



## Coronavirus (COVID-19) Guidance for Isle of Man Registered Charities

*This document is aimed at assisting charities registered in the Isle of Man during the Coronavirus pandemic. It reflects the situation as at 16 June 2020 and will be updated, as necessary, as circumstances change.*

*The information contained in this document is of temporary application and does not replace the provisions in the Charities Registration and Regulation Act 2019 or the Charities Regulations 2020.*

### **Business almost as usual**

With the recent announcements by the Council of Ministers, in particular removing the legal requirement for social distancing and the restrictions on both indoor and outdoor gatherings, life within the Island has now substantially returned to normal.

As has been stressed by the Chief Minister, further cases of the virus in the Island remains a possibility, most likely connected to individuals returning to the Island. Accordingly, the obligatory period of self-isolation remains in place and it is likely that restrictions on arrivals will continue for some time yet, and the need to re-impose some of the other restrictions remains a possibility. Also, there will be people on the Island who will choose to continue to adhere to social distancing recommendations, perhaps due to their level of vulnerability.

Of course, restrictions continue to apply in other parts of the British Isles, and beyond, which continue to impact on charities established outside the Island.

So, there may be a continuing impact on charities registered in the Isle of Man despite the recent changes here. For this reason, this guidance will remain in place for the time being, with some amendments. **Whilst the present favourable situation in the Island continues, however, it is expected that charities will, so far as is reasonably practicable, carry on business as usual** and, where changes are required to governing instruments, e.g. to permit the holding of general meetings should restrictions on gatherings be re-imposed, that the opportunity is taken to do so as soon as possible.

### **Do I still have to inform the Attorney General of details of any changes within one month of the date of the change taking place?**

The requirement to notify the Attorney General of details of any changes continues to apply, as it is important that the information on the register concerning the identity and contact details of charity trustees, etc. is kept up to date. However, if (and only if) restrictions/measures in place mean that the usual notification form cannot be completed, signed by all necessary parties and/or sent by post within the one month period as required by section 23 of the 2019 Act, then the changes can instead be notified in writing, either by letter sent to the Attorney General's Chambers or by e-mail to [charities@gov.im](mailto:charities@gov.im). The signed notification form should still be sent by post as soon as circumstances allow. If notification is given by e-mail, wherever possible please attach either a scanned copy of the completed form (with signatures if available) or a completed (but unsigned) word version.

### **Can I cancel or postpone my charity's AGM?**

*[This guidance on this topic is primarily intended for charities which are established in the Isle of Man. Foreign charities should have regard to the law of the jurisdiction in which they are established.]*

Any charity which has a membership should hold an AGM within each 12 month period or shortly thereafter. So, it is not possible to cancel an AGM altogether.

Although there are no longer any restrictions on public gatherings in the Island, there may still be guidance in place concerning precautions to be taken by people classed as vulnerable or extremely vulnerable and, of course, restrictions on travel to the Island remain in place. This may result in a reduction of the number of members who are likely to be able to attend general meetings. Charities should be considering the effect that this may have on the holding of general meetings, in particular the likelihood of the number of members required for a quorum being present. Unless a charity's governing instrument prevents "virtual meetings", charities can consider permitting members to be present at general meetings by using an on-line video conferencing facility, such as Zoom. However, this may not be practical where charities have a large membership or where a significant proportion of members affected are unable to make use of the relevant technology and would be unable to take part in the meeting unless the charity's constitution provides for attendance by a nominated representative/proxy.

Accordingly, any charity which is required to hold its AGM before the end of July 2020, but would be unable to do so despite the lifting in the Island of the restrictions on gatherings, is able to postpone the holding of the AGM up to the end of August 2020, which would give time to amend the charity's governing instrument to make provision for alternative arrangements, e.g. reducing the quorum and/or allowing members to vote on proposals (including election of charity trustees) by proxy or by post/e-mail if the restrictions/measures look set to continue. It is recommended that only essential business be transacted in such circumstances, eg electing charity trustees, appointing an auditor or independent examiner or receiving the accounts of the charity.

PLEASE NOTE THAT IT IS UNLIKELY THAT ANY FURTHER POSTPONEMENTS WILL BE AGREED AS A MATTER OF GENERAL PRINCIPLE AS CHARITIES SHOULD NOW HAVE HAD SUFFICIENT OPPORTUNITY TO MAKE ANY NECESSARY CHANGES TO ENABLE GENERAL MEETINGS TO PROCEED DURING THE PRESENT SITUATION OR IN THE EVENT THAT RESTRICTIONS ON GATHERINGS ARE REIMPOSED.

Where the charity's governing instrument provides for any amendment to be made at a general meeting, this should be interpreted as permitting the members to vote by post on the necessary resolution if (and only if) restrictions/measures in force at the time the meeting at which the amendment is to be made is held mean that the necessary quorum cannot be achieved.

Any charity required to hold an AGM from 1 August 2020 onwards should be able to make the necessary amendments in time. In cases where a charity's governing instrument does not currently permit amendment, since 1 April 2020, the Attorney General has been able to consent to the charity trustees passing a resolution to adopt appropriate provisions provided the governing instrument following amendment complies with the requirements set out in Regulation 8 of the Charities Regulations 2020.

**Can video/tele-conferencing or the internet be used as an alternative to face-to-face meetings of the charity trustees if the present situation means that a quorate meeting cannot be held in person?**

Some charities have clauses in their governing instruments that allow them to meet virtually or to use telephone facilities. Charity trustees should check their governing instruments to see whether their charity already has this provision or, alternatively, a provision which enables the charity trustees to make rules concerning the holding of their meetings, which would enable them to provide for meetings to take place using telephone or on-line video conferencing facilities.

Where there is no such clause in a charity's governing instrument, in the present situation it will be acceptable if a charity's trustees decide to hold meetings over the phone or using an on-line facility. However, charity trustees should record in writing that they have taken this decision. It is also recommended that charity trustees consider amending their charity's governing document to provide for their meetings to be held other than face to face in case the need arises in future.

**Do I still have to submit my charity's accounts no later than 6 months after the financial year end?**

If (and only if) the process of preparing, examining/auditing and/or agreeing a charity's accounts is unable to be completed in time to enable compliance with the filing requirement as a consequence of the coronavirus pandemic, a reasonable additional period will be agreed for the accounts to be filed, provided the charity has taken such steps which are reasonably available to it in the present circumstances. Such steps will include circulating documents electronically or by post, wherever possible, taking account of the prevailing public health instructions. As all requests for an additional period will be considered on a case by case basis, any charity which anticipates that the filing of its accounts may be delayed should contact Wendy Joughin, Charities Registration Officer, via e-mail at [charities@gov.im](mailto:charities@gov.im) providing details of the steps taken, etc.

**My charity will be due to submit an annual report together with its accounts. Must this also be submitted within 6 months of the financial year end?**

The requirement for an Annual Report does not take effect until 1 April 2020. This means that it will first be required in respect of the financial year which ends on or after 1 April 2020 (see section 29 of the Charities Registration and Regulation Act 2019 and Article 4 of the Charities Registration and Regulation Act 2019 (Appointed Day) Order 2019).

The deadline for submission of charity's accounts and Annual Report is currently 6 months from the end of the accounting year in question.