

SAFEGUARDING THE NON-PROFIT ORGANISATIONS (NPOS) SECTOR IN ANGUILLA – REVIEW OF NPOs REGULATIONS

The Non-Profit Organisations Regulations (NPO Regulations) was enacted on 28th May 2010. This new legislation can be found on the Anguilla Financial Services Commission (AFSC) website, www.fsc.org.ai under sections “Anti-Money Laundering and Combating the Financing of Terrorism” and “Legislation”. The NPO Regulations seek to safeguard the NPO sector by providing the necessary tools to monitor, supervise and assess the risks facing the sector.

Under the NPO Regulations, the NPO Supervisor is the AFSC which shall establish and maintain a register of non-profit organisations. Accordingly Section 5 of the NPOs Regulations state that a non-profit organisation which is incorporated, formed or otherwise established in Anguilla; or is administered in or from within Anguilla must be registered with the AFSC. NPOs will be exempted from registration if their gross annual income does not exceed \$5,000 and assets do not exceed \$10,000 in value. The exemption will be determined by the AFSC based on the information submitted in the application form. A NPO that fails to comply with this section is guilty of an offence and is liable on summary conviction to a fine not exceeding \$50,000.

An application may be submitted to the AFSC to register a NPO or a proposed NPO. The application form is available on the AFSC website under sections “Anti-Money Laundering and Combating the Financing of Terrorism” and “What’s New”. There is a one time registration fee of EC \$150.00.

Sections 10 and 11 of the NPO Regulations indicate that registered NPOs will have obligations to adhere to. Any change in information must be provided to the NPO Supervisor, as soon as reasonably practicable. These changes also include amendments to its purposes, objectives and activities.

NPOs are required to keep records of its purposes, objectives and activities, and the identity of the persons who control or direct its activities, including, as appropriate, senior officers, directors and trustees. Also, financial records that show and explain transactions, within and outside Anguilla, and that are sufficiently detailed to show that funds have been used in a manner consistent with its purposes, objectives and activities, and show the sources of its gross income

must be kept. Records are to be kept for a period of at least 5 years. A registered NPO that contravenes section 11 is guilty of an offence and is liable on summary conviction, to a fine not exceeding \$20,000.

NPOs will be exempted from registration if the gross income and assets do not fall within the stated threshold. As a result, section 13 of the NPO Regulations states that a person who, with intent to deceive or provides any information, makes any representation or submits any document or return that he/she knows to be false or materially misleading or does not believe to be true; or recklessly provides any information, makes any representation or submits any document or return that is false or materially misleading is guilty of an offence and is liable on summary conviction to a fine not exceeding \$50,000.

The AFSC encourages your cooperation and support as we all join in the effort to safeguard the jurisdiction from illegal activities and illegitimate business associated with money laundering and terrorist financing.

Anguilla Financial Services Commission
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