



## CONSTELLATION COMMUNITIES TRUST LIMITED'S GRANTS POLICY

### Policy

#### Decision by Net Proceeds Committee

1. All final funding decisions are made by Constellation Communities Trust's net proceeds committee.
2. Grant applications found to be non-compliant will not be approved. In this context, "non-compliant" means grant applications that do not contain all the relevant information, are retrospective where it does not comply with the authorised purpose of Constellation Communities Trust, or where there is information that the applicant has received funding from other source(s) for the full amount needed for the purpose applied for here.

#### Authorised Purpose

3. Grants will only be made in accordance with Constellation Communities Trust's authorised purpose. Constellation Communities Trust's authorised purpose is:

Constellation Communities Trust may make grants for authorised purposes as follows:

- a. any charitable purpose;
- b. any non-commercial purpose that is beneficial to the whole or a section of the community;
- c. promoting, controlling and conducting race meetings under the Racing Act 2003, including the payment of stakes.

The above authorised purpose includes (but is not limited to):

- a. promoting any amateur game or sport as a means of achieving any charitable purpose, including:
  - i. children and/or young persons deriving benefits of an educational or academic nature; and/or

- ii. participants deriving health benefits from participation in physical activity and/or organised competitions; and/or
  - iii. persons or organisations deriving educational or training benefits from the development of facilities.
- b. promoting non-professional community health and well-being and educational activities operated by the Millennium Institute of Sport and Health and North Sport Academy.
  - c. educational, cultural, health, environmental, recreational or philanthropic activities provided all those activities are conducted for charitable purposes.

Priority will normally be given to applications for:

- d. non-professional community health and well-being and educational activities operated by the Millennium Institute of Sport and Health and North Sport Academy; and
- e. amateur sport where the applicant is based in the same region where Constellation Communities Trust has venues and where there is a high level of public participation.

#### Audit Requirement

4. Recipients of grant funding must return paid invoices and bank statements to Constellation Communities Trust immediately the funds have been spent to complete the audit requirement. If these funds were not spent for the appropriate purpose, Constellation Communities Trust will request a refund of the full amount of the grant. If a funding surplus exists, the surplus must be returned to Constellation Communities Trust by cheque or bank transfer.
5. Where information is obtained by the net proceeds committee indicating that a grant recipient has received funding from other source(s) for the full amount needed for the purpose applied for here, the net proceeds committee will take reasonable steps to obtain a return of the money from the grant recipient.

#### Grant Forms

6. Grants will not be approved unless the application is on Constellation Communities Trust's grant application form and includes:
  - a. the applicant's name and contact details;
  - b. the purpose of the applicant and the name and contact details (including a street address) of a contact person;
  - c. specific reasons for the grant application;

- d. the total amount of money sought;
  - e. evidence supporting the total amount sought (for example, competitive quotes for goods or services to be paid for by the grant);
  - f. whether the applicant has applied for funds for the same specific purpose from another source;
  - g. whether the applicant is registered for GST and, if so, its GST number;
  - h. the applicant's bank account details;
  - i. the application form must include space for Constellation Communities Trust to record:
    - i. the amount approved;
    - ii. the date of the approval;
    - iii. the cheque number or details of the direct debit;
    - iv. the grant number; and
    - v. the signature of Constellation Communities Trust's officer.
7. Grant applicants will be requested to provide Constellation Communities Trust with:
- i. a copy of their latest financial records;
  - ii. a copy of their minutes where it was resolved to apply for the grant; and
  - iii. contact details for two members of the organisation.

### Reasons

8. Grant applicants will be provided with reasons for Constellation Communities Trust's decision if Constellation Communities Trust decides to decline a grant application. The reason given may include insufficient funds to meet the number of applications or a lack of venues in the region in which the applicant is based.

### Complaints

9. Complaints can be made to Constellation Communities Trust's Chairperson by writing to the Trust. The Constellation Communities Trust will also advise complaints of their right to complain to the Department of Internal Affairs if they are unsatisfied with how their complaint has been dealt with.
10. Constellation Communities Trust will forward a copy of all written complaints received to the Department of Internal Affairs for their information and advise the Department as to how the complaint has been dealt with.

11. Complaints about the conduct of Constellation Communities Trust may also be made direct to the Secretary of the Department of Internal Affairs at: P O Box 10-095, Wellington.

#### Grant Commitments – Multi-Year Grants

12. Grants shall only be made from available net proceeds. However, grants may be made by instalments in one or more years, if the following conditions are met:
- the grant commitment must not exceed 4 years; and
  - the grant applicant must be made aware, on or before the time that the first instalment of the grant is paid, that payment of any future instalments of the grant is conditional on –
    - Constellation Communities Trust continuing to hold a licence; and
    - Constellation Communities Trust continuing to have available net proceeds; and
    - the specific authorised purpose for which the grant was made continuing to be lawful; and
  - each instalment of the grant must be re-confirmed by the net proceeds committee before payment; and
  - the grant applicant must provide the net proceeds committee with documentary evidence that previous instalments of the grant have been spent for their intended purpose; and
  - Constellation Communities Trust must disclose the existence of multi-year grants it has entered into in its financial accounts and publish the details of its multi-year grants with its other grant information in a newspaper and on its website.
13. Subsequent instalments of multi year grants are made in principal, i.e. the existence of the future instalments is strictly conditional upon the above criteria being met.

### Distribution Timing

14. A substantial portion of the net proceeds received during a financial year will be distributed to the community for authorised purposes on, at least, a quarterly basis.
15. All net proceeds received during a financial year will be distributed to the community for authorised purposes within three months following the end of that financial year.

### Record Keeping

16. The following records shall be kept in a database format:
  - a. The date that each grant is made;
  - b. The name of the grant recipient;
  - c. The specific purpose of the grant;
  - d. The amount of the grant;
  - e. The cheque number or direct bank payment transaction details; and
  - f. The grant request ID number.
17. The grant application and all supporting information will be retained by Constellation Communities Trust if the application is successful.

### GST

18. When a grant recipient is GST registered, a grant will only be made for the GST exclusive component.
19. When a grant recipient is not GST registered, a grant may be made for the full GST inclusive cost of the good or service.

### Grant Influence - Section 113

20. Constellation Communities Trust's venue key persons cannot have any input or influence in Constellation Communities Trust's grant process. Venue key persons are:
  - the venue manager (defined as the person responsible for supervising the gambling and venue personnel at a Constellation Communities Trust class 4 venue and for banking the proceeds of class 4 gambling);

- the venue personnel (defined as the persons who work at a Constellation Communities Trust class 4 venue and whose work involves dealing with gambling equipment, gamblers, or the proceeds of gambling);
- the venue operator (defined as the occupier of a Constellation Communities Trust class 4 venue who owns the primary business at the venue);
- the venue operator's directors, chief executive and senior manager;
- any person who has a significant interest in the management, ownership, or operation of a venue operator; and
- a person contracted to service Constellation Communities Trust's gambling equipment.

21. Persons who have a significant interest in the management, ownership, or operation of a venue operator include:

- people with a financial or ownership interest in the business operating at the venue, or the venue premises;
- people with the power to make decisions that would normally be made by the directors, chief executive or senior management of the venue operator; and
- people undertaking or being responsible for duties that are normally the responsibility of the venue manager (e.g. being responsible for the timely banking of gaming proceeds).

22. Venue key persons must not provide grant application forms to potential grant recipients.

23. Venue key persons cannot provide goods or services to Constellation Communities Trust, apart from the services listed in their venue agreement. For example, if a venue key person also had a photocopier business, the venue key person could not sell a photocopier to Constellation Communities Trust.

24. Venue key persons cannot provide goods or services to third parties and be paid from grant money which is derived from Constellation Communities Trust. For example, a

venue could not provide catering services to a hockey club if the hockey club plans to use grant proceeds to pay for the food.

25. Venue key persons cannot be involved in decisions about who will provide goods or services to a third party, if payment is being made from grant money which is received from Constellation Communities Trust. For example, if a venue key person were also a committee member of a community organisation which received a grant from Constellation Communities Trust, the person could not have any input as to which painter the community organisation employs, if the painter is to be paid from grant money.

#### Venue Key Persons Conflict of Interest Register

26. Constellation Communities Trust shall have an internal system to check that the venue key person requirements are adhered to. All grant applications and quotes will be checked by Constellation Communities Trust against a key person register. If any application is signed, supported or makes any reference to a venue key person the application will be declined. If any application indicates that a venue key person has assisted to obtain quotes or been involved in any decision as to how grant money will be spent, the grant will be declined. If the any application indicates that the venue key person will be providing goods or services to the grant recipient using the grant money, the grant will be declined.
27. Constellation Communities Trust's grant application form will also require the applicant to formally declare that they will check that no payment will be made to any venue key person. The declaration will state:

#### **Organisation Declaration**

We declare that:

- The information provided in this application form is true and correct to the best of our knowledge.
- We have the authority to make this application on behalf of the applicant.
- This application has not been completed by a person who has any management or ownership interest in a Constellation Communities Trust venue that hosts gaming machines ("a gaming machine venue key person").
- When any grant money is obtained the persons who decide how that money is spent will not be Constellation Communities Trust gaming machine venue key persons.

- When any grant money is obtained a check will be undertaken and no payment will be made from grant money to any Constellation Communities Trust gaming machine venue key person for any goods or service.

We (the undersigned) make a solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.