

Fundholder Organisations – Notes for Applicants

For Wellington City Council grants, applicants must be a legally constituted community group or organisation, not an individual or individuals. Groups that are not legally constituted may apply under an appropriate Fundholder organisation.

This organisation must have a constitution stating that, if they wind up, assets will go to a similar organisation so that the wider community benefits rather than an individual.

If a grant is approved, the Fundholder will be asked to confirm support for the funding. That organisation will ultimately be responsible for ensuring that the funds are used appropriately and that a report back is provided to WCC at the completion of the project.

If a satisfactory report back is not provided by the date required, neither the applicant nor the Fundholder organisation will be eligible to apply for further funding from WCC. (Wellington City Council sees the primary responsibility of the Fundholder organisation as ensuring a basic level of financial accountability.)

A copy of the Fundholder agreement must be provided with the application.

The Fundholder organisation also needs to provide with the application:

- A copy of their most recent annual accounts
- Their GST status and number if registered
- Their printed bank deposit slip

Agent = Fundholder organisation

Recipient = applicant – group or person driving the project, applying for the grant

GST:

1) If the agent is GST registered but the recipient is not:

- The budget and amount requested should include GST
- WCC will not pay GST on top of the grant
- The agent is not required to pay GST to the IRD when they receive the funds.
- They can pass the whole amount on to the recipient or can hold the funds in their account and pay the bills on behalf of the recipient.
- The agent cannot claim GST back on expenses.

2) If neither the agent nor the recipient is GST registered:

- The budget and amount requested should include GST
- They can pass the whole amount on to the recipient or can hold the funds in their account and pay the bills on behalf of the recipient.

3) If the recipient is GST registered but the agent is not:

- The budget and amount requested should exclude GST
- WCC will create a Buyer Created Tax Invoice (BCTI) on behalf of the recipient

- WCC will pay the grant plus GST to the agent, who will pass it on in full to the recipient
- The recipient will then pay the GST component to IRD

4) If both the recipient and the agent are GST registered:

- The budget and amount requested should exclude GST
- WCC will create a Buyer Created Tax Invoice (BCTI) on behalf of the recipient using the recipient's GST number
- The agent pays the full amount including the GST component to the recipient OR they can hold the funds in their account and pay the bills on behalf of the recipient.