



**Gift
Collective**

APRIL 2025



Getting started with employment

A guide for Collectives

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What we offer

Gift Collective is a charity fundholding service, handling the tricky parts of being a charity so you don't have to. In addition to the services we offer as a fiscal host, we also offer the following employment services:

Payroll

We'll manage paying your employees, tracking leave, etc. – let us take all that off your hands!

Best practice employment advice

We'll provide you with a pack of templates, including everything from how to best conduct interviews, employment contract examples and leave forms. This pack has been created by HR professionals and is worth its weight in gold! We have every HR document you will need along the way – you just need to fill in the relevant gaps.

A training session on how to onboard employees and use our templates at every step of the process.

Quarterly check-ins to see how everything is going and provide support.

Access to expert HR and legal advice should any questions arise.

Support with terminations, long-term leave, and other potentially tricky employment scenarios that could arise.



YOUR RESPONSIBILITIES:

You'll need to **complete the setup paperwork and training process**, and **participate in quarterly check-ins** with our team.

Deciding who to hire and how much to pay them is still in your boat! You'll also be defining their roles, and handling the day-to-day management of employees. We provide detailed templates and best practice information for every step of the way.

You're the legal employer. Gift Collective provides payroll and HR services, but we're *not* the legal employer – read more on page 5.

Keep us in the loop with any HR issues that may arise, so that we can help you make best use of the guidelines we provide, or connect you to a specialist legal or HR advisor if you need it.

Fees

We charge additional fees for employment services, as we're doing more work than is covered by your standard Gift Collective host fee.

All fees are given in New Zealand Dollars, and are charged to your Collective's balance.



SETUP FEE

\$2,000

PER EMPLOYEE

Covers onboarding for each new employee, including any initial advice you might need from our HR and legal experts to get your new team member started. We charge this fee as soon as each new employee starts.



ONGOING COST

\$165

PER EMPLOYEE, PER month

Covers support from our team throughout the year, plus 5 hours of external HR/legal support from our experts. Any additional expert hours are charged at cost.

Choosing a legal structure

Gift Collective provides administrative and advisory support for employment, but does not legally employ staff for Collectives. If an employment relationship is right for your Collective, you will need to decide who the legal employer will be, and tell us what you want to do.



YOU CAN:

Use any New Zealand legal structure that suits your Collective's needs. (Talk to a lawyer first.)



YOU CAN:

Employ other people yourself, as an individual, without a separate legal entity.



YOU CAN'T:

Employ *yourself* without a separate legal entity. (Another person can employ *you*, though.)

LIMITED LIABILITY COMPANIES (LLCs)

One potential legal structure that can work well for Collectives is a simple limited liability company (LLC). Since Gift Collective holds your Collective's money and handles payroll, you can create an LLC which does not have a bank account, does not own any assets, or engage in any financial transactions – it exists solely to hold employment. If an LLC has fewer than ten shareholders and has no assets or financial activity, it does not need to prepare financial statements or report to the IRD, keeping administrative and reporting requirements simple for your Collective.

To find out more, visit [the Companies Office website](#), visit business.govt.nz, or ask our team.

Your obligations as the legal employer

New Zealand employment law ensures fair treatment of employees. The legal employer – you, your LLC, or another entity – therefore has certain obligations regarding employees. Here's some things to note:

- As an employer, you must provide a written employment agreement, pay at least minimum wage, and ensure a safe work environment.
- Employees are entitled to rest breaks, four weeks of annual leave, 10 days of sick leave, and bereavement leave, including for miscarriage or stillbirth.
- You must allow union membership and handle wages lawfully.
- Creating a workplace free from discrimination and bullying is essential.

You can find more information at [employment.govt.nz](https://www.employment.govt.nz) and at [ird.govt.nz](https://www.ird.govt.nz).

THE EMPLOYMENT LIFE CYCLE

From hiring to resignation, managing your team means understanding key employment responsibilities across the employee life cycle.

- Ensure fair hiring practices, clear role expectations, and ongoing feedback.
- Support development, handle performance issues promptly, and foster an open and positive work culture.
- Employees must give notice when resigning, and their final pay must include any outstanding holiday entitlements.

Our employment service is designed to support you every step of the way.

REGISTERING WITH IRD

The legal employer must be registered as an employer with IRD.

You'll need to provide us with the legal employer's [IRD number](#), register with IRD [as an employer](#), and sign a form authorising our staff and our payroll provider to file some things on your behalf. We'll tell you what we are filing for you – anything else is your responsibility.



TYPES OF WORKER

Deciding whether you need an employee or an independent contractor is crucial.

Contractors operate their own business, provide their equipment, and manage their own tax/ACC. **Employees** work under your direction and receive benefits such as paid leave.

Employment agreements can be:

- Permanent: Full-time or part-time, ongoing employment with full entitlements.
- Fixed-Term: For specific projects or coverage needs, must have a genuine reason.
- Casual: Work is irregular; employees can decline shifts. Over time, casual roles may require reassessment to ensure compliance.

You can find out more about the different types of employment at giftcollective.nz/worker-types.

AIM FOR BEST PRACTICE

Employers must act in good faith—being honest, communicative, and respectful.

Ensure agreements are in place, protect employee privacy, and keep records secure. Policies guide fair and consistent treatment; review them regularly. Encourage flexible working where possible and support employee wellbeing. Psychological safety, open communication, and an inclusive culture contribute to a thriving workplace.

For any uncertainties, seek guidance early to maintain compliance and foster a positive work environment.



Next steps

Keen to get started with the employment process? Here's what you need to do.

Our employment services are only available to groups already registered with Gift Collective. If you're not yet a part of our whānau, sign up at giftcollective.nz first.

- 1 Get in touch with our team – we'll walk you through all the options, so you can decide what's right for you.
- 2 Consider getting legal advice, then choose your structure – direct employment, an LLC, or another way that works for you. *Tell us which structure you're using.*
- 3 Review and sign the Service Agreement we'll send you. This agreement is between us and you – not with your employees.
- 4 Book a call with our team to go through all the details, ask any questions, and get the templates you'll need.
- 5 Recruit and onboard your employees – we'll be there to help along the way, and will check in with you every quarter to see how it's going.



Legal notice

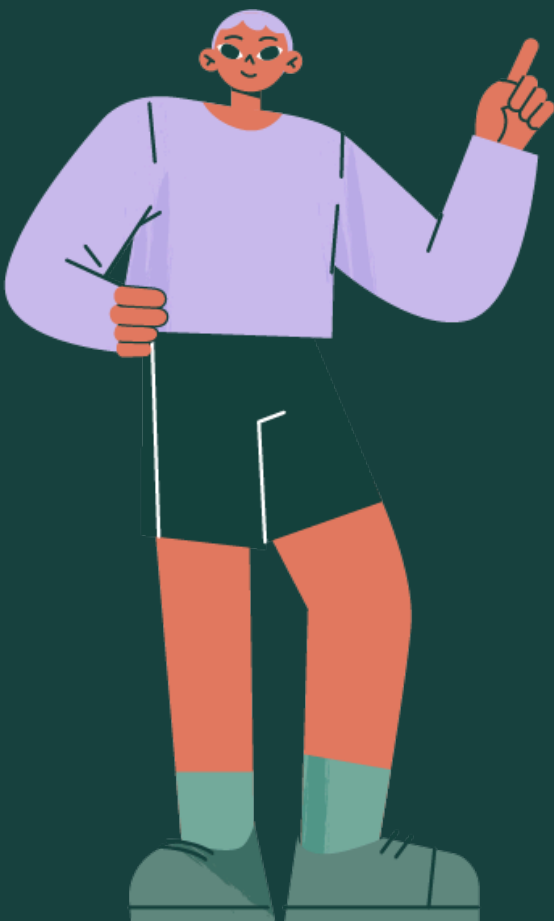
Gift Collective is a service offered by The Gift Trust, a New Zealand charitable trust and registered charity.

Gift Collective does not provide legal advice, and the guidance in this document is for informational purposes only.

We cannot provide advice as to which legal structure is right for your Collective. If you wish to use our employment services, it is up to you to obtain independent legal advice.

All decisions and actions taken in relation to your business, including but not limited to decisions regarding people management, operations, and strategy, remain your sole responsibility. It is your responsibility to ensure compliance with applicable laws and regulations.

While The Gift Trust makes every effort to ensure the accuracy of this information, it shall not be liable for any errors or omissions, nor shall it be liable for any losses or damages you may incur as a result of the information. This document does not constitute legal or professional advice, and The Gift Trust recommends users seek additional legal and/or professional advice in respect of its contents.





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Any pātai?
Ask us.



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