life for those for whom the facilities are primarily intended;
 - Those people who have need of the facilities because of their youth, age, infirmity, disability, poverty, race, occupation or social economic circumstances.

All applications must show that there is a tangible need for funding. It is the Trust's policy to provide 'a helping hand' to charitable community projects i.e. to make a financial contribution to support an organisation's own fundraising efforts and grants provided by other funding agencies.

GRANT OBJECTIVES

The Trust has adopted the following grant objectives provided charitable criteria are met:

- **Education**
To support projects that facilitate improved educational outcomes for people in our region by adding value to the sector, with a focus on innovative projects and lifelong learning.
- **Health and Wellbeing**
To support and strengthen community organisations that improve health outcomes for the people in our region by focusing on health promotion and preventative projects.
- **Welfare**
To support organisations that respond to the needs identified by our communities, with a focus on innovative programmes that address the underlying causes of social problems. This includes the advancement of religion.
- **Recreation and Sport**
To support public amenities and recreation facilities that focus on community participation and engagement in recreation. Any support provided for the promotion of amateur sport must involve the pursuit of physical fitness and demonstrate real and tangible benefits to the community.
- **Arts and Culture**
To support creative projects and organisations that aim to foster access to, engagement with and experience in the arts.
- **Heritage & Environment**
To support projects and organisations that preserve and promote the physical and cultural heritage of our region and that protect and enhance the environment in which we live.

AREA COVERED BY THE TRUST - ELIGIBILITY:

The Trust's region is the same geographical area covered by the former Otago Central Electric Power Board. The Trust distributes funds to organisations which carry out activities having purposes which directly benefit the community within the geographical boundaries as defined in the Trust Deed.



Qualifying Organisations

Any organisation or formally constituted group as described below is eligible to apply for a grant:

- *An incorporated society, with non-profit making objects*
- *A charitable trust*
- *A club or other legally constituted body or group approved by the Trustees, which can demonstrate a formal constitution or rules and is not set up in such a way that its members can benefit personally.*
- An “*Informal Group*” is an organisation that is not a Trust, Incorporated Society, Company or any other type of entity formed under New Zealand legislation. An “Informal Group” may be involved with managing a one-off project or a series of community activities. Generally the group would have a bank account, but would not own any assets of significant value. An “Informal Group” may be eligible to apply for a grant up to a maximum of \$2,000. To apply for amounts over \$2,000, groups need to be incorporated or formalised.

Organisations such as **service clubs** are unable to apply for operational costs but may be eligible for funding support for community projects for which they are fund raising.

The Trust can fund:

- Promotion or delivery of community welfare
- Advancement of education (including formal education, training and research)
- Advancement of religion
- Promotion of arts and culture
- Provision of health services that are available to the general public
- Preservation of heritage or enhancement of our environment
- Provision of public facilities and amenities
- Advancement of community recreation
- Provision of purposes beneficial to the community that are charitable, affordable and easily accessible.

The Trust does not fund:

- Individuals, except by way of the annual Central Lakes Trust Tertiary scholarship programme.
- Projects or services that do not meet charitable criteria
- Seeding investments for businesses
- Political organisations or lobby groups
- Projects where local or central government would be the natural source of funding
- Commercial organisations
- Repayment of debt
- Retrospective projects i.e. completed projects or projects that have already commenced
- Operational costs of Territorial Authorities and Central Government
- Informal groups for amounts over \$2,000
- Endowments
- The GST component of costs for GST registered organisations
- An organisation's project that generates funds which are distributed to a third party. However such events or activities may be eligible for a "Guarantee Against Loss".
- Sponsorships

What types of grants are available?

Grants are provided for a number of purposes. If you are unsure about the eligibility of your project or service, please call the Trust Office on 0800 00 11 37.

There are two main types of grants provided by Central Lakes Trust. They are as follows:

- Projects
- Operational (Staffing & Administration)

Central Lakes Trust can also provide the following types of grants:

- Grants for "Informal" Groups (maximum \$2,000)
- Guarantee Against Loss (GAL)
- Central Lakes Arts Support Scheme (CLASS – maximum \$2,000)
- Tertiary Scholarships (annual)

1. Project Grants

Project grants may be provided to assist in funding one-off community projects and programmes, new initiatives, facilities and events:

- Organisations must show that there is a tangible need for funding. The Trust's policy is to provide 'a helping hand' to charitable community projects.
- Applications for project grants must include evidence of the organisation's ability to fund ongoing operational costs arising from the project, independent of Central Lakes Trust's ongoing support.
- Facilities which are for the exclusive benefit of one organisation or projects that cater for a limited number of people will be considered a low priority.
- Donated materials and volunteer labour may be accepted as a valid part of an organisation's contribution to a project.

2. Operational Grants (Staffing & Administration)

This includes the delivery of existing programmes or services. Under certain conditions, the Trust will provide funding for salaries or wages and/or operational costs. Generally these grants are only provided to organisations that are totally reliant on community funding and have limited means of raising their own funds. Education and health are primary charitable causes, but are treated carefully as many services are funded by Central Government. For organisations whose services or activities are traditionally funded by Government (central or local) or other agencies, the Central Lakes Trust will only consider applications where it is clearly demonstrated that there is insufficient funding provided for the required service delivery. The tenure of the grant is normally for a twelve-month period, aligned to an organisation's financial year. Administration costs can include rent, power, telephone etc.

An operational grant to a provincial or New Zealand wide organisation will only be considered if that organisation can demonstrate a direct community benefit within the Trust's region as a result of the grant being given. Evidence of specific financial details relating to the actual costs incurred in delivering services within the Trust's region will be required.

3. Other Grants

- **Central Lakes Arts Support Scheme (CLASS)**

Grants up to a maximum of \$2,000 are administered by the five Community Arts Councils in the Central Lakes Trust region to encourage participation in the arts and increase the diversity of arts available to the community. Projects funded can range from exhibitions, festivals, traditional Maori arts, competitions, concerts, cultural celebrations, plays and dance extravaganzas, CD productions, publications and writing workshops. Please contact your local Community Arts Council for further information. Applicants can only receive one successful grant in any twelve month period from Central Lakes Trust either through (a) its Arts Support Scheme, or (b) directly from Central Lakes Trust.

- **Tertiary Education Scholarships (annual)**

Tertiary Education Scholarships up to \$2,000 each are available for 16-19 year olds who wish to commence study at a New Zealand Tertiary Institution (where fees are charged). Applicants must have lived in the Trust's region for at least two years at the time of application, and be New Zealand citizens. Application forms will be available from Roxburgh Area School, Dunstan and Wakatipu High Schools, Cromwell & Mt Aspiring Colleges and the Trust's website www.clt.net.nz from the middle of June each year and applications will close on 17 August.

A limited number of scholarships may be available to students who come from the Central Lakes Trust region but who are attending a boarding school which is located south of the Waitaki.

- **Informal Groups (see page 4 – Qualifying Organisations)**

- **Guarantee Against Loss (GAL)**

A Guarantee Against Loss (GAL) is designed to provide security for organisers of events, festivals, concerts, seminars or workshops that do not meet budgeted income, or to cover loss of income as a direct result of bad weather. An "Informal Group" is not eligible to apply for a Guarantee Against Loss.

**Further information on the Types of Grants available can be seen on the Trust's website:
www.clt.net.nz**

APPLICATION & ASSESSMENT PROCESS

Closing Dates for Applications

Central Lakes Trust does not have closing dates for grant applications. However, applications must be submitted at least **three FULL months** prior to when a decision is required. Applications are considered by the Trust on a monthly basis, except in the months of August, November and January each year.

How much can an organisation apply for?

No limits are set as each application is considered on its own merits. The Central Lakes Trust's philosophy is to provide 'a helping hand' and it will generally only provide a portion of the total funding required. This means that applicants should make a contribution towards the costs of the project and provide evidence of other fundraising efforts and grant applications currently in progress.

How often can an organisation apply?

Generally the Trust will only approve one application to an organisation in any given twelve month period. However, if an organisation has had an application declined, it may apply again within the twelve month period, but not for the same project.

Application Form and Supporting Documentation

Applicants are requested to retain a copy of the entire application form and its supporting documentation for its own records. Central Lakes Trust does NOT accept applications by fax or email, so please either post or hand-deliver. The checklist in Section 6 of the application outlines what additional/supporting documentation is required. Only applications that are fully complete and include ALL the additional information will be considered. Incomplete applications may be returned which will inevitably delay any decision.

Receipt of Applications

When an application is received, it will be acknowledged by the Trust Office by email.

Assessment Process

Trust staff may seek further information regarding applications. If this happens, then a quick response to any request for additional information will prevent a delay in a decision being reached.

As part of the assessment process the Trust may:

- meet personally with applicant organisations. Central Lakes Trust staff will arrange suitable appointment times for site visits if required; and
- make enquiries to other organisations, such as funding agencies, local authorities or government departments.

Decision Making

A decision should be made within three FULL months of receiving a completed application. Grant applications are assessed by staff and presented to Trustees for consideration each month.

Notification

All applicants will be advised **in writing** of the Trustees' decision if the application is successful, or otherwise.

PAYMENT OF GRANT & FUNDING CONDITIONS

Details of grants approved including the name of the organisation, the project and amount funded will be made public by the Central Lakes Trust on a quarterly basis via a media release and its website. Central Lakes Trust may include conditions as part of its funding decision. Conditions will vary depending on the type of project or service.

- **Project** grants are not paid up front. Depending on the purpose, these can be paid progressively as the project evolves and costs are incurred. For some projects (particularly building projects) which take place over several months, requests to uplift may be submitted on a monthly basis if they are accompanied by the relevant invoices.
- **Operational** grants are generally paid in two installments (6 months apart), the first at the beginning of an organisation or group's financial year, and the second once conditions of the grant have been met.
- To uplift the grant you will be required to provide written confirmation that the balance of funds has been raised or secured. This ensures that sufficient funding has been secured prior to the commencement of a project.
- The Central Lakes Trust does not pay suppliers, contractors or people directly who have undertaken work. When an organisation has met all of the conditions associated with the grant, it should submit copies of relevant invoices relating to the grant. Central Lakes Trust will only make payment into the applicant organisation's bank account.
- All Central Lakes Trust grants are approved on the understanding that the recipients will comply with evaluation requirements, proof of expenditure and any other documentation as requested by the Trust.
- The grant approval is valid for a specified time. If the full grant amount cannot be uplifted by the specified date, applicants will be required to notify the Trust in writing prior to the expiry date giving reasons for the delay and an updated timeframe for completion of the project. Requests for an extension of time will be presented at the next available Trustees meeting and applicants will be advised in writing of the outcome.

- Requests to uplift grants must be made to the Trust Office by the 15th of the month in which the funds are required. Providing all is in order, payment will be made by the end of that month.

ACCOUNTABILITY REQUIREMENTS

To ensure accountability of Central Lakes Trust funds, each organisation is required to provide an evaluation report at the completion of its project that outlines results and benefits. Depending on the length, type and complexity of a project, progress or milestones reports may also be required.

The Trust reserves the right to undertake follow-up audits of grants approved.

Future grant applications will not be considered until evaluation requirements relating to previous grants have been met.

FINANCIAL STATUS

Income Tax

Organisations must meet the Inland Revenue Department's income tax exemption criteria under Section CB4 of the Income Tax Act (2004) to be eligible for a grant from Central Lakes Trust. This section includes income tax exemption for activities that are carried out for charitable purposes.

GST

There is no GST associated with Central Lakes Trust grants. Grants made to organisations which are registered for GST will exclude the GST component of the project cost as organisations are able to claim back from the IRD any GST paid. Grants made to organisations which are not registered for GST will be based on the GST inclusive project cost.

Charities Commission

The Charities Commission registers and monitors charities in accordance with the *Charities Act 2005*. It also provides support and education to the charitable sector on good governance and management. Registration with the Commission is voluntary but charitable organisations need to be aware that registration with the Commission is a prerequisite for tax exempt status. The Central Lakes Trust encourages all eligible organisations to register. This can be done on-line at www.charities.govt.nz

ACKNOWLEDGEMENT OF CENTRAL LAKES TRUST GRANTS

Central Lakes Trust requests that its grants are appropriately acknowledged. A copy of the Central Lakes Trust logo and the Corporate Identity Guide which identifies correct usage of the logo is available upon request from the Central Lakes Trust office.

We request that any media statements that are issued about the project acknowledge Central Lakes Trust's involvement as a funder and are presented to us for approval **prior** to release.