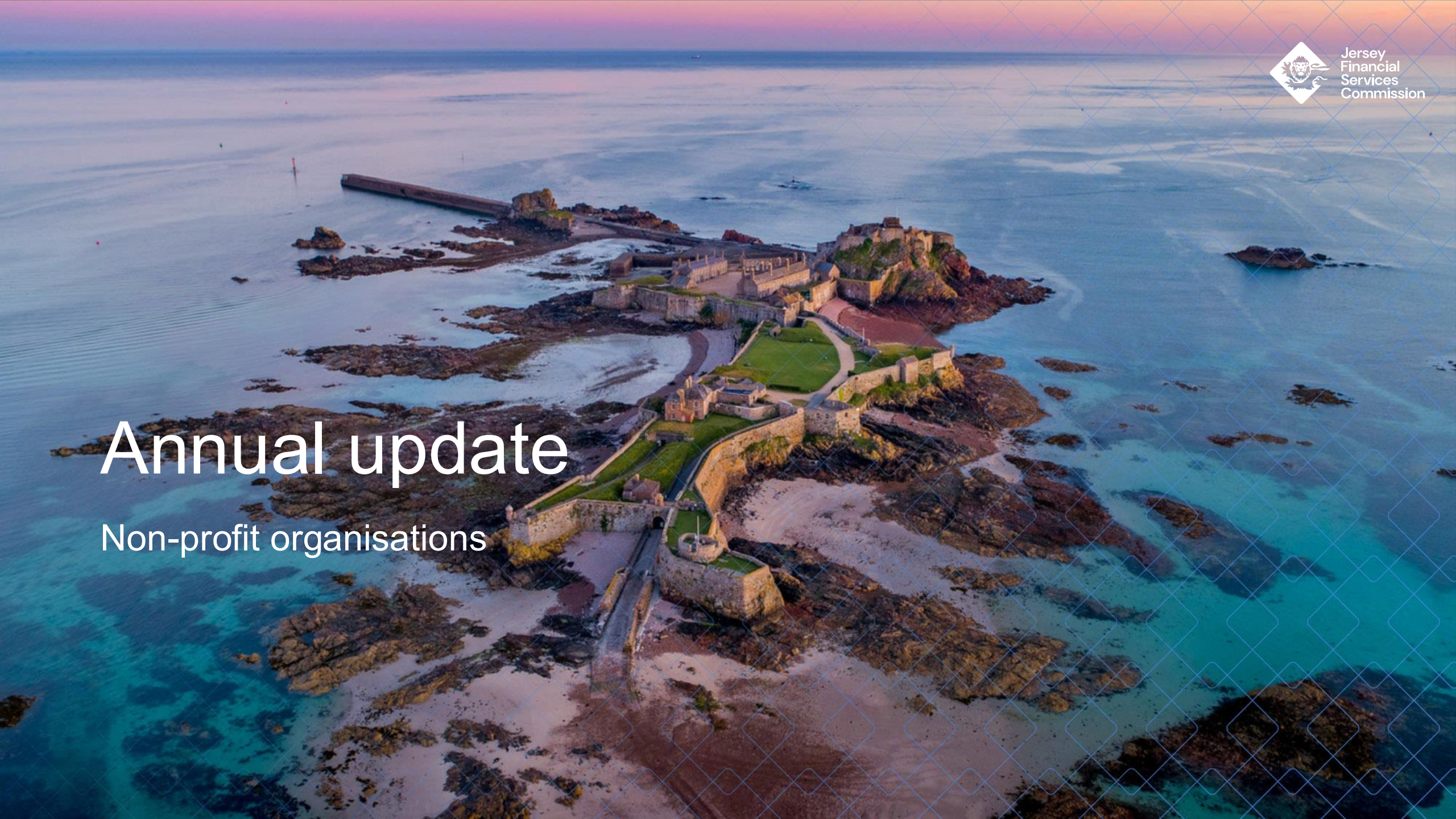


Jersey Financial Services Commission

Annual update

Non-profit organisations

Jersey Financial Services Commission

Welcome

Sam Davison, Head of Unit

Jersey Financial Services Commission

Welcome

Lynn Cleary, Commissioner

Resources

Jersey Financial Services Commission



www.jerseyfsc.org/publications/presentations/npo-annual-update-2026/



Jersey Financial Services Commission

Reminder of the Registered NPO and Prescribed NPO definitions

Kate Rogers, Senior Manager

Am I a non-profit organisation?

Jersey Financial Services Commission

Article 1 of the Non-Profit Organizations (Jersey) Law 2008 (the NPO Law) defines an NPO as:

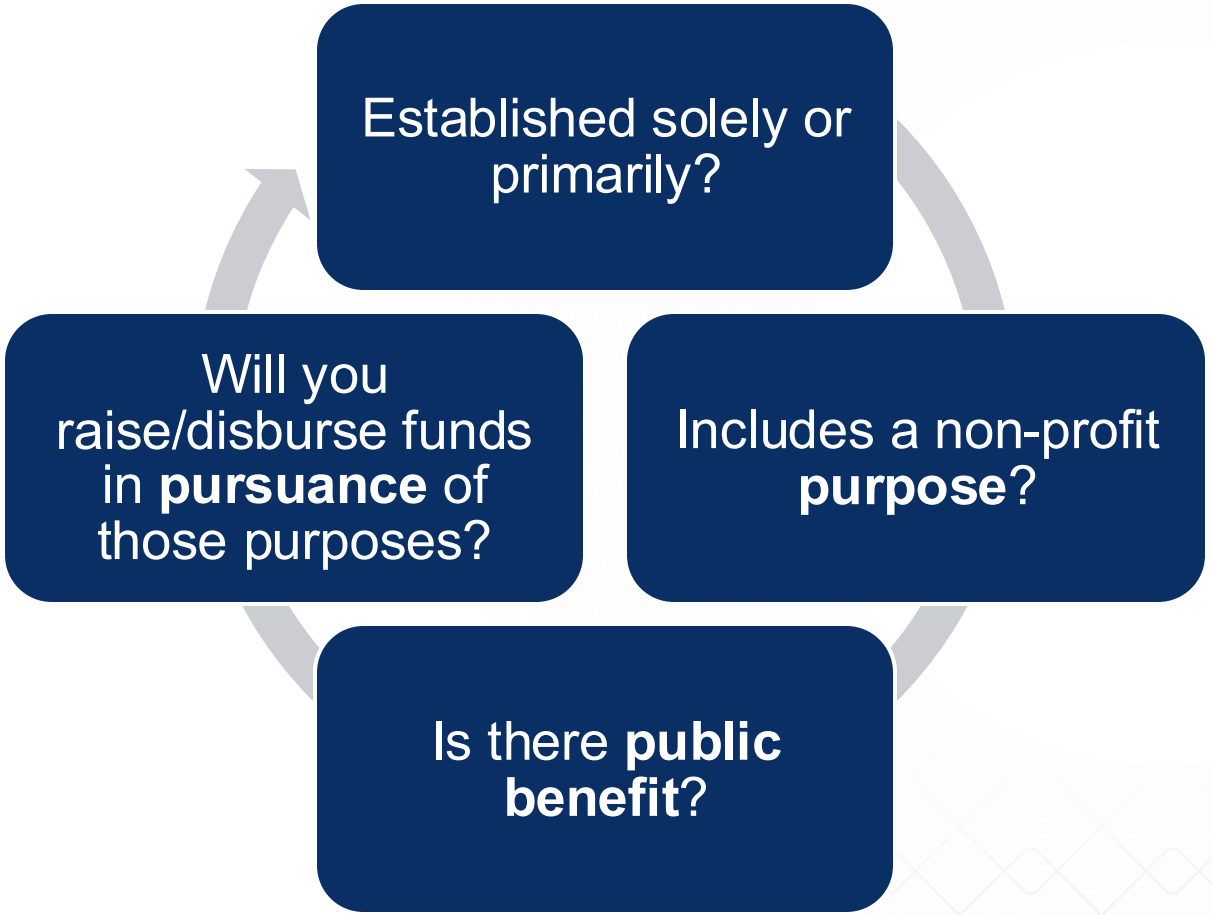
1 Non-profit organization define

(a) An organization, legal person or arrangement is a non-profit organization for the purposes of this Law if it is established **solely or primarily** for charitable, religious, cultural, educational, social, or fraternal purposes with the **intention of benefiting the public** or a section of the public; and

(b) it raises or disburses funds in **pursuance of those purposes.**

Am I a non-profit organisation?

Jersey Financial Services Commission



Am I a non-profit organisation?

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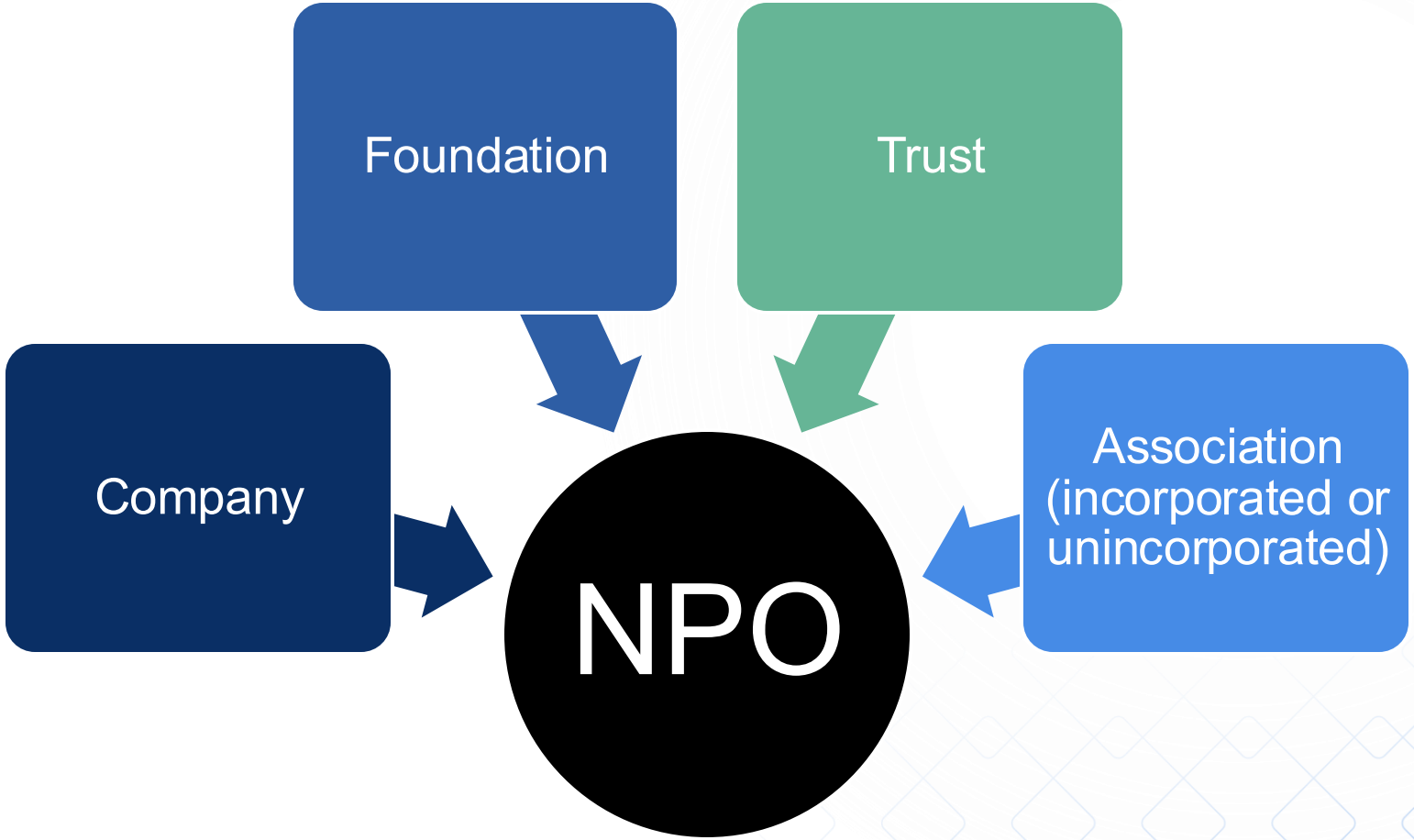
When would a NPO not need to register?

Organisations that fall outside of the above definition do not have to register with the JFSC. However, you can still include a **non-profit or social enterprise** element in your work.

Examples of NPOs who would fall outside of the definition are:

- Commercial businesses
- Closed interest/membership organisations (Trade Unions)
- Culture groups (e.g., book clubs)
- Neighbourhood groups
- Certain thrift clubs, provided they are purely savings clubs (to benefit their members) or have a gambling element.

The difference between NPO status and legal structure



Registered NPO vs Prescribed NPO

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Registered NPO

Must register with the JFSC if it falls within the NPO definition.

Prescribed NPO

An NPO becomes "Prescribed" if during the previous 12 months it has:

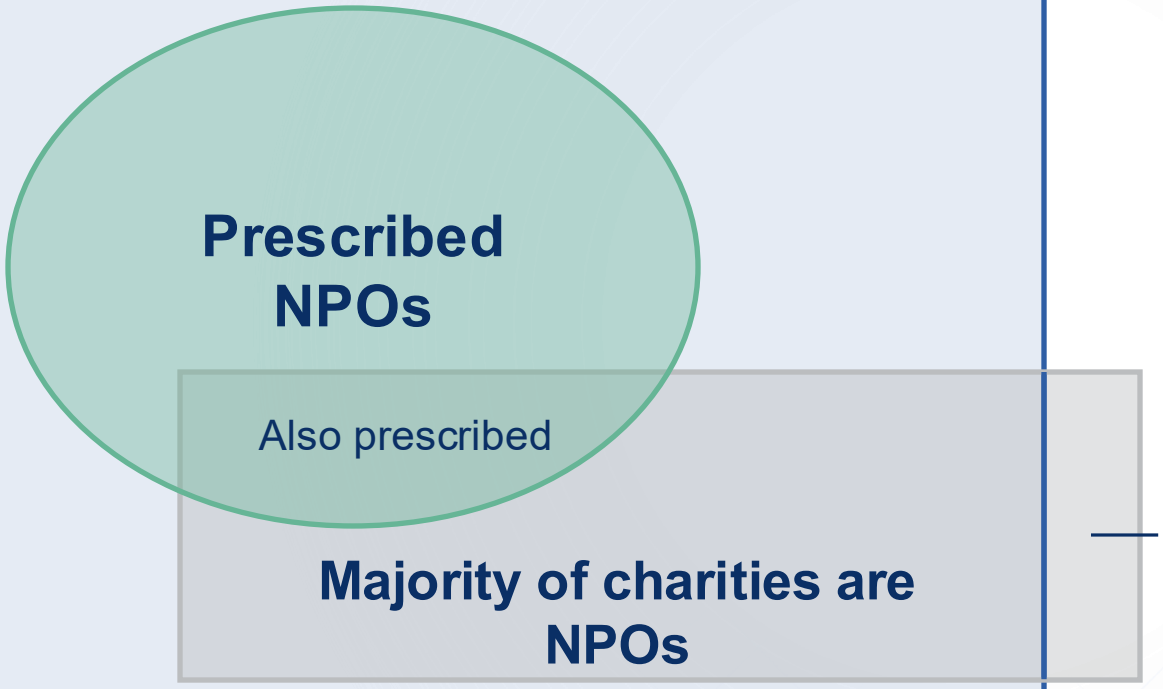
- Raised more than **£1,000** from outside Jersey, Guernsey, the Isle of Man, England, Wales and Scotland; or
- Disbursed more than **£1,000** outside those jurisdictions

A Prescribed NPO will be subject to **additional obligations**.

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Registered NPOs

All prescribed NPOs are registered NPOs



A small proportion of charities are outside the NPO perimeter

Set sizes are illustrative.



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Differences between NPOs and Charities

Richard Jouault & Jayne Silver

Non-Profit Organisations (NPO's) and Registered Charities in Jersey

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

- NPOs vs Charities
- The Charity Test
- Role of the Commissioner and duties of Charity Governors
- Misconduct

NPOs and Registered Charities

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

- (Nearly) all registered charities are NPOs, but not all NPOs are charities
- NPOs are registered with the Jersey Financial Services Commission (JFSC) under the Non-Profit Organizations (Jersey) Law 2008
- Charities are registered with the Jersey Charity Commissioner (JCC) under the Charities (Jersey) Law 2014
- First charity registered September 2018

The Charity Test

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

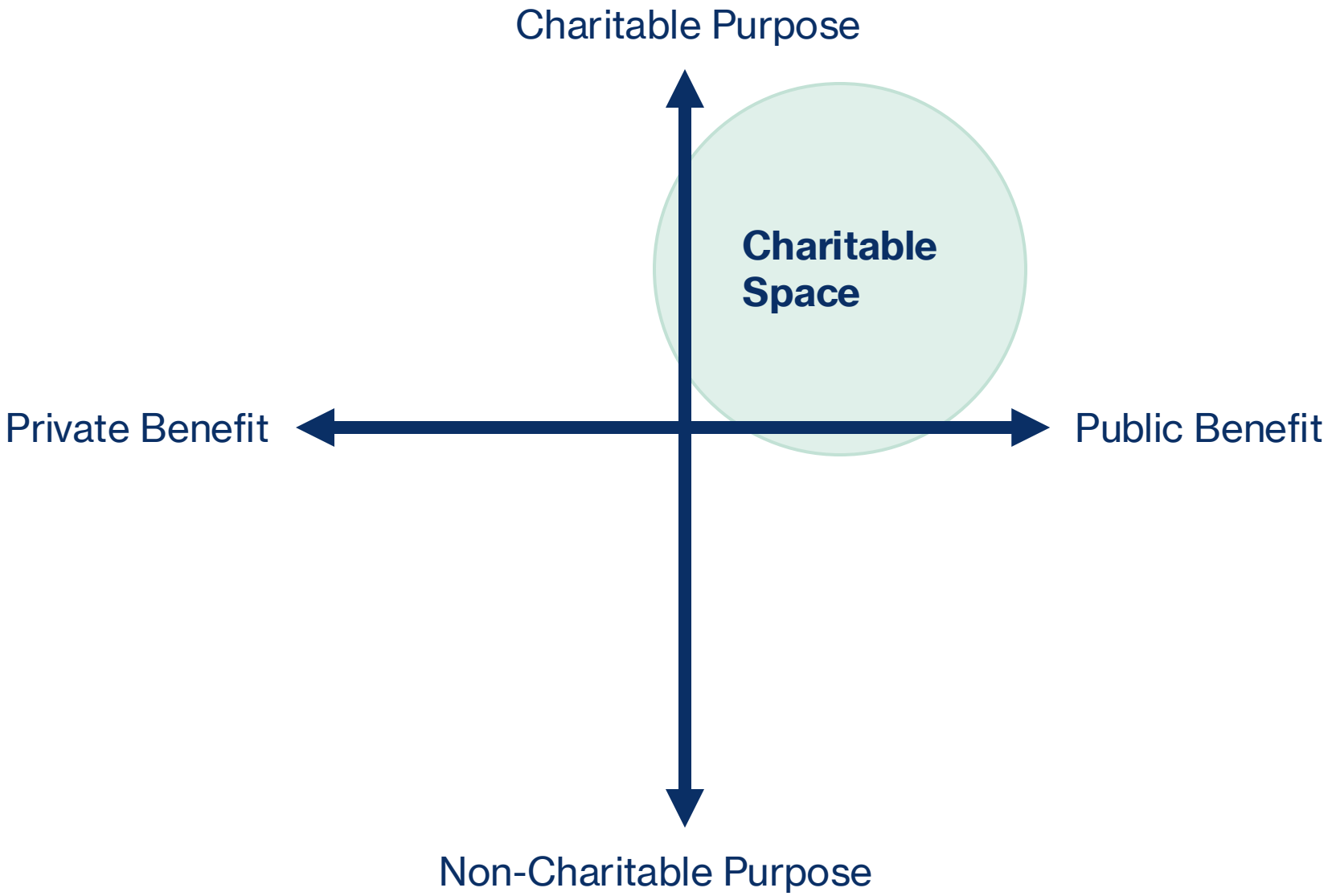
All purposes must be charitable (or ancillary/incidental)

The entity must provide public benefit to a reasonable degree

Examples: poverty relief, education, religion, health, community development, arts, environment, equality and animal welfare

The Charity Test

JERSEY CHARITY COMMISSIONER
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Role of the Charity Commissioner

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

Maintain public trust and confidence in charities

Register new charities (and deregister old ones)

Monitor compliance through annual returns

Supervise governors' compliance with their legal duties

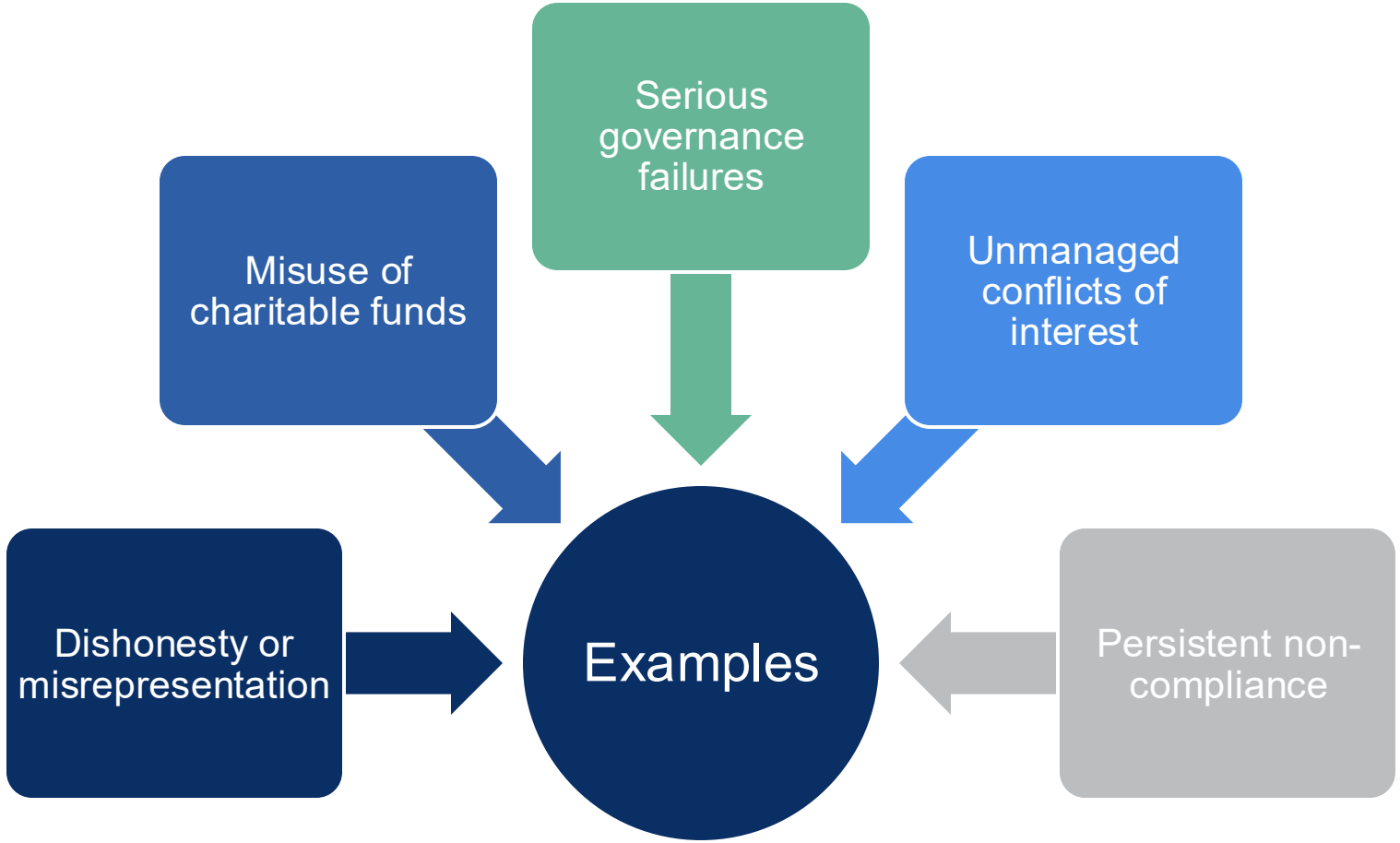
Governor's legal duties

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

- Act the interest of the charity
- Ensure compliance with constitution, charitable purpose and public benefit statement
- Exercise due care, diligence and skill
- Manage resources responsibly
- Meet legal and reporting obligations
- Protect public trust and confidence

Misconduct and mismanagement

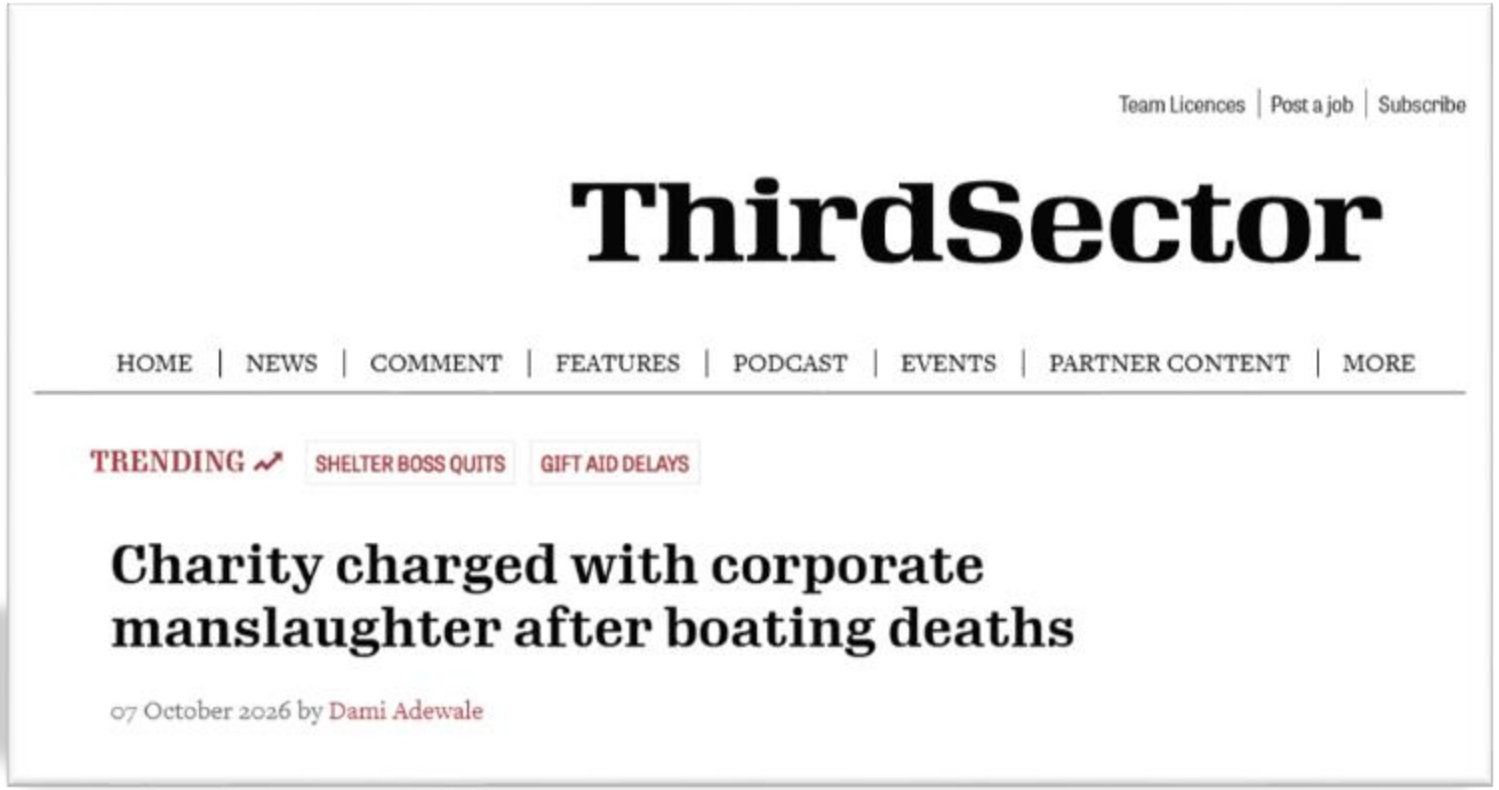
JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities

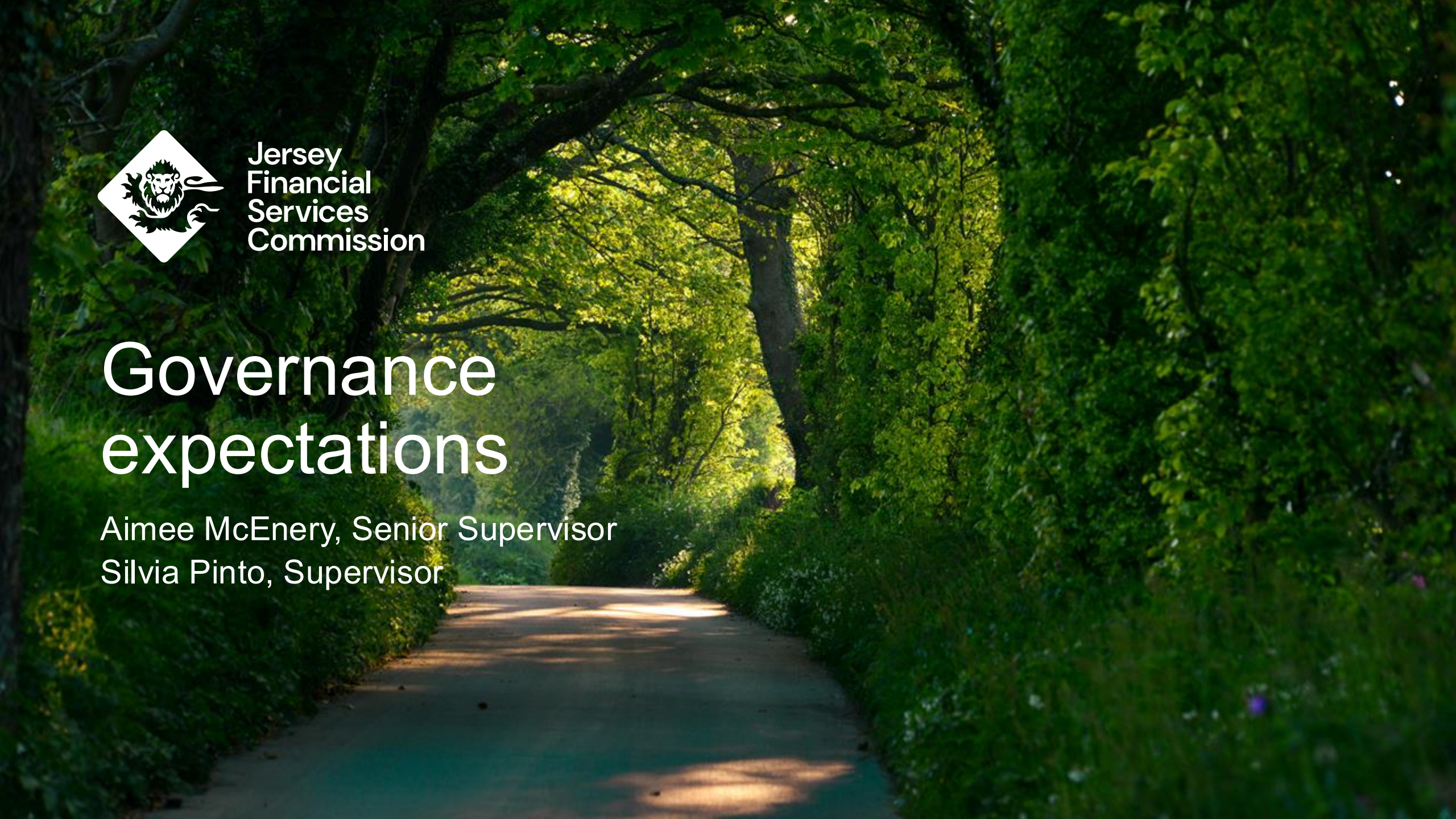


Potential consequences include regulatory action, required steps notices and court orders affecting fitness to act as a governor

Charity charged with corporate manslaughter after boating deaths

JERSEY CHARITY COMMISSIONER
Protecting trust and confidence in registered charities





Governance expectations

Aimee McEnery, Senior Supervisor
Silvia Pinto, Supervisor

Prescribed NPO obligations

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Article 2

- Annual Financial Record

Article 3

- Accounting Systems and Controls

Article 4

- Record of Owners, Controllers etc.

Prescribed NPO obligations cont.

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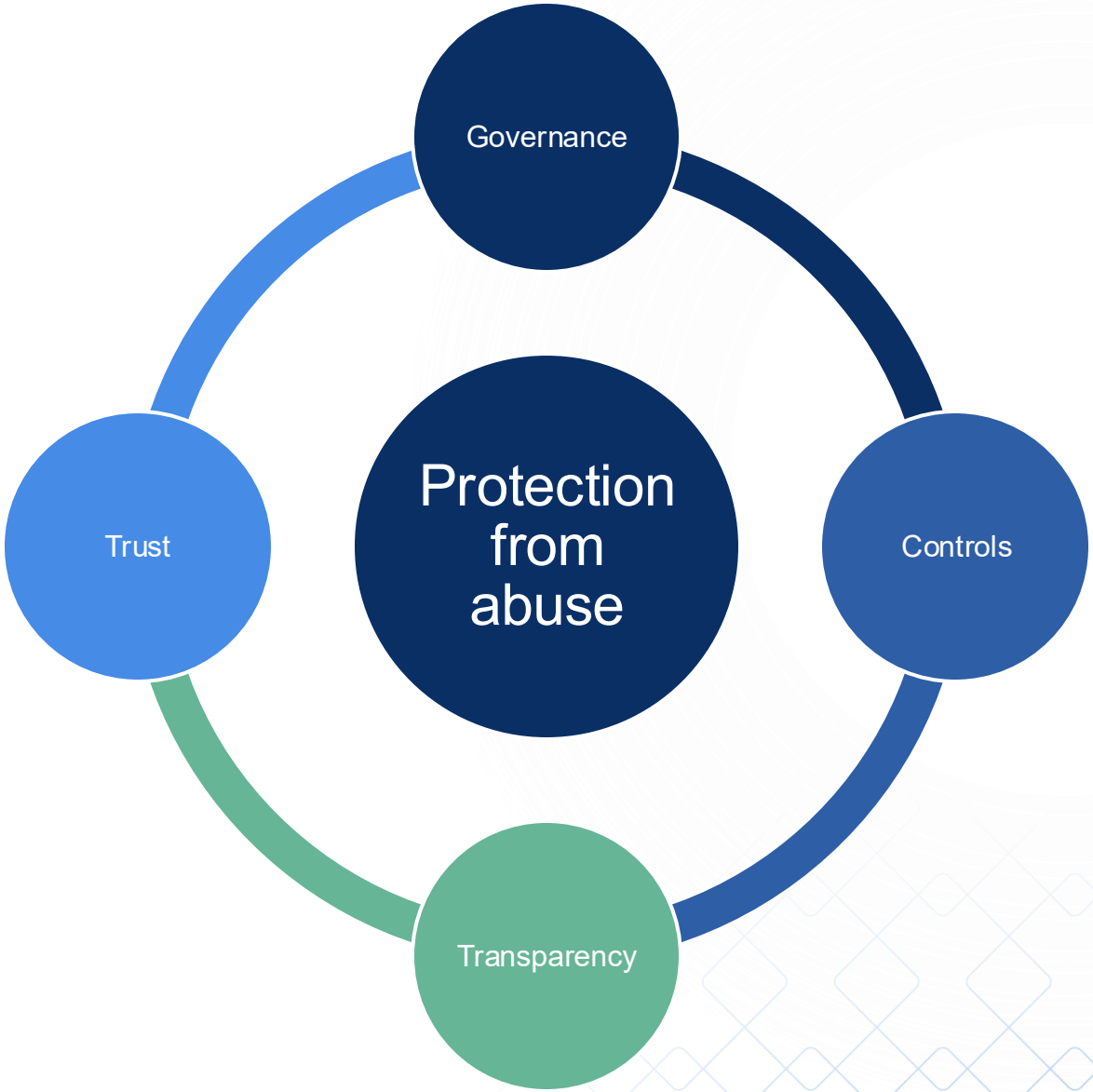
Article 5

- Record of significant donors

Article 6

- To take reasonable steps to identify other NPOs and beneficiaries

Prescribed NPO obligations cont.



Prescribed NPO obligations cont.

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These obligations are designed to answer five practical questions:

1. Who **controls** the organisation?
2. Where does money **come from**?
3. Where does it **go**?
4. Who **benefits**?
5. Can the organisation **demonstrate** this if asked?

Prescribed NPO obligations cont.

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The Prescribed NPO obligations are not about creating administrative burden. They are about ensuring that organisations can demonstrate **transparency, accountability and appropriate stewardship of funds**.

Importantly, the obligations are expressly intended to be applied on a **proportionate basis**, reflecting the size, complexity and risk profile of the individual NPO.

Governance arrangements



Five key governance pillars

Jersey Financial Services Commission

1. Purpose, leadership & accountability

- Clearly identified trustees, directors or committee members
- Defined roles and responsibilities
- Oversight of decision-making
- Ensure that programme(s) of work aligns with the organisation's purpose

- **2. Financial records**
  - Annual financial statements
  - Appropriate accounting controls
  - Segregation of duties and payment authorisation processes

Five key governance pillars

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3. Oversight of beneficiaries & partners

- Understanding who benefits from the NPO's activities
- Appropriate information on associated NPOs and overseas partners
- Monitoring the use of funds and programme delivery

4. Risk assessment

- Understanding geographic, operational and fundraising risks
- Enhanced oversight for higher-risk overseas activity
- Maintaining and updating a risk appetite statement (for Prescribed NPOs)
- Periodic review of governance arrangements and controls

5. Records keeping

- Records of controllers and key decision-makers
- Records of significant donors
- Documentation supporting the receipt and use of funds

Examples of good governance

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1. Active and engaged oversight

- Trustees/directors/governors meet as needed
- Projects and donations are discussed
- Meeting minutes or file note document key decisions
- Any conflicts of interest are declared and managed

Good practice

- An NPO has a board of six governors.
- The governors meet regularly to discuss fundraising, expenditure and day-to-day operations, taking account of the NPO's risk appetite.
- Everyone's role in the NPO is clear and reviewed as needed.

Poor practice

- One founder makes all decisions without consulting the other governors.
- The other governors rarely attend meetings and are unclear about their responsibilities.

Examples of good governance

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2. Clear financial controls

- Regular bank reconciliations.
- Consider whether more than one signatory is required for payments.
- List of income and expenditure considered by the governors.

Good practice

- The governors receive regular updates on income and expenditure.
- If large amounts need to be sent overseas, the NPO has agreed that two authorised signatories for payments are required.
- The governors monitor payments and receive updates on how funds are spent throughout the year.

Poor practice

- One individual can create and authorise payments without consulting the governors.
- Bank reconciliations are not completed regularly

Examples of good governance

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3. Understanding NPO partners and beneficiaries

- Understanding exactly who benefits from the NPO's work
- Reviewing relationships with any NPO partners to ensure that the NPO is happy with the work being undertaken on its behalf.

Good practice

- A humanitarian NPO receives reports from overseas projects showing how grants have improved access to healthcare and education.
- The governors review this information and adjust future funding decisions accordingly

Poor practice

- An NPO cannot clearly explain who benefits from its activities or how donations are being used.
- The governors receive little or no information about outcomes.

Examples of good governance

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4. Effective risk management

- NPOs should identify and manage the risks that could affect their operations, beneficiaries, assets, or reputation.

Good practice

- An NPO funding projects overseas identifies increased risks in a country where it operates.
- The NPO's RAS and controls are updated, and the NPO seeks assurances from its partners that these risks are being mitigated.
- If the risks cannot be mitigated, the NPO considers alternative programmes or works through larger, reputable NPOs or charities with stronger controls.

Poor practice

- An NPO has no RAS in place and only considers risks after issues arise.

Examples of good governance

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5. Terrorist financing risks awareness

- Not mandatory but particularly relevant for NPOs operating in higher risk jurisdictions.
- Awareness is about ensuring trustees, staff, and volunteers understand how terrorists may seek to exploit NPOs and know how to identify and respond to warning signs.

Good practice

- An NPO funding humanitarian projects in conflict-affected regions trains volunteers on the risks of funds being diverted to terrorist-linked groups.

Poor practice

- Governors assume terrorist financing is only a concern for banks and provides no training.

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Break

Resources

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www.jerseyfsc.org/publications/presentations/npo-annual-update-2026/

Jersey Financial Services Commission

Welcome back

Sam Davison, Head of Unit

Jersey Financial Services Commission

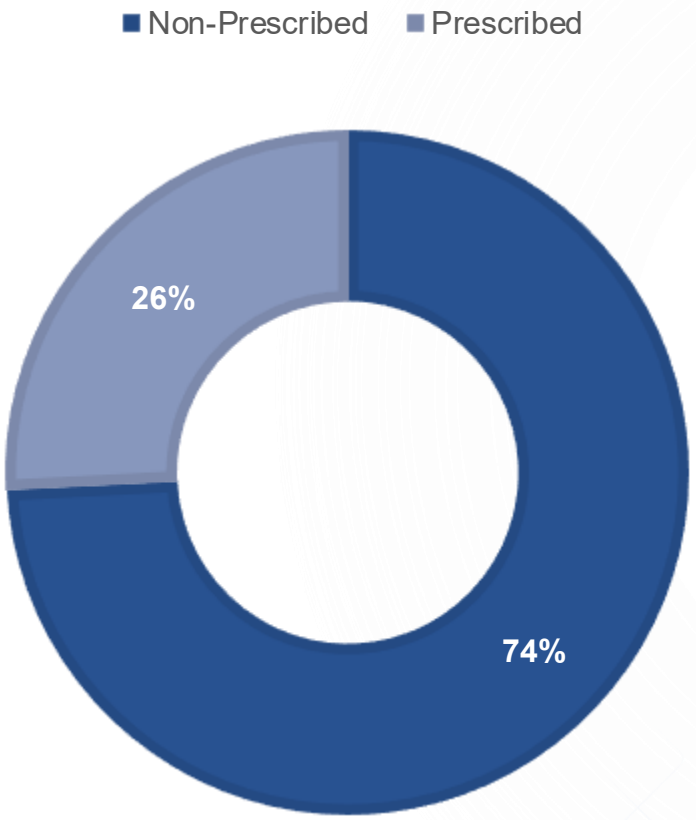
Central authorisations team update

Fabian Cenan, Officer



Q1-3 2026: NPO applications

32 NPO applications received in 2026



Simplified application process (Q4 2025)

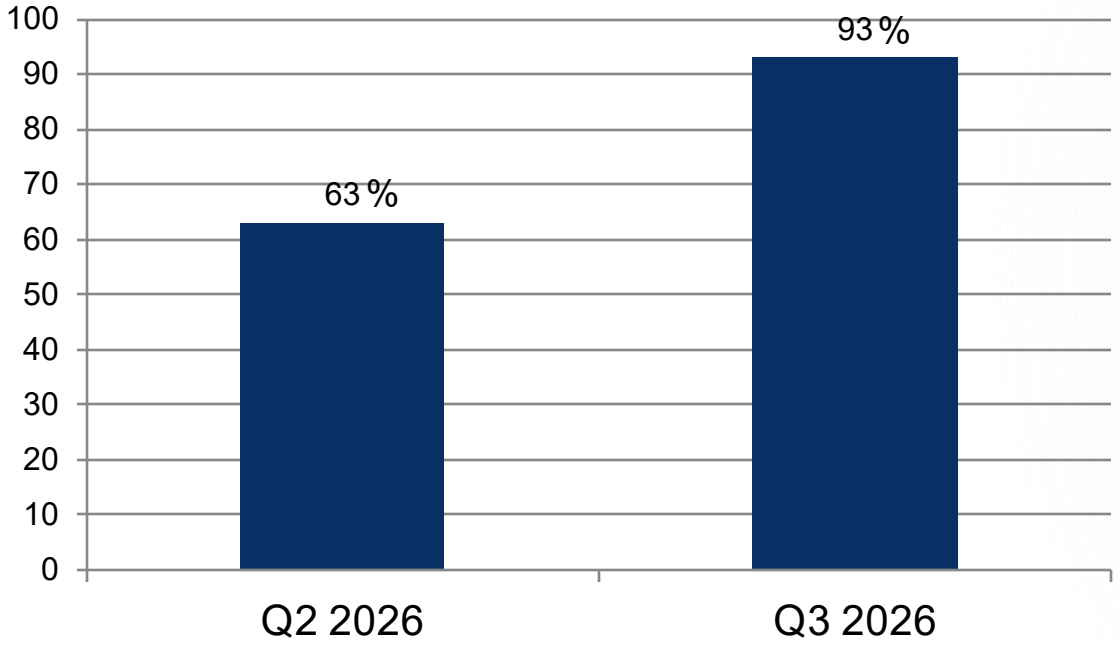
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Benefits

- Reduced complexity
- Faster reviews
- Less duplication
- Better applicant experience

Service standards and performance



Internal SLA

Regular NPOs: 5 days
Prescribed NPOs: 10 days

+30 percentage point improvement

NPO Applications: Common causes of delay

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Registered NPOs

- Salary and remuneration arrangements
- Determining if staff will be employed

Prescribed NPOs

- Links to the jurisdiction
- Identification of settlors and UBOs
- Activities in high-risk jurisdictions

Across both: Public benefit vs private benefit assessment

How to achieve faster approval



Complete and transparent applications remain the most important factor in achieving timely authorisation outcomes.



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Proportionality of the NPO regime

Aimee McEnery, Senior Supervisor

Jersey's NPO Regime

A risk-based and proportionate approach aligned to international standards

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Registered NPO	• Jersey based • Two requirements
Prescribed NPOs	• Small additional obligations • Handbook Section • Annual Survey • Subject to Supervision
TCSP administered NPOs	• NPOs are mainly customers • May choose to adopt higher AML/CFT/CPF Standards • Specific guidance in the NPO Handbook

Jersey's NPO Regime

A risk-based and proportionate approach aligned to international standards

Jersey Financial Services Commission

Tiered Approach

- Statutory NPO definition applies first
- Cross-border thresholds determine Prescribed status
- Additional obligations apply only where required

Risk-Based Trigger

- Focus on higher TF risk activities
- Aligned to FATF risk-based principles
- Oversight directed to areas of greatest vulnerability

Governance-Focused Obligations

- Promotes transparency and accountability
- Supports effective stewardship
- Reinforces good governance practices

All NPOs → Cross-Border Fundraising/Disbursement Test → Prescribed NPOs → Prescribed Order Requirements

Why this matters: Jersey targets enhanced requirements towards higher terrorist financing risk while supporting strong governance across the sector.

Feedback about the current regime

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Administrative "burden"

Clarity of definitions

Implementation consistency



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Supervisory developments

Aimee McEnery, Senior Supervisor

JFSC NPO Team | Achievements in 2026

Supporting the charitable and non-profit sector through guidance, engagement and collaboration

1

Registration Guidance

New guidance for NPOs and Charities

2

Drop-In Sessions

Held across 2026 to support the sector

3

Quarterly Newsletters

Regular updates and good practice insights

4

JCC Engagement

Bi-weekly meetings with the JCC

5

Targeted Outreach

Focused engagement with NPOs and charities

Impact: Improved sector awareness • Stronger stakeholder relationships • Enhanced understanding of governance expectations

NPO Regime Development Priorities 2027

Delivering proportionate and risk-focused supervision of Jersey's NPO sector

PROTECT
Continued focus on terrorist financing risks

ENABLE
Roundtables, workshops and forums

2027 SUPERVISORY PRIORITIES

INFORM
Better use of data and feedback loops

TARGET
Tailored and proportionate supervision

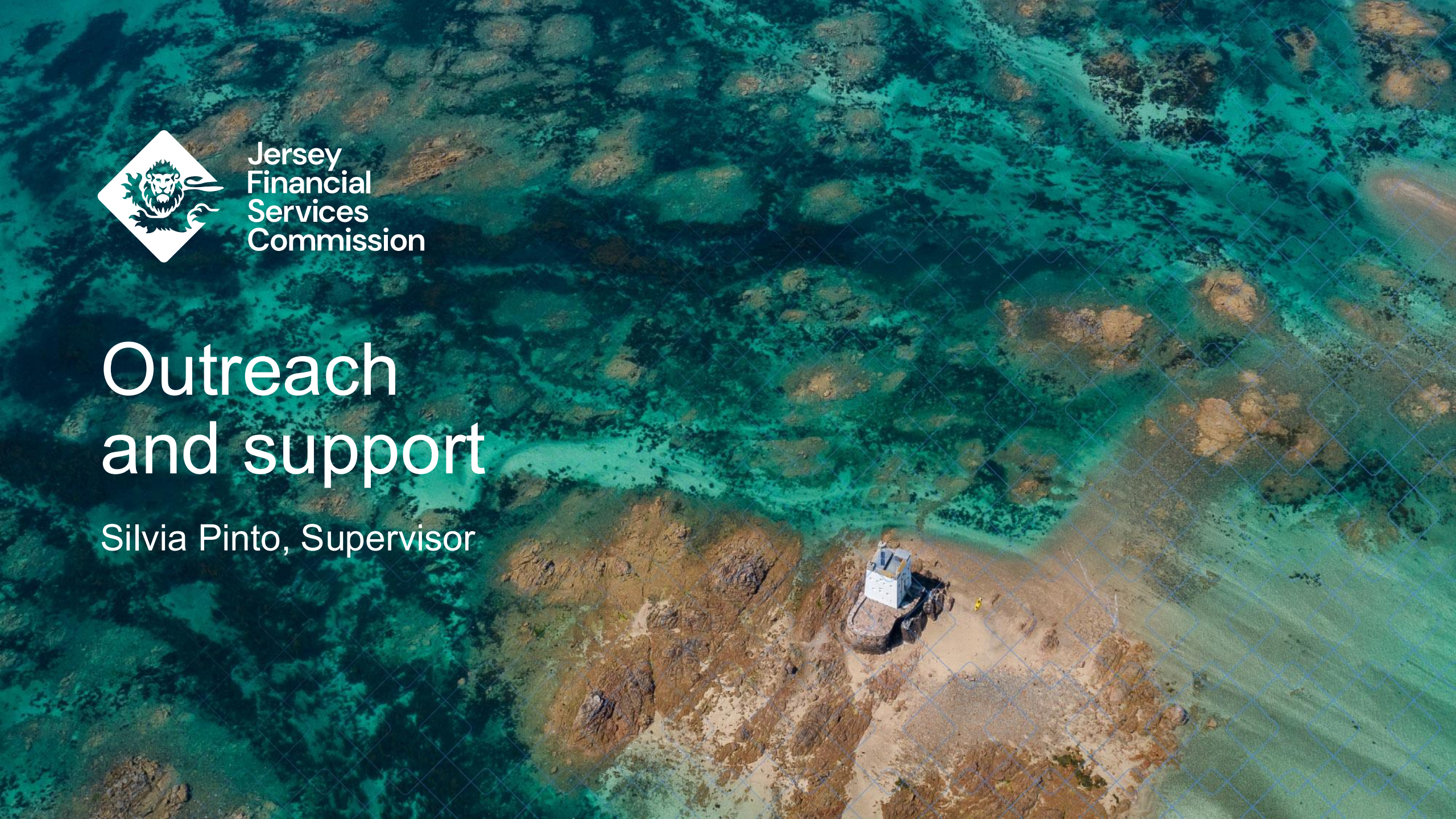
ANTICIPATE
Emerging risks and horizon scanning

2027 Ambition: Stronger TF Risk Management | Earlier Identification of Risks | Proportionate Supervision | Enhanced Sector Engagement

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Outreach and support

Silvia Pinto, Supervisor



How NPOs and Charities Can Engage with the JFSC and JCC

Supporting a well-informed and resilient NPO sector through guidance, engagement, education and collaborative working.







Contact the
NPO/Charity Teams
Registration queries
Governance support

Attend a Drop-In Session
Meet your supervisors
Informal guidance
Sector feedback

Stay Informed
Quarterly newsletters
Sector updates & good practice

Participate in Outreach Workshops
Forums
One-to-one engagement

JFSC's NPO Team
NPOEnquiries@jerseyfsc.org | +44 (0)1534 822000
11-15 Seaton Place, St Helier, Jersey JE4 8TP

Jersey Charity Commissioner
info@charitycommissioner.je | +44 (0)1534 760811
Office 3, Cumulus 1, Forum 3, Grenville Street, St Helier

Need Support? The JFSC and JCC encourage early engagement and are available to provide support.

Jersey Financial Services Commission

Q&A



Jersey
Financial
Services
Commission