

GUERNSEY STATUTORY INSTRUMENT

ENTITLED

**The Charities etc. (Amendments, Exemptions, Governance
and Specified Amount) (Guernsey and Alderney)
Regulations, 2022 ***

[CONSOLIDATED TEXT]

NOTE

This consolidated version of the enactment incorporates all amendments listed in the footnote below. It has been prepared for the Guernsey Law website and is believed to be accurate and up to date, but it is not authoritative and has no legal effect. No warranty is given that the text is free of errors and omissions, and no liability is accepted for any loss arising from its use. The authoritative text of the enactment and of the amending instruments may be obtained from Her Majesty's Greffier, Royal Court House, Guernsey, GY1 2PB.

© States of Guernsey

* G.S.I. No. 31 of 2022; as amended by the: Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022 (G.S.I. No. 110 of 2022).

GUERNSEY STATUTORY INSTRUMENT

ENTITLED

The Charities etc. (Amendments, Exemptions, Governance and Specified Amount) (Guernsey and Alderney) Regulations, 2022

ARRANGEMENT OF REGULATIONS

PART I

AMENDMENT OF AND EXEMPTIONS FROM PROVISIONS IN ORDINANCE

1. Amendment of Ordinance.
2. Exemption from registration.
3. Exemptions relating to financial statements.

PART II

GOVERNANCE OBLIGATIONS FOR REGISTERED ORGANISATIONS: GENERAL

4. Constitutional documents.
5. Record keeping etc.
6. Financial probity and transparency.

PART III

GOVERNANCE OBLIGATIONS FOR REGISTERED ORGANISATIONS: RISK MITIGATION

7. General obligation to mitigate risks.
8. Identification measures.
9. Anti-financial crime policy.
10. International partners.
11. Reviews etc.

PART IV

GENERAL PROVISIONS

12. Specified amount.
13. Enforcement.
14. Interpretation.

15. Citation and Commencement.

SCHEDULE Constitution etc.

Explanatory Note.

(Made on 26th April, 2022.)

**The Charities etc. (Amendments, Exemptions, Governance
and Specified Amount) (Guernsey and Alderney)
Regulations, 2022**

THE STATES OF GUERNSEY POLICY & RESOURCES COMMITTEE, having consulted the Registrar, and in exercise of the powers conferred on it by sections 14, 17, 18, 20 and 29 of the Charities etc. (Guernsey and Alderney) Ordinance, 2021^a, and of all other powers enabling it in that behalf, hereby orders: –

PART I

AMENDMENT OF AND EXEMPTIONS FROM PROVISIONS IN ORDINANCE

Amendment of Ordinance.

1. (1) The Ordinance is amended as follows.
 - (2) In section 10, for subsection (3)(b), substitute the following –
 - "(b) its activities involve raising or distributing assets outside the Bailiwick, other than distributions of assets that –
 - (i) comprise expenditure incidental to the activities of the relevant entity,
 - (ii) in the case of a relevant entity established for or in support of purposes

^a Ordinance No. XXIV of 2021.

within the Bailiwick, comprise occasional distributions of physical items such as clothing or equipment for or in support of those same purposes to parties outside the Bailiwick,

(iii) are made in connection with the provision of medical, educational or other assistance to or for the benefit of an individual whose principal place of residence –

(A) is within the Bailiwick, or

(B) would be within the Bailiwick but for the fact that his or her presence elsewhere is necessary for the purpose of receiving or benefiting from the assistance in question,

and for the avoidance of doubt, it is immaterial whether the distributions are made to the individual receiving the assistance in question or to a third party, whether that be the person providing the assistance or otherwise, or

(iv) are de minimis."

(3) In section 16 –

Consolidated text

(a) for subsection (1)(b), substitute the following—

"(b) produce annual financial statements, and file those statements with the Registrar in such form and manner as the Registrar may specify in writing.", and

(b) after subsection (2), insert the following—

" (2A) Subject to subsection (2B), the financial statements referred to in subsection (1)(b) must –

(a) contain –

(i) except in the case of a voluntarily registered organisation, a balance sheet, and

(ii) a breakdown of income and expenditure, sufficient to show and explain the financial position of the registered organisation, and

(b) be filed with the Registrar within twelve months of the end of the financial year to which they relate.

(2B) Where a registered organisation is within subsection (2C), its annual financial statement should comprise a record of –

Consolidated text

- (a) all funds or other assets raised or accepted by it for or on behalf of, and
- (b) all funds or other assets remitted by it to,

its British parent organisation.

(2C) An organisation is within this subsection if –

- (a) the only activity which it carries out within the Bailiwick is to –
 - (i) raise or accept funds or other assets, or
 - (ii) provide services or facilities,for or on behalf of a British parent organisation, and
- (b) it conducts that activity in line with, and subject to, the requirements of the constitution of the British parent organisation within the meaning of subsection (2D).

(2D) For the purposes of these regulations, a British parent organisation is an organisation –

- (a) that is registered with the Charity Commission for England and Wales, with the Scottish Charity Regulator or with the corresponding authorities in Jersey or the Isle of Man, and

- (b) to which the registered organisation is affiliated."
- (4) In section 18(2) –
- (a) for the words "to an organisation in the United Kingdom, Jersey or the Isle of Man to which the relevant organisation is affiliated" substitute "a British parent organisation", and
 - (b) for the words "expenditure incidental to the activities of the registered organisation" substitute "a distribution within section 10(3)(b)(i) to (iv)".
- (5) In section 51, in the appropriate place, insert –
- " **"British parent organisation"**: see section 16,".

Exemption from registration.

2. (1) A relevant entity that comes within section 10(3) of the Ordinance is exempt from the obligation to apply for registration under section 10(1) if it –

- (a) does not carry out international activity, and
 - (b) does not solicit or accept donations, funds or contributions from the public within the meaning of [paragraph (4)].
- (2) For the avoidance of doubt, a person or body within [paragraph

(3)] ("**a government body**") is exempt from the obligation to apply for registration under subsection 10(1) of the Ordinance.

- (3) The persons and bodies within this paragraph are –
- (a) the States,
 - (b) the States of Alderney,
 - (c) any entity established [and owned or controlled] by the parties at (a) and (b) whose functions include receiving or providing funding for charitable purposes, and
 - (d) any persons employed by the parties at (a) to (c) when acting in the course of their employment.

(4) For the purposes of this regulation (and, for the avoidance of doubt, without prejudice to the meaning of "**public benefit**" for the purposes of section 9 of the Ordinance) –

- (a) references to the public do not include –
- (i) members of,
 - (ii) employees of,
 - (iii) participants in the activities of, or
 - (iv) persons providing assistance on a voluntary basis to,

Consolidated text

the relevant entity in question, or the family members or close associates of persons within subparagraphs (i) to (iii),

- (b) a person is a participant in the activities of a relevant entity if –
 - (i) in the case of a relevant entity that organises religious services, that person attends those services as a member of the congregation, or
 - (ii) in the case of a relevant entity that organises sporting or cultural events, that person takes part in those events, other than as a spectator or audience member, on payment of a fee, whether by way of a membership charge or otherwise,
- (c) the organisation of fundraising events which involve the provision of goods, amenities or other forms of benefit in exchange for payment does not constitute the solicitation or acceptance of donations, funds or contributions, and
- (d) except in the case of relevant entities who solicit legacies from the public, the acceptance of a bequest by a relevant entity does not constitute the solicitation or acceptance of donations, funds or contributions from the public.

NOTE

In regulation 2, the words, parentheses and letters in square brackets in, first, paragraph (1)(b) and, second, paragraph (2) were substituted and, third, the words in square brackets in paragraph (3)(c) were inserted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, respectively regulation 2(2)(a), regulation 2(2)(b) and regulation 2(2)(c), with effect from 20th December, 2022.

Exemptions relating to financial statements.

3. Without prejudice to the obligation to maintain financial statements at section 16(1)(b) of the Ordinance, a voluntarily registered organisation is exempt from the obligation within that section to file annual financial statements with the Registrar.

PART II

GOVERNANCE OBLIGATIONS FOR REGISTERED ORGANISATIONS:

GENERAL

Constitutional documents.

4. (1) Subject to the provisions of this regulation, a registered organisation must have a written constitution or other governing document that makes provision for the matters set out in the Schedule ("**the required information**").

(2) For the purposes of paragraph (1), the required information may be contained in more than one governing document, and in those circumstances all such governing documents are included in references in these regulations to a governing document of a registered organisation.

- (3) A registered organisation must –
- (a) provide a copy of its constitution or other governing document to the Registrar when applying for registration, and

- (b) notify the Registrar of any change to the constitution or other governing document provided under subparagraph (a), within 21 days of the change occurring.

(4) References in these regulations to the members, boards and named officers of registered organisations include trustees, committee members or any other parties howsoever described whose functions, powers and duties correspond to those ascribed to members, boards and named officers in these regulations.

(5) Where a registered organisation is an organisation within section 16(2C) of the Ordinance ("**a local branch**") –

- (a) references to a constitution or other governing document include the constitution or other governing document of its British parent organisation ("**the parent constitution**"),
- (b) subject to any relevant direction made under this regulation, the local branch is only required to have a governing document in addition to the parent constitution to the extent necessary to make provision for any aspects of the required information for which provision is not made within the parent constitution, and
- (c) the Registrar may direct that the required information or any part of the required information is modified or disapplied in relation to a local branch.

- (6) Where a registered organisation notifies the Registrar that –
- (a) an aspect of the required information ("**the relevant aspect**") is not permitted by the terms of any statute, deed, or other instrument that is applicable to the registered organisation on the date on which these regulations come into force ("**the conflicting requirement**"), and
 - (b) it does not have the power to remove, amend or otherwise modify the conflicting requirement so as to permit compliance with the relevant aspect,

the Registrar may direct that the relevant aspect does not apply to the registered organisation for as long as the conflicting requirement remains applicable to it.

(7) Without prejudice to [paragraphs (5) and (6)], where a registered organisation is [...] directed or controlled by a corporate services provider in its capacity as such –

- (a) paragraphs 13, 14(a) and 15 to 18 of the Schedule do not apply, and
- (b) references to the board or to members of the board elsewhere in these regulations are to be read as references to the corporate services provider in question.

NOTE

In regulation 4, the words, parentheses and letters in the first pair of square

brackets in subsection (7) were substituted and the word and punctuation omitted in the second pair of square brackets therein were revoked by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, respectively regulation 2(3)(a) and regulation 2(3)(b), with effect from 20th December, 2022, subject to the transitional provision in regulation 3 of the 2022 Regulations.

Record keeping etc.

5. (1) Without prejudice to the record keeping obligations at section 16 of the Ordinance, a registered organisation must make, keep and retain records in respect of the following matters –

- (a) the names and principal residential addresses of its board members,
- (b) minutes of any board meetings and any annual or extraordinary general meeting of the members of the registered organisation, including papers relevant to such meetings,
- (c) any documents relevant to the obligations under Part III of these Regulations, if applicable,
- (d) where the registered organisation is affiliated to another organisation, including a British parent organisation, documents that demonstrate or are otherwise relevant to that affiliation, and
- (e) any contracts, other than a contract that is not within these regulations, that are entered into by or on behalf of the registered organisation, including tenders or any other documents that are relevant to such contracts.

(2) Subject to paragraph (3), a contract is not within these regulations if it is a contract for the sale of goods or the provision of services by or to the registered organisation, and the price paid for those goods or services does not exceed £5,000.

(3) Any contract between a registered organisation and –

(a) an international partner, or

(b) any other affiliated organisation,

is a contract within these regulations.

(4) The records referred to in paragraph (1) –

(a) must be retained in a readily retrievable form for a period of not less than six years after the date of being made or, if later, after the expiry or completion of any relevant term of office, transaction, contract or affiliation, as the case may be, and

(b) subject to paragraphs (5) and (6), must be made available to any member of the registered organisation upon request.

(5) Subject to paragraph (6), details of the identity of, or other private information in respect of, particular donors or potential donors to a registered organisation, or particular recipients or potential recipients of assistance from a registered organisation, may be treated as confidential at the discretion of the board.

(6) Nothing in paragraphs (4) and (5) prejudices any obligation or

prohibition in respect of the provision of information that exists apart from these Regulations, whether imposed by statute, contract or otherwise.

Financial probity and transparency.

6. (1) A registered organisation must put in place measures to ensure its financial probity and the transparency of its dealings to its members or other interested parties as appropriate, which include –

- (a) a requirement for all funds given to or received from the registered organisation to pass, so far as is reasonably possible, through its bank account (and where this is not possible, for this fact and the reason why it was not possible to be recorded), other than funds which –
 - (i) do not exceed a total of £1,000 in any twelve-month period, and
 - (ii) which comprise payments made or received wholly within the Bailiwick in respect of purchases or other payments that are ancillary or incidental to the purpose of the registered organisation,
- (b) subject to paragraph (7), measures to ensure that the involvement of at least two unconnected individuals is required for the release of funds,
- (c) measures to ensure that –

Consolidated text

- (i) as far as is reasonably possible, and subject to paragraph (4), assets of the registered organisation are kept separate from those of any third party (including a member of the registered organisation itself), and
- (ii) as far as is reasonably possible, and without prejudice to sub-paragraph (d), where a member of a registered organisation provides funds to or for the benefit of the registered organisation or its activities, details of that fact and any repayment to the member in question are clearly stated in, and apparent from, the records of the registered organisation,
- (d) the adoption of policies and procedures which follow accepted principles of accounting and control, which are compliant with the record keeping obligations under these regulations or any other applicable legal obligations, and which include provision for the availability to the board of financial information, and
- (e) subject to paragraphs (2), (3) and (6), and only if the Committee so directs, making its most recent annual financial statement publicly available.

(2) The obligation at sub-paragraph (1)(e) does not apply to a registered organisation that does not solicit or accept donations, funds or contributions from the public.

(3) The obligation at sub-paragraph (1)(e) is subject to the

provisions governing the disclosure of information at regulation 5(5) and (6).

(4) Subparagraph (1)(c)(i) does not preclude a member of a registered organisation from paying cash received on behalf of the registered organisation into the bank account of a third party (including for the avoidance of doubt the personal account of the member concerned), provided that –

- (a) this is done with the intention of protecting the financial interests of the registered organisation,
- (b) a managing official of the registered organisation who is unconnected to the member concerned has consented to this, and
- (c) the payment does not exceed £1,000.

(5) The obligations at paragraph (1)(d) do not apply to a voluntarily registered organisation.

(6) A direction under paragraph (1)(e) may apply to a particular registered organisation, or class of registered organisation, and may be subject to such conditions as the Committee thinks fit.

(7) The obligation at paragraph (1) (b) does not apply to payments [below] an amount ("**the payment threshold**") that has previously been specified by a registered organisation for this purpose, provided that –

- (a) in specifying the payment threshold, the registered organisation has taken into account the risks of its payments being used for the criminal purposes applicable to it under regulation 7,

- (b) the registered organisation considers the payment threshold to be a *de minimis* amount that is proportionate to the risks referred to in sub-paragraph (a), and
- (c) the Registrar –
 - (i) has been notified of the payment threshold, and
 - (ii) has not notified the registered organisation that he or she objects to the payment threshold on the grounds that it is not a *de minimis* amount that is proportionate to the risks referred to in sub-paragraph (a).

NOTE

In regulation 6, the word in square brackets in subsection (7) was substituted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, regulation 2(4), with effect from 20th December, 2022.

PART III

**GOVERNANCE OBLIGATIONS FOR REGISTERED ORGANISATIONS: RISK
MITIGATION**

General obligation to mitigate risks.

7. (1) Subject to [paragraphs (2) and (5)], in this Part "**criminal purposes**" means the financing of terrorism, money laundering, fraud, bribery and corruption.

(2) Criminal purposes do not include the financing of terrorism in

the case of a registered organisation that does not carry out international activity or only provides funds or other assets or forms of assistance to an organisation that is registered with the Charity Commission for England and Wales, the Scottish Charity Regulator, or the corresponding authorities in Jersey and the Isle of Man ("**British registered organisation**").

(3) A registered organisation must put in place all necessary internal or other controls to ensure that neither it, nor its activities, can be used for criminal purposes.

(4) The controls referred to at paragraph (3) include the measures at [regulations 8 to 11] where applicable, and such other measures are necessary to ensure that –

- (a) the funds or other assets of the registered organisation are fully accounted for,
- (b) the funds or other assets of the registered organisation are used in a manner consistent with its purpose, mission and objectives,
- (c) the registered organisation fulfils all other obligations under its constitution or other governing document, if applicable, and
- (d) the registered organisation discharges any legal obligations to which it is subject.

[(5) The raising or distributing of assets in Jersey ("**Channel Island activity**") is not international activity for the purposes of paragraph (2).

(6) For the avoidance of doubt, paragraph (5) is without prejudice to any reference to international activity elsewhere in these Regulations or in the Ordinance.]

NOTE

In regulation 7, the words, parentheses and figures in square brackets in, first, paragraph (1) and, second, paragraph (4) were substituted and, third, paragraphs (5) and (6) were inserted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, respectively regulation 2(5)(a), regulation 2(5)(b) and regulation 2(5)(c), with effect from 20th December, 2022.

Identification measures.

8. (1) Subject to paragraph (2), a registered organisation must take such steps as are reasonable in all the circumstances to establish, and document –

- (a) unless the Registrar otherwise directs in the case of a British registered organisation, the identity, credentials, *bona fides* and good standing of –
 - (i) any British registered organisation to or from whom the registered organisation provides or receives funds or other assets or forms of assistance, and
 - (ii) any international partner,
- (b) the identity of any person other than a British registered organisation or an international partner making a donation –

Consolidated text

- (i) from outside the Bailiwick of a significant amount, or
 - (ii) which the registered organisation considers to be unusual, whether because of its origin, nature or otherwise, and
- (c) the identity, credentials, *bona fides* and good standing of any person other than a British registered organisation or an international partner to which the registered organisation provides funds or other assets or forms of assistance if –
- (i) the person in question is outside the Bailiwick and the funds or other assets or forms of assistance provided are significant, or
 - (ii) the provision of funds or other assets or forms of assistance is requested in a way which the registered organisation considers to be unusual, whether because of the circumstances or nature of the request, or otherwise.
- (2) The identification measures at paragraph (1) –
- (a) do not apply to a government body (which for these purposes includes Chief Pleas in the same way as it includes the States and the States of Alderney), and

- (b) in the case of a British registered organisation, are met by confirming that it is registered on the register in question.
- (3) For the purposes of paragraph (1) –
- (a) donations, funds or other assets or forms of assistance are significant if they comprise –
 - (i) monetary payments that exceed £15,000 in any given year (whether they are made in the form of a single transaction or in a series of transactions), or
 - (ii) items donated as a single transaction or as part of a series of transactions in any given year that are tradable on an open market and it is readily apparent that their value on that market at the time when the donation or distribution is made exceeds £15,000, or would exceed £15,000 if assessed collectively with other items donated in the same year,
 - [(aa) references to a British registered organisation shall be construed as including organisations registered under the Ordinance or under the Charities and Non Profit Organisations (Registration) (Sark) Law, 2010,]
 - (b) where a party to whom the measures at paragraph (1) apply is an entity other than an entity within paragraph (4), a registered organisation should take such steps as

are reasonable in all the circumstances to apply the measures at paragraph (1) to the individuals who own or control the entity, and

- (c) the establishment of the credentials and good standing of a person includes consideration, as far as reasonably possible, of whether there is reason to believe that the person, or, in the case of an entity, any individual who owns or controls the entity, would intentionally or inadvertently apply any funds or assets or other form of assistance received for criminal purposes, or enable another person to do so.
- (4) An entity is within this paragraph if it is –
- (a) a Guernsey legal person,
 - (b) an Alderney company,
 - (c) licensed by, or registered with, the Commission,
 - (d) administered by a corporate services provider, or
 - (e) a company listed on a recognised stock exchange within the meaning of the Beneficial Ownership (Definition) Regulations, 2017^b, or a majority subsidiary of such a company.
- (5) The identification measures at paragraph (1) should be taken

^b G.S.I. No. 38 of 2017. This enactment has been amended.

before accepting a donation or providing funds or other assets or forms of assistance, as the case may be (or, where it is not reasonably practicable to do so, as soon as possible thereafter).

(6) Where a registered organisation is unable to carry out the identification measures required by this regulation, or as a result of carrying out those measures has concerns about the risks of it, or its activities, being used for criminal purposes, it should put in place such measures as are reasonable in all the circumstances to mitigate those risks, whether by refusing to accept a donation, deciding not to provide the funds or other assets or forms of assistance, or otherwise.

(7) A registered organisation must record in a register –

- (a) the names and location of any persons in respect of whom it takes identification measures under paragraph (1),
- (b) the amount of any donation received from, or funds or other assets or form of assistance provided to, that person as the case may be, and
- (c) if applicable, a summary of –
 - (i) the information verifying the credentials, *bona fides* and good standing of that person, and
 - (ii) any measures taken to mitigate the risks associated with receiving a donation from, or providing funds or other assets or form of assistance to, that person as the case may be.

NOTE

In regulation 8, paragraph (3)(aa) was inserted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, regulation 2(6), with effect from 20th December, 2022.

Anti-financial crime policy.

9. (1) A registered organisation that carries out international activity [other than Channel Island activity] and is not a local branch must have a written policy ("**anti-financial crime policy**") that addresses the risks to the registered organisation of it, or its activities, being used for criminal purposes.

(2) For the avoidance of doubt, addressing the risks referred to in paragraph (1) includes addressing such risks in dealing with an international partner.

(3) [Subject to paragraph (4), a registered organisation] that is obliged to have an anti- financial crime policy by virtue of paragraph (1) must provide a copy to the Registrar when applying for registration.

[(4) Where a registered organisation within paragraph (3) –

(a) is administered, directed or controlled by a corporate services provider, and

(b) the corporate services provider has an anti-financial crime policy or policies which the registered organisation adopts for the purposes of its own activities,

the obligation to provide a copy of its anti-financial crime policy at paragraph (3) is met by the registered organisation taking the steps within paragraph (5).

- (5) The steps within this paragraph are –
- (a) to notify the Registrar that the registered organisation is administered, directed or controlled by a corporate services provider,
 - (b) to identify the corporate services provider concerned, and
 - (c) to provide the Registrar with documentary evidence of the adoption by the registered organisation of the anti-financial crime policy or policies of the corporate services provider.]

NOTE

In regulation 9, first, the words in square brackets in paragraph (1) were inserted, second, those in square brackets in paragraph (3) were substituted and, third, paragraphs (4) and (5) were inserted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, respectively regulation 2(7)(a), regulation 2(7)(b) and regulation 2(7)(c), with effect from 20th December, 2022.

International partners.

10. (1) Subject to paragraph (4), for the purposes of these Regulations an "**international partner**" is an affiliated organisation or any other entity or individual with which a registered organisation has arrangements in place for the purposes of providing funds or other assets or other forms of assistance outside the Bailiwick.

(2) A registered organisation must put in place such procedures and controls in respect of its dealings with any international partner as are reasonable

in all the circumstances for the purposes of preventing the registered organisation or its activities being used for criminal purposes as a result of those dealings.

(3) For the avoidance of doubt, the measures referred to in paragraph (2) may include a decision not to have any, or any further, dealings with an international partner.

(4) An international partner does not include a British registered organisation.

Reviews etc.

- 11.** (1) A registered organisation must –
- (a) review annually its compliance with –
 - (i) the obligations applicable to it under the Ordinance and these regulations ("**legal obligations**"), and
 - (ii) its anti-financial crime policy, if applicable,
 - (b) where it identifies any failure of compliance with legal obligations or with its anti-financial crime policy if applicable (whether as a result of a review carried out under this regulation or otherwise), put in place any necessary mitigating measures,
 - (c) review periodically, and update as necessary, its constitution or other governance document and its anti-financial crime policy if applicable, and

- (d) record the findings of the reviews referred to in this regulation and any actions taken as a result in the records of the registered organisation.

PART IV
GENERAL PROVISIONS

Specified amount.

12. The specified amount for the purposes of the reporting obligation at section 18 of the Ordinance is £100,000.

Enforcement.

13. (1) Section 23 of the Ordinance applies to a failure by a registered organisation to comply with the duties applicable to it under these Regulations in the same way as it does to failure to comply with any of the duties applicable to it under Part IV or Schedule 6 of the Ordinance.

(2) The duties imposed by these Regulations are without prejudice to any other obligations that may be applicable to a registered organisation under any enactment.

Interpretation.

14. (1) In these Regulations –

"affiliated organisation" means an organisation to which a registered organisation is affiliated, and includes a British parent organisation,

"anti-financial crime policy": see regulation 9,

"British registered organisation": see regulation 7,

["**Channel Island activity**": see regulation 7,]

"**corporate services provider**" has the same meaning as in the Guernsey Companies Law 2008,

"**conflicting requirement**": see regulation 4,

"**criminal purposes**": see regulation 7,

"**government body**": see regulation 2 (and see also regulation 8),

"**international activity**" means activity that engages the obligation to register under subsection 10(3)(b) of the Ordinance,

"**international partner**": see regulation 10,

"**legal obligations**": see regulation 11,

"**local branch**": see regulation 4,

a "**member**" of a relevant entity means a person who has the right to vote on decisions taken by or on behalf of that relevant entity (and for the avoidance of doubt, it is irrelevant whether this right applies to all or only some such decisions),

"**the Ordinance**" means the Charities etc. (Guernsey and Alderney) Ordinance, 2021,

"**parent constitution**": see regulation 4,

"**the payment threshold**": see regulation 6,

"the relevant aspect": see regulation 4,

"the required information": see regulation 4,

"specified roles": see the Schedule,

"voluntarily registered organisation" means a registered organisation that has registered under section 10(2) of the Ordinance,

and other terms used both in these Regulations and in the Ordinance shall have the same meanings as in the Ordinance.

NOTE

In regulation 14, the definition of the expression "Channel Island activity" in paragraph (1) was inserted by the Charities etc. (Amendment) (Guernsey and Alderney) Regulations, 2022, regulation 2(8), with effect from 20th December, 2022.

Citation and Commencement.

15. These Regulations may be cited as the Charities etc. (Amendments, Exemptions, Governance and Specified Amount) (Guernsey and Alderney) Regulations, 2022 and shall come into force on 29th April, 2022.

SCHEDULE

Regulation 4

CONSTITUTION ETC.

The constitution or other governing document of a registered organisation must include the following –

1. The name of the organisation.
2. Its legal status (for example company, unincorporated association, foundation).
3. Its purpose and mission or objectives.
4. If applicable, its relationship to other non-profit organisations, whether as a member of an affiliation network or otherwise.
5. Arrangements governing its dissolution.
6. Rules governing the administration of its assets, if any.
7. Rules governing the amendment of its constitution or other governing document.
8. The nature or, if applicable the identity, of its members.
9. Membership rules such as eligibility, suspension and expulsion.
10. Rules concerning frequency of and proceedings at members' meetings, including provisions for quorum and voting.

11. Provisions for taking decisions about whether or not the annual financial statements should be independently audited or examined, as befits the organisation's size, nature and complexity.
12. The rights of members to see the annual financial statements of the organisation within a reasonable period following the end of the accounting period. Such statements are not required to be independently audited or appropriately examined independently of the organisation, unless this is required as determined under paragraph 11.
13. The process by which the members of the governing body are determined, including –
 - (a) minimum number of members of the board in accordance with the following –
 - (i) subject to subparagraph (iii) the board must comprise at least three people to occupy the roles of Chair, Secretary and Treasurer or equivalent ("the specified roles"),
 - (ii) the Treasurer (or equivalent) and the occupant of at least one of the other specified roles must be unconnected to one another, and
 - (iii) in the case of a voluntarily registered organisation, the same person may occupy the role of Chair and Secretary (or equivalent),
 - (b) terms of office, where appropriate,
 - (c) maximum length of service where appropriate,

- (d) limits on re-election where appropriate,
 - (e) conflict of interest provisions,
 - (f) provisions for retirement, dismissal and replacement of board members,
 - (g) remuneration of board members (if applicable),
 - (h) a requirement that a majority of the board members must be Guernsey or Alderney residents.
14. Duties and powers of the board, including –
- (a) a requirement for board members to be persons of integrity and probity who have suitable and appropriate skills and experience,
 - (b) a duty to act in good faith at all times, with a general duty of care,
 - (c) a duty to act only in accordance with the powers afforded by the Constitution,
 - (d) a duty to ensure that there are measures in place to enable the organisation to achieve its purpose and mission or objectives effectively, to fulfil its other obligations under its constitution and to discharge any legal obligations to which it is subject,
 - (e) a duty to review the activities of the organisation, as well as its own performance, from time to time to ensure that the organisation continues to achieve its purpose and mission or objectives effectively,

to fulfil its other obligations under its constitution, and to discharge any legal obligations to which it is subject, as required by regulation 11,

- (f) a duty to take all reasonable measures with the objective of ensuring that the financial position of the organisation is satisfactory and prudent for the purposes of the organisation's mission or objectives.

- 15. Duties and powers of the Chair or equivalent
- 16. Duties and powers of the Secretary or equivalent
- 17. Duties and powers of the Treasurer or equivalent
- 18. Rules concerning frequency of, and proceedings at, meetings of board members, including provisions for quorum and voting).

EXPLANATORY NOTE

*(This note is not part of the Regulations)***

These Regulations amend, and provide some exemptions from the requirements under, the Charities etc. (Guernsey and Alderney) Ordinance, 2021. They also set out requirements of good governance and risk mitigation applicable to charities and other non-profit organisations that are registered under the Ordinance, in order to promote transparency, integrity and public confidence in their administration and management. Finally, the Regulations specify the threshold for the reporting obligation under the Ordinance in respect of payments outside the Bailiwick.

The Regulations shall come into force on 29 April, 2022.

** The text of this Explanatory Note is as it was when the Statutory Instrument was first made – that is to say that the Explanatory Note has not been updated to take account of any changes made by subsequent amending Statutory Instruments with their own Explanatory Notes.