

Boardmatch Ireland

supporting the development of nonprofit boards

ARTHUR COX

Sharing Knowledge: Guide to Board Membership



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INTRODUCTION

This guide is the first of the Boardmatch Ireland **'Sharing Knowledge'** guides. Compiled by Arthur Cox, the guide gives an overview of directors' roles and responsibilities and good governance practice within charitable companies. The guide is intended primarily for people either thinking about joining, or already volunteering on the boards of voluntary or charitable organisations.

Pádraig Ó Ríordáin, Managing Partner of Arthur Cox said: "We are very pleased to have worked with Boardmatch Ireland to produce this guide. People from the professional and business sectors have a great deal to contribute to the boards of organisations in the community and voluntary sector. We hope that this guide will help volunteers understand the nature of the organisations in which they are getting involved and encourage more people to do so."

Boardmatch Ireland has developed a new web-based model of board-level volunteering, that recruits people for non-profit board positions directly from the professional and business sectors. For further information on Boardmatch Ireland, to register your interest in working with a nonprofit or charity, or to recruit new members for your board please see the website at www.boardmatchireland.ie.

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Disclaimer

This document aims to provide guidance only and does not purport to deal with all possible issues and questions which can arise.

Should a reader of this guide encounter particular legal problems they should seek professional advice which we at Arthur Cox would be pleased to provide.

All reasonable care has been taken in the provision of this information.

No responsibility is accepted by Arthur Cox or Boardmatch Ireland for any errors or omission it contains.

This guide is available on the Boardmatch Ireland website: www.boardmatchireland.ie

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I. CHARITABLE COMPANIES

If you join a board of a nonprofit organisation (or community or voluntary organisation) either through Boardmatch or otherwise, you will need to know the legal structure of your organisation. Many organisations are established as charitable companies. Here is a brief outline of the structure of a company with an emphasis on the particularities of a charitable company. If your organisation is not a company see “other types of organisation” below.

- What is a company?
- What is a charitable company?
- Why dispense with the term “Limited”?
- What are the accounting procedures for a charitable company?
- What is charitable status?
- What are basic legal requirements of a company?
- Other types of charitable organisations.

What is a company?

A company is a legal structure. It is an association of persons formed for a purpose of some business or undertaking carried on in the name of the association. One of the advantages of the company structure is that it enjoys limited liability and perpetual succession. This means it may live forever. A company can sue and be sued and any assets of the company are registered in the name of the company and not individuals. A company exists separately and independently of its members and is governed by several Companies Acts.

What is a charitable company?

Most companies formed for a charitable purpose in Ireland are public companies limited by guarantee without a share capital. It is a corporate entity with its own legal identity separate from its members and is regulated the same way as other companies under the companies Acts. The main difference from other types of companies is that it is limited by guarantee, has members rather than share holders and has no share capital.

Some, but not all have charitable status and therefore enjoy favourable tax treatment.

In a charitable company limited by guarantee the members enjoy the benefit of limited liability. Each member’s liability is limited to the amount which he/she undertakes on incorporation to pay in the event of the companies liquidation (which amount is set out in the companies Memorandum of Association).

Simply put, each member gains a stake in the company by means of guaranteeing (rather than paying) a set sum of money to the company, usually expressed in monetary terms of one euro. This is to ensure that there is no possibility of profit by the members by means of selling their stake.

The members of a guarantee company are those persons whose names have been entered in the company’s register of members.

Such a company is favoured by charities since it grants a limited liability, has no shares and the members are required to guarantee only a very small sum of money.

Charitable companies are run slightly differently from normal business companies as the role of charitable companies is to assist the community. It is not intended that members

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of a company limited by guarantee profit financially from their membership. This is reflected in the company's Articles of Association which provide that all income and property is to be used to further the aims of the company. This reinvestment of profits back into the charitable purpose is the fundamental difference from other types of companies.

In a charitable company there are any number from 7 to 50 members who may appoint a minimum of three directors.

Dispensing with the term "Limited"

A company limited by guarantee may be exempt from the requirement to use the word "Limited" or "Teoranta" after its name, where it satisfies certain criteria laid down in the Companies Acts.

To dispense with the requirement the company has to be a limited company, formed for the purpose of promoting commerce, art, science, religion, charity or any other useful object and which applies its profits (if any) and income to promoting its objects and which does not pay any dividends to its members.

This is of benefit to charitable companies as the use of the word "Limited" or "Teoranta" may wrongly infer to the general public that it is a profit-making organisation.

Accounting Procedures

The Companies Registration Office has prepared an information leaflet (No. 9) which can be accessed on its website www.cro.ie, under Publications, which sets out the procedure in respect of accounts for guarantee companies without share capital.

In brief it states:

Guarantee companies are required to file an Annual Return with the Registrar of Companies.

Each Annual Return must have annexed to it relevant accounts. These relevant accounts are:

- Balance Sheet
- Income and Expenditure Accounts
- Directors' Report
- Auditors' Report

These documents must be certified as true copies of those laid before the Annual General Meeting of the Members of the Company.

The facility to file abridged accounts does not extend to guarantee companies without share capital. Neither do such companies qualify for audit exemption.

Every company is required to hold an AGM once a year.

Annual Returns received more than 28 days after the Company's Annual Return date will be liable to a late filing penalty and an additional day penalty amount accruing thereafter. The penalty is in addition to the standard filing fee.

Failure to file an Annual Return and Accounts could result in the prosecution of the company and its directors and/or the striking off of the company from the Register of Companies.

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Once a company is dissolved following a strike-off, all the company's assets devolve to the Minister for Finance.

Although the Companies Acts do provide some exemptions to "small" and "medium" size companies in respect of Annual Accounts and Annual Returns a company limited by guarantee without a share capital **may not** avail of these exemptions regardless of actual turnover, balance sheet total or average number of employees.

What is charitable status?

Charitable companies can obtain a charitable (tax-exempt) status from the Revenue Commissioners. There are strict conditions which need to be satisfied and obtaining charitable status may not be to the benefit of all charities.

To be eligible, all the objects of the company must be charitable, and lead to relief of poverty, advancement of education, advancement of religion or other objects for the public benefit. Such charities must demonstrate that their purpose is for the benefit of the wider community.

Once a company has been registered as a charity with the Revenue Commissioners, it is thereafter required to file in the Companies Registration Office, amongst other items, any changes made to its Memorandum or Articles of Association and to file its audited accounts annually with the Revenue Commissioners. Neither can the company alter its objects without the consent of the Minister for Finance, and it must have sought prior approval from the Revenue Commissioners.

Once charitable status has been granted by the Revenue Commissioners, charities are granted a number of exemptions from:

- income tax
- corporation tax
- capital gains tax
- deposit interest retention tax
- capital acquisitions tax
- stamp duty and
- dividend withholding tax

Where a charitable organisation wishes to apply for such exemptions, it must submit a completed application form (CHY1) to the Charities Section of the Revenue Commissioners. The following documents must be submitted in support of the application:

- Copy of the governing instrument (the Memorandum and Articles of Association in the case of a guarantee company)
- Statement of activities to date and plans for the next twelve months, including any trading activities being undertaken/ proposed
- Annual reports and other documentation, if applicable
- Latest financial statements
- List of names addresses, occupations and PPS numbers of the officers/ directors/ trustees

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The Revenue Commissioners have prepared the following guides which are very helpful and which can be obtained on the revenue web site, www.revenue.ie

- Applying for Relief from Tax on the Income and Property of Charities
- Scheme of Tax Relief for Donations to Eligible Charities and other approved bodies
- Value-Added tax in the case of Charities
- Form 848A – Claim for Repayment of Income Tax in respect of Donations by PAYE Taxpayers to Approved Bodies
- Frequently Asked Questions – Charities

The Wheel has also prepared a guidance note on applications for charitable status which is available for downloading on www.wheel.ie.

What are the basic legal requirements of a company?

The Companies Acts contain a number of legally binding obligations which directors must ensure both they and the company comply with. These include:

1. Maintaining proper accounts and submitting audited accounts with the annual return
2. Maintaining a Register of Members and Directors
3. Holding an Annual General Meeting
4. Making Annual Returns to the Companies Registration Office
5. Notifying the Companies Office of any Special Resolutions and of any changes to the Memorandum and Articles of Association
6. Notifying the Companies Office of any changes in the directors, secretary, auditors or the registered office
7. Keeping minutes of all meetings.

Other types of charitable organisations

There are other legal forms of charitable organisations such as:

- Trusts
- Unincorporated Associations
- Friendly Societies, or
- Industrial and Provident Societies

In particular trustees of a **Trust** are bound by the extensive duties under trust law. While these are similar to company law at a high level (in that they involve acting prudently, with integrity and due care) there are significant differences.

Unincorporated Associations (which are rare) are primarily governed by contract law. These are highly regulated and while such entities ought to be governed along the lines described in the website many of the specific legal requirements described here do not apply.

There are separate statutory requirements for Friendly and Industrial and Provident Societies which are beyond the scope of this publication.

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While there may be practical tips to be gleaned from this publication, it does not specifically relate to other legal forms of charities outlined above.

The information on this publication deals explicitly with persons who will sit either as a member or director on the board of a Company limited by guarantee without a share capital.

2. CORPORATE GOVERNANCE

This section addresses the following questions.

- How is a company regulated?
- Who regulates a company?
 - Overview
 - Members
 - Chairperson
 - Board of Directors
 - Executive Directors
 - Non-executive Directors
 - Company Secretary
 - Auditor
- What does Good Governance entail?

How is a company regulated?

Once members decide to form a company they must decide on the objects or purposes for which the Charity will be run. The objectives and powers are set out in the **Memorandum and Articles of Association**. These are rules by which a company is governed and managed. The Memo and Articles set out matters, such as the number of directors to be appointed, the holding of meetings and the taking of votes.

The Revenue Commissioners have prepared standardised Memorandum and Articles of Association which can be adapted and are suitable for companies limited by guarantee and seeking tax exemptions.

These can be downloaded from the revenue web site, www.revenue.ie.

Who regulates a company?

Overview

A company is governed by the **Board of Directors** which is made up of a number of directors, (both executive and non executive). The head of the Board is called the **Chairman** who leads and represents the Board to the **Chief Executive Officer** (CEO) and **management** and staff.

(The titles may be different in your organisations, for example, Manager or Director instead of CEO, but the division of roles and responsibilities outlined below follows the title format as above).

The CEO manages the company and implements the strategy and policies adopted by the board.

The Chairman communicates regularly with the CEO. The division of responsibilities between the role of the Chairman and the CEO should be clearly defined and set out in writing and agreed by the board.

The board, made up of the Chairman and directors has authority for, and is accountable to, the members and the public at large for ensuring that the company is appropriately managed and achieving the strategic objectives agreed by the Board.

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The Board discharges these responsibilities by supervising the overall budgetary planning and strategies.

The Board reviews the company's internal controls and risk management policies and approves its governance structure. It further appraises and approves major financing, investment and contractual decisions in excess of defined thresholds.

In addition to these, the Board evaluates and monitors the performance of the Company as a whole.

This includes engaging at Board Meetings with the CEO on the financial and operating performance of the company and external issues material to the company's prospects. The Board must also monitor the key significant risks facing the company.

At all times the Board acts collectively. The Board gives the CEO broad authority to operate the business of the company and the CEO is accountable for and reports to the Board on business performance.

At least three directors are initially appointed to a charitable company. **Directors** can be appointed for a fixed term after which time the director will retire or can be reappointed.

Boards of Directors should meet regularly (between four to twelve times a year).

In this Information, the term "director" applies to a company law director who sits on the company's board of directors rather than to a member of the management team with a title "director" but who does not have the legal responsibility imposed on a member of the board of directors.

For example, the operations director, the sales director, marketing director or human resources director.

Members

The members own the company and have ultimate authority.

In a company limited by guarantee there must at all times be a minimum of seven members. There are serious consequences for the members. Should membership fall below seven for more than six months, as members they become personally liable for the commitments of the charity, if it is unable to meet them.

The company reports formally to its members once a year at the AGM. Formal notification is sent to the members of the company approximately one month in advance.

Each member has one vote and can attend and vote at meetings or vote by proxy.

Membership is non transferable. A member can resign from membership. Otherwise membership ceases on death.

Chairperson

The Chairperson of the Board of Directors leads and represents the Board to the CEO and management and staff.

The Chairman sets the agenda for meetings and facilitates the effective contribution of directors, in particular the non-executive directors. The Chairperson also works with the Company Secretary.

Detailed guidance on the role and responsibilities of the Chairman are provided in the Combined Code on Corporate Governance which can be accessed at www.frc.org.uk/corporate/combinedcode.cfm.

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Directors

Directors sit on the Board of Directors. A director, with the other directors of a company manages the company's business on behalf of its members.

They have statutory duties under Company Law and Insolvency legislation.

The directors act collectively and their duties are specifically set out in the Articles of Association and the Companies Acts.

Directors and, in turn, the Board provide leadership of the company.

Acting collectively they must ensure the company delivers what it was set up to achieve, upholds its values, remains solvent and is properly managed.

A number of legal duties have evolved and are set out in the **directors duties** section.

A director can be appointed for a fixed term after which he will retire, though he can be re-appointed. Alternatively he can be appointed with no term specified in which case he will remain a director until removed by the members.

Best practice recommends potential directors considering joining any Board of Directors should carry out a due diligence on the state of the companies affairs.

Questions to ask:

What is the company's current financial position and what is its track record for the past three years?

What funding, if any, does the company receive from the State or other sources?

If the company is not performing well, do I have the time, desire and capability to make a positive impact?

Is the charity achieving its aims?

Who are the current directors? What is their background and how long have they served on the board?

What is the size and structure of the board? Are there any sub committees? Who is the CEO and what type of relationship does the CEO have with the board?

Is there any litigation present or pending against the company?

What insurance cover is available to directors?

Is the internal regulation of the company sound?

Best practice further suggests a **letter of appointment** be furnished to any potential non-executive director setting out:

- the term of appointment
- the time commitment of the role
- the necessity to declare any potential conflicts of interest
- the duty of confidentiality
- reimbursement of reasonable expenses
- whether the board will evaluate the directors progress
- whether training will be provided in corporate governance

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- supply details of the company's insurance cover for non-executive directors
- provision for directors to seek independent professional advice
- details of any sub-committees of the board to which the person is expected to be appointed

Directors of charitable companies are not entitled to profit from their position, although they are entitled to claim for out-of-pocket expenses and if appropriate, may claim interest on money lent to the company and rent for premises.

Directors must also declare whether they have any potential conflict of interest which could affect their dealings with the Company.

Non- Executive Directors

A non-executive director is a member of the board of directors who is not employed by the company and has no involvement in the day to day management of the company. It is anticipated that you will sit as a non- executive director of the board of your chosen charity.

Executive Directors

Executive directors are those who are in the full or part time employment of the company. While senior executive employees of a charity may often attend meetings of the board of the charity, it is not normal for a charity to have as a member of its board of directors a person who is also an employee of the charity or who is otherwise remunerated by the charity. The standard memorandum and articles of association specifically excludes paying a director a salary or fee or from receiving any benefit or remuneration other than legitimate expense. Where a charity wishes to appoint an executive director we recommend that discussion should first be had with the Revenue Commissioners as the Revenue Commissioners only allow a company to pay its directors in exceptional circumstances.

The Company Secretary

The Company Secretary has the principal function of ensuring that the company's affairs are conducted in accordance with the law and the company's own regulations.

Every company must have a secretary who may be one of the directors.

The duties of a secretary are set out as follows:

- **Board Meetings**
 - Preparing agenda
 - Attending and minuting meetings
 - Maintaining the minute book
 - Recording particulars of directors' interests disclosed at meetings
 - Ensuring that the correct procedures are followed
- **General Meetings**
 - Preparing agenda and ensuring notices are sent out in a timely fashion
 - Maintaining the minute book
 - Ensuring that the correct procedures are followed
- **Memorandum and Articles of Association**
 - Ensuring that the company complies with its Memorandum and Articles of Association
 - Drafting and incorporating amendments in accordance with the correct procedures

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- **General Compliance**
Monitoring and ensuring compliance with relevant legal requirements either directly or indirectly by ensuring that the appropriate arrangements are in place
- **Statutory Registers**
Maintaining the following statutory registers:
 - Register of Members
 - Register of Directors and Secretaries
 - Register of Directors' and Secretaries' interests in debentures
 - Register of substantial interest
 - Register of debenture holders (if applicable)Maintaining the following registers (not compulsory):
 - Register of charges created
 - Register of applications and allotments
 - Register of use of the company sealMaintaining and furnishing copies of the following documents:
 - Charges created by the company
 - Debenture Trust Deeds
 - Memorandum and Articles of Association
 - Directors' interests in contracts with the Company
- **Committees**
Acting as secretary to board committees, e.g. Audit Committee, Remuneration Committee, Sealing Committee, and so on
Maintaining minutes of committee meetings
- **Company Seal**
Ensuring the safe custody of and proper use of the company seal
- **Statutory Returns**
Filing information with the Registrar of Companies in a timely fashion including
 - Annual returns (extremely important)
 - Report and Accounts
 - Notices of appointment, removal and resignation of officers and changes to their particulars
 - Change of registered office
 - Location of registers
 - Special Resolutions and some Ordinary Resolutions
 - Charges and satisfactions thereof
- **Reports and Accounts**
Co-ordinating the publication and distribution of the company's annual report and accounts including, where appropriate, interim statements in consultation with the company's advisers and, in particular, preparing the directors' report
- **Registered Office**
Establishing and administering the registered office including the receipt, co-ordination and distribution of official correspondence received at the registered office
Providing facilities for the public inspection of company documents
- **Non-Executive Directors**
Acting as a channel of communication and information for non-executive directors
- **Retention of documents**
Ensuring compliance with all statutory and other retention periods for documents

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As well as these core duties mentioned above, many company secretaries will also be involved with specialists and advisors in other areas such as legal, accounting, finance personnel and employee benefits.

The directors have a responsibility to see that the funds of the company are prudently and properly managed. They will be responsible for any negligence or breach thereof. The Secretary, as an officer of the company, will be liable if he facilitates the negligence or knowingly assists in the breach of trust.

The ODCE has published guidance notes on the role and duties of a Company Secretary. These are available on www.odce.ie.

Please note the ODCE advice relates to the role of secretary of a company limited by shares and therefore is not entirely applicable to the Secretary of a company limited by guarantee.

Auditors

Every company must have an auditor who, once appointed, is an officer of the company.

The auditor's main duty is to ascertain and state the true financial position of the company by an examination of the books.

The auditor must report to the members of the accounts examined by him/her.

The auditor is obliged to serve notice on the company should s/he form the opinion that proper books of accounts are not being kept.

The auditor must also state whether the directors' annual report is consistent with the contents of the audited accounts and, if s/he considers them inconsistent, must give particulars of inconsistency.

Auditors must notify the Director of Corporate Enforcement as well as the Register of Companies should they form the opinion that a company is not keeping proper books of account or, if in the course of the auditors' audit, they come into possession of information which may point to an indictable offence under the Companies Acts.

The ODCE has published guidance notes on the duties of auditors, as well as their reporting duties to the Director of Corporate Enforcement. These are available on www.odce.ie.

What Does Good Governance entail?

A code of best practice have been prepared in the UK for charitable companies and have been designed to apply to any charity whatever its size. This Code of Governance for the Voluntary and Community Sector is practical and easy to use. It is designed to help charities develop good practice and has been endorsed by the UK Charities Commission.

The code is based on seven principles:

- Board Leadership
- The board in control
- The high performance board
- Board review and renewal
- Board delegation
- Board and trustee integrity
- Board openness

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The Code can be downloaded from www.governancehub.org.uk.

There is also a booklet called *Learning to Fly* based on the more formal document *Good Governance: A code for the voluntary and community sector* which provides easy to follow guidance on good governance. It can also be downloaded from the same site.

The Code also contains the *Nolan Principles* which promotes principles which persons in public life should follow. It is recommended that all non-executive directors in the voluntary and community sector follow such principles:

- Selflessness:** Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or friends.
- Integrity:** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
- Objectivity:** In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
- Accountability:** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
- Honesty:** Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- Leadership:** Holders of public office should promote and support these principles by leadership and example.

In Ireland the revised edition of the Combined Code on Corporate Governance is followed by listed companies.

There is an earlier edition (dated 1998) which is more appropriate for directors on the board of a charitable company. This is recommended reading for board members no matter what a company's size. Directors should be familiar with its contents and follow its best practice guidelines. With increased public awareness companies are more and more under public scrutiny as to how a company is managed.

Damage to a charity's reputation due to fraud or bad management could undermine the charity's aims and perception in the wider community and could ultimately lead to the charity winding up. Good governance by an open and trustworthy board will mitigate risks and ensure the charity achieves its aims, to benefit the community it serves. Whether or not a company is or is not for profit it should be well governed, maintain high standards and constantly renew its leaders.

The 1998 combined code can be accessed on www.fsa.gov.uk/pubs/ukla/lr_comcode.pdf.

The revised 2003 combined code can be accessed on www.fsa.gov.uk/pubs/ukla/lr_comcode2003.pdf.

The Department of Finance in Ireland has also prepared guidelines for State Companies which are very similar to the 1998 combined code and which can also be adopted by the voluntary and community sector. These guidelines can be accessed on www.finance.gov.ie/documents/publications/other/codeofpractice.pdf.

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In brief the key to a dynamic and effective board is not to do more but to focus more. Good Governance is not necessarily about doing but rather ensuring procedures are followed. An **effective board** will practise the fundamentals such as budgets, risk management, internal controls, strategic leadership and avoid interfering with management.

Further suggestions of good practice contained in the combined code states an effective member of the board of directors

- upholds the highest ethical standards or integrity and probity
- supports the CEO and management in the leadership of the company while monitoring their conduct
- questions intelligently, debates constructively, challenges rigorously and decides dispassionately
- listens sensitively to the views of others, inside and outside the board
- gains the trust and respect of other board members and
- promotes the highest standards of corporate governance and seeks compliance with the combined code wherever possible

The directors and the board should further be trained to observe these standards and ensure they are adopted and observed and become models for good governance in the voluntary sector.

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3. DUTIES OF A DIRECTOR OF A CHARITABLE COMPANY

The Board of Directors takes overall legal responsibility for the charity's work.

Acting collectively they must ensure the company is appropriately managed, is solvent, and achieving its objectives. A number of legal duties have evolved. These are:

- Act in good faith in the best interests of the company as a whole
- Exercise skill, due diligence and care in the discharge of your functions
- Duty to act honestly
- Duty of personal performance
- Duty as to conflicts of interests
- Duty to comply with the Companies Acts 1963 – 2005
- Duty to keep corporate books
- Duty to prepare annual reports and accounts
- Duty to hold general meetings
- Duty to have an annual audit performed
- Duty to ensure annual returns are filed in the companies office
- Duty to furnish information
- Duty in insolvency situations

The ODCE has prepared guidance notes on the role and duties of a company director and can be accessed on www.odce.ie.

Act in good faith in the best interests of the company as a whole

It has long been accepted that a director must act in the best interests of the company. This is a subjective test (and not an objective test) – and provided a director satisfies him/herself that s/he is acting in the best interests of the company s/he will not be in breach of this duty if it subsequently transpires that the best interests of the company were not being met by such action.

A corollary to this duty, is that directors must not disclose confidential information which they obtain in their capacity as directors of the company, since this will generally not be in the best interests of the company.

This means:

You are working for the company and not yourself. Your own personal interests, the views of a certain sections of the staff or any outside interests should be put aside when you sit down at the meeting table.

Duty to exercise skill, due diligence and care in the discharge of your functions

A director is expected to act with reasonable diligence and to use his/her general knowledge, skill and experience when performing his/her duties.

It is generally accepted, however, that a director is not required to exercise any greater degree of skill than may reasonably be expected from a person of his/her knowledge and experience.

A director is liable for any loss resulting from his/her negligent behaviour.

For this reason, when considering a transaction involving financial or legal issues, more will be expected of a director with experience in those areas than one who has no knowledge or experience.

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While the law does not require a director to involve himself/herself in all the transactions of the company or to devote his/her full attention to the company or even attend every board meeting, a director will be expected to involve himself in matters and satisfy himself/herself that they are being carried out correctly.

There is an overriding duty on each director to ensure that the requirements of the Companies Acts are met. The directors must declare in the annual report that they have complied with their statutory requirements. To enable the directors make such a declaration each and every director must be aware and inform himself of the company's affairs. The courts in both England and Ireland are strict in their application of this duty.

It is recommended that directors attend board meetings regularly, ask for relevant information and take an active interest in the affairs of the charity.

This means:

Apply your knowledge, independent judgment and common sense. Ensure the board's instructions are being carried out correctly by management. And are being properly supervised and controlled by you and your co-directors.

Duty to act honestly

In carrying out his duties and responsibilities, a director must at all times act with good faith and honesty in the best interests of the company.

Directors who, pursuant to any requirement under the Companies Acts, fail to answer questions, provide explanations, make statements or produce, lodge or deliver materially incorrect returns, reports, certificates, balance sheets or other documents, either knowingly or recklessly, will be guilty of an offence.

This means:

Be honest. Do not abuse your position of responsibility.

Duty of personal performance

Directors may delegate their duties and responsibilities to a third party.

The standard form Articles of Association which apply to companies limited by guarantee, allow for the appointment of a CEO, committees and/or attorneys to whom all or some of the duties and responsibilities of the directors may be delegated where such duties may properly be left to such person.

It is necessary to be familiar with the charity's Articles of Association. A director must act in accordance with the Articles and Memorandum of Association and must exercise his powers for their proper purpose only.

Where the directors of the charity have delegated some or all of their duties, they will only be required to take action in regard to the duties they have delegated where they have knowledge or suspicion of any failure to carry out these duties and responsibilities by the person or body to whom these duties have been delegated.

In this regard, the director would be entitled to rely on the reports and statements by such person or body and would normally not be required to look any further in order to ensure that the duties and responsibilities have been carried out.

Similarly, there are many matters which form part of the day to day management of a company and are not the subject of any specific delegation of authority by the directors since these matters are assumed to fall within the competence of the executive management of the company.

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In such cases, the directors would be entitled to rely on the decisions and reports of the executive management since such management would be composed of appropriately qualified and competent personnel.

This means:

Find out what your powers are. Read the Articles of Association. You must ensure that any delegated duties are correctly carried out.

Duty as to conflicts of interests

A director may not profit financially from his position as a director of a company. A director must account to the company for any benefit accruing to him in such circumstances. **This is a very strict rule.**

It will not be an excuse to show that the company was not in a position to benefit or that the director acted honestly and in good faith. The strictness of the rule is explained by the fact that the courts see it as a means of deterrence or removal of temptation for directors.

There are two main exceptions to this strict rule. First, a company may provide for circumstances in which a director may obtain a benefit. An example of this is where a company authorises payment of a salary to a director. This is rare in charitable companies because of the Revenue requirements.

The other exception, is that a director may obtain a benefit where he has made a full disclosure of the facts to the members of the company and has obtained their consent to a benefit being obtained by him/her.

This means:

You must disclose any vested interests in the company in advance. You are there to serve the company. Not yourself.

Duty to comply with the Companies Acts 1963 -2005

- Duty to keep books of account
- Duty to prepare annual accounts
- Duty to hold general meetings
- Duty to have an annual audit performed
- Duty to ensure Annual Returns are filed in the Companies Office
- Duty to furnish information
- Duties in insolvency situations

Duty to keep corporate books

A company must keep proper books of accounts. Such books must correctly record the company's transactions and enable the financial position of the company to be determined with reasonable accuracy.

This means:

You are responsible for ensuring the company's book of accounts are kept.

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Duty to prepare annual accounts

Not only are the directors responsible for ensuring that books of account are kept, they are responsible for the preparation of the annual accounts which must give a true and fair view of the company's financial affairs.

These annual accounts/financial statements are then shown to the members at the companies AGM.

In each case these financial statements must give a true and fair view of the state of affairs of the company/group at the end of its financial year and must be signed on behalf of all of the directors by two of the directors of the company.

Included with these financial statements there must be a report of the directors on the state of the company's affairs and a report of the company's auditors on the accounts examined by them.

Charitable companies are also required to make their annual accounts available to the Revenue Commissioners.

This means:

Ensuring the company accounts are prepared and accurately reflect the company's financial position.

Duty to hold general meetings

Every year a company must call an Annual General Meeting. The purpose of the meeting is to inform everyone involved how the company is performing.

The Directors have to arrange the meeting and decide what will be discussed at it. The Articles of Association contain details as to how an AGM should be run.

The company's accountants, directors and members are notified in writing of the date, time and location of the AGM within the time limits prescribed.

At least 21 days prior to the AGM the directors must have sent the members the:

- Profit and Loss Account
- Cash Flow Statement, and
- Balance Sheet

These accounts must be audited and give a true and fair picture of the state of affairs of the company.

Two of the directors sign these accounts on behalf of all directors.

The directors also have to prepare a directors' report on the state of the company's affairs as do the company's auditors. Both reports must be attached to the balance sheet produced at the AGM and must be filed not more than 28 days after the company's annual return date with the Registrar of Companies.

This means:

The directors inform the company members annually how the company is performing and do so by means of an annual report and personally at the Annual General Meeting.

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Duty to have an annual audit performed

The financial statements must be audited at least once a year.

The directors must ensure an audit take place.

The auditor examines the books of accounts and reports his findings to the company members in a formal report which is attached to the balance sheet at the AGM and is further filed with the annual returns in the Companies Registration Office.

The ODCE has prepared a booklet dealing with the auditor, his report and duties and this can be obtained on www.odce.ie.

This means:

Ensure the annual audit takes place.

Duty to ensure Annual Returns are filed in the Companies Office

After the AGM the company must file a formal annual return in the prescribed form with the Registrar of Companies.

The following information must be included in an annual return:

- Company name
- Company registered number
- Date up to which the annual return covers
- Financial year covered
- Registered office address
- Company secretary's name and address
- List of members
- Directors' names, dates of birth, addresses and occupation

The following must be *annexed* to the annual return:

- Profit and loss account
- Balance sheet
- Notes to the financial statements
- Certified Directors' report
- Certified Auditors' report
- Certification that the financial statements and auditors report are a true copy presented to the members of the company.

Filing the annual return enables the Registrar of Companies to ensure each company is complying with its obligations to keep books of accounts.

Each company is assigned an annual return date within 28 days of which the company's statutory audited accounts must be filed with the Registrar of Companies.

This means:

Ensure company accounts are properly prepared and filed in time with the Companies Office. Ascertain the annual return date from the company secretary.

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Duty to furnish certain information

As a director you must furnish to the Registrar of Companies certain details.

These are your

- forename
- surname
- date of birth
- usual residential address. There is a requirement that at least one director of the company be resident in the state
- nationality
- business occupation, and
- any other directorships held.

Should you resign or be removed as a director, the Registrar of Companies also needs to be notified.

Registers of Members, directors, secretaries, interests of directors and secretaries, charges and debenture holders must be maintained and updated on a continual basis. Should the number of members fall below seven for a period of six months the company will lose its limited liability status with serious consequences for all the members.

Various notification obligations exist where directors of a company are directly interested in contracts in which the company may also be interested. Every director of a company who is in any way interested in a contract or proposed contract with the company is required to declare the nature of his or her interest at a meeting of the directors of the company.

Further, the Companies Acts contain restrictions in relation to substantial property transactions between, or involving, the company and its directors. Legal advice should be taken to ensure that any such potential conflicts of interest are properly dealt with in compliance with company law.

This means:

On joining the board you should ensure your personal details are furnished to the Register of Companies. Any material changes in the future should be furnished to the company secretary.

Ensure the register of members and directors are kept and updated regularly.

Duties in insolvency situations

In certain circumstances, the company may decide to wind up. In such a situation there is an obligation on the company's directors to co-operate with the liquidator. Many of the offences committed by directors in the course of winding up a company are related to a failure to disclose or withholding of information or records from a liquidator.

In addition, a director who is guilty of a breach of duty in the course of a winding up in relation to the company which has caused the company to suffer pecuniary loss, may be ordered by a Court to repay or restore the money or property or contribute such sum as the Court feels is just.

Furthermore, in a winding up, the Court may order the return of property or its value where it can be shown that the property of a company was disposed of with the effect of perpetrating a fraud on the company or its members or creditors.

This means:

You must co-operate at all times with the liquidator if/when the company is winding up.

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The ODCE has prepared guidelines on its additional supervisory powers in the area of liquidated companies entitled *The Liquidation-Related Functions of the Director of Corporate Enforcement* which can be downloaded from www.odce.ie. It contains a section on the liquidator's report which must be completed in respect of each and every director.

4. CONSEQUENCE OF A BREACH OF DUTY

In principle, you could be held personally liable for breaches of the Companies Acts during your tenure as a director of a charitable company.

This is very unlikely to happen if you have acted honestly, sought and acted upon proper legal or financial advice and put the company's interests before your personal or professional interests, complied with the contents of the Articles and Memorandum of Association, attended most board meetings and complied with all filing obligations.

There are at present approximately four hundred offences outlined in the Companies Acts 1963-2005.

In terms of director liability, these offences may be sub-divided into the following categories:

- breach of position as a company officer
- failure to disclose a conflict of interest
- fraudulent or reckless acts on the part of a director

The penalties vary according to the nature and gravity of the offence and can result in:

- personal liability
- fines and imprisonment
- restrictions and disqualification orders
- injunctions

Directors' Liability

It is critically important as a director of a charitable company to ensure the company complies with its Company Secretarial requirements such as holding an AGM and filing annual returns. Failure to so comply may constitute a bar to a claim that a director has acted responsibly.

This would appear to be the approach of the Irish courts even where the director has no role in the day to day management of the company.

It should be remembered that a passive role in a company in terms of management responsibilities will not act as a bar to a prosecution under the Companies Acts.

In order to be considered to have acted responsibly, a director is under a positive obligation to ensure that the company of which he is a director is compliant with the Companies Acts.

Therefore as a director of a charitable company, it is critically important that you are aware of the specific duties and obligations owed to the company. You should ensure that management systems are in place to give accurate information to the board, such as information on financial resources and books of account.

This is explained further in the fines and imprisonment section.

Personal Liability

An action may be brought by the Company against the director to render him personally liable for any loss to the company by or to account for any profit obtained by him from his misconduct.

See fines and imprisonment.

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Fines and Imprisonment

In the case of duties and responsibilities which are imposed under the Companies Acts, fines and in some cases, imprisonment can be ordered by a Court in the event that a director is found to have breached any of his duties and responsibilities.

In general in respect of a compliance issue a breach of a section of the Companies Acts will incur a maximum penalty of approximately €2,000.

For example failure by a director to take all reasonable steps to ensure the annual report and accounts are filed with the Companies Office is an offence. However, it is a defence to show that the director concerned had reasonable ground to believe and did believe that a competent and reliable person was charged with the duty of seeing that these obligations were complied with and was in a position to discharge that duty. In the case of executive directors, it may not be easy for them to rely on this defence, since they will often have better knowledge of the company's affairs than anyone else and, therefore, may not be able to show that they relied on someone else.

Failure to comply with specific obligations such as maintaining a register of directors interests could result in a similar fine or a prison term.

If found guilty of an offence for reckless or fraudulent trading, there are very serious consequences, namely a large fine, an account to the company for any profits made, or compensation to the company and possible disqualification from acting as a director for a lengthy period.

A full schedule of offences under the Companies Acts 1963-2001 was published by the Company Law Review Group in its first report and is available on the Group's website, www.clrg.org at **chapter 8**

Restriction and Disqualification Orders

Recent Company Law Acts have introduced a new procedure whereby if prosecuted for a breach of the Companies Acts, a director can be restricted for a period of five years from being appointed or acting in any way, whether directly or indirectly as a director or secretary or even being concerned with or taking part in the promotion or formation of any company unless the company meets certain very strict requirements.

The Companies Acts have also introduced a procedure whereby a director may be disqualified from acting as a director, auditor or other officer of a company for a period of five years.

Such measures are usually taken where a director abuses his position within the company.

Injunctions

The Director of Corporate Enforcement, any member or creditor of a company, or the Registrar of Companies, may apply to the High Court for an Order requiring a director to make good the default in complying with the Companies Acts.

The Director of Corporate Enforcement is charged with enforcing the Companies Acts and has the authority to prosecute offences for any breaches which occur.

5. AN EFFECTIVE CHARITY

An effective charity is one which is solvent, well run and delivering the outcome it was set up for.

The Charity Commission for England and Wales published indicators of effective management and suggests the hallmarks of a well-run charity are:

- that it is formally set up with clearly documented aims and rules by which it will be run and which should include the legal powers it needs to achieve its aims
- that it is run by a clearly identifiable body of people who take responsibility and are accountable for controlling the charity so that it is economically and effectively run
- that it manages and accounts for its resources well
- that it complies with all relevant legal and regulatory requirements
- that it acts with respect to the human and legal rights of the individual
- that it is able to show how its activities are or will be able to support its charitable aims
- that it is open in the conduct of its affairs except where there is a need to respect confidentiality
- that it carries out its aims with regard to the requirements of those it is designed to serve, the community within which it operates and any relevant wishes of its donors, and
- that it conducts its external relations, fundraising and publicity in a way that enhances its own reputation and that of charities generally.

If the charity succeeds in achieving all of the above, this is a well-run charity and it is your responsibility to ensure it remains so. If not, you will need to discuss matters with your fellow colleagues and reach a consensus as to how to manage the company more effectively.

Is the company compliant with all legal and regulatory requirements?

- Company Law
- Charity Acts
- Fund-raising
- Employment
- Health and Safety Legislation
- Children, Housing or Registered Care
- Assets
- Data protection legislation
- Equality Legislation

Company Law

The provisions of the **Companies Acts 1963 - 2005** apply, in particular the obligations to file accounts, etc., as do the provisions of the Tax Consolidation Acts.

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Charity Acts

There are two **Charities Acts, 1961 and 1973**. These Acts have very little impact on a charitable company as they provide for the jurisdiction and powers of the Commissioners of Charitable Donations and Bequests in relation to charitable trusts or for charities with no constitution or a lacunae in their constitution.

Fund-raising

Fund-raising is often an essential part of the charity's activities, and is governed by two Acts:

- (i) The Street and House-to-House Collections Act 1962 and
- (ii) The Gaming and Lotteries Act 1956.

Many charities are, in part or completely, funded by Government grants. Should the Board of the charity decide to launch a major fundraising programme, it may be appropriate to engage a professional consultant.

Employment

If the company employs **staff**, the company will be subject to employment legislation, to health and safety legislation, as well as to relevant tax and PRSI legislation. The company should also have employer's liability insurance.

Children, Housing or Registered Care

For charities dealing with **housing, children or registered care** there is a range of protective legislation and it is important that the charity is aware of and compliant with the relevant legal and regulatory requirements.

The provisions of the **Sex Offenders Act, 2001** are highly relevant for charities dealing with children or the mentally impaired. It is an offence for a sex offender to apply for or to accept work or to offer services which consist mainly of unsupervised access to children or mentally impaired persons without informing his employer of his/her conviction.

Charities dealing with children should ensure background checks with the Gardaí are carried out on all potential volunteers/employees.

Assets

Depending on the circumstances, it may be appropriate for a charity with substantial **assets** to have in place contents, public liability and employer's liability insurance.

Data Protection

There are obligations placed on persons and companies who keep personal data under the Data Protection Acts, so as to protect the privacy of individuals concerned. Data controllers owe a duty of care to the data subjects and any data kept must be accurate, kept for lawful purposes and not disclosed in any manner incompatible with those purposes and be protected by adequate security measures. In the case of a charitable company a duty of confidentiality is owed to directors, employees and to other relevant persons such as donors. The Data Commissioners website is very informative and can be accessed on **www.dataprotection.ie**.



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Equality Legislation

The Employment Equality Act, 1998 and the Equal Status Act, 2000 outlaw discrimination in employment, vocational training, advertising, collective agreements, the provision of goods and services and other opportunities to which the public generally have access on nine distinct grounds. It is important that the charity complies with the **equality legislation** and is careful not to discriminate on grounds of gender, marital status, family status, age, disability, race, sexual orientation, religious belief and membership of the Traveller community.

6. YOUR ROLE

Your role, along with the other directors of the board is to ensure the company runs smoothly and that you follow all your duties as a director. Expertise in company law is not required. Your role is to bring efficiency, independence and clarity of thought as well as professional expertise to bear on the Board of the charity.

Before you join the board of directors you will be expected ...

- to be over 18 years of age and an eligible person. You may be required to complete a declaration that you are not barred from acting as a director
- to know that you will not receive remuneration from your position as non-executive director but you will be entitled to claim for all relevant expenses
- to be aware you cannot profit from your position. Any outside interests must be declared
- to understand the role of the board. The board has and must accept ultimate responsibility for directing the affairs of the Charity ensuring it is solvent, well-run and delivering the outcome for which it has been set up
- to have read the Charity's Articles and Memorandum of Association and to have learned its purpose and administrative procedures
- accept the legal duties and responsibilities that being a non-executive director of a charity brings
- to be available to attend board meetings probably 5-12 times a year and willing to furnish an explanation if unable to attend
- to be interested in the Charity
- to have met with your fellow directors and to have taken the initiative to obtain full detail of the Charity's property, investments and income and to have read recent accounts and minutes of meetings to learn the Charity's finances and policies and carried out a due diligence check
- to ensure you do not represent the interests of any outside organisation or your own personal interests
- to be prepared to act with integrity.

It is advisable that you seek a declaration from the management of the company or your fellow directors that all company secretarial requirements are met before joining the board.

Once on board you will be expected ...

- to be aware of the specific duties and obligations owed by a director to a company
- to ensure company secretarial requirements of the Companies Acts are carried out in a thorough fashion
- to be commercially and financially astute
- to be a collaborative team player
- to contribute
- to be enthusiastic
- to have an ability to think strategically and plan creatively
- to resolve to set high standards and share responsibility for the results with your fellow directors

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- to give the necessary time and effort to the management of the Charity
- to demonstrate high standards of corporate and personal conduct
- to ensure that management systems are in place to give accurate information to the board, such as information about financial resources
- to be responsible for setting and maintaining a framework of delegation and internal control and agreeing or ratifying all policies and decisions on matters which may create a risk to the Charity, financial or otherwise
- to ensure that the board acts always in the best interests of the Charity.

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7. USEFUL LINKS

<p>Office of the Revenue Commissioners Charities Section Government Offices Nenagh Co. Tipperary</p> <p>Tel: 067 44310 Web: www.revenue.ie E-mail: charities@revenue.ie</p>	<p>The office has responsibility for the collection and administration of taxes and duties in the State.</p> <p>It also has a Charities Section which grants charitable or other tax exemptions.</p>
<p>Companies Registration Office 14 Parnell Square Dublin 1</p> <p>Tel: 01 804 5200 Fax: 01 804 5222 Web: www.cro.ie</p>	<p>The Companies Registration Office in Ireland is responsible for registering new companies and business names. It receives and registers company documents such as annual returns, change of company officers, details of any mortgages and charges imposed on companies. The CRO is also charged with enforcing filing obligations of companies and making information known to the public.</p>
<p>Office of the Director of Corporate Enforcement 16 Parnell Square Dublin 1</p> <p>Tel: 01 858 5800 Fax: 01 858 5801 Web: www.odce.ie</p>	<p>The Office of the Director of Corporate Enforcement is a statutory body charged with encouraging compliance with company law; and investigating and enforcing suspected breaches of the legislation.</p> <p>It has also prepared a number of easy to follow Guides and Information Booklets on the subject of Company law which are available to download off the internet.</p>
<p>Commissioners of Charitable Donations and Bequests 12 Clare Street Dublin 2</p> <p>Tel: 01 676 6095 Fax: 01 676 6001 Web: www.pobail.ie e-mail: charities@eircom.net</p>	<p>The Commissioners act under the aegis of the Department of Community, Rural and Gaeltacht Affairs since 2002.</p> <p>The Commission is mandated under the 1961 and 1973 Acts to provide services to trustees of charities and carry out the intentions of persons making donations and bequests to charities.</p>
<p>England and Wales Charity Commission Harmsworth House 13-15 Bouverie Street London EC4Y 8DP</p> <p>Tel: +44 (0)845 300 0218 Fax: +44 (0) 20 7674 2300 Web: www.charity-commission.gov.uk</p>	<p>The Charity Commission is the regulator and registrar for charities in England and Wales.</p> <p>It aims to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public confidence and trust.</p>

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<p>The Wheel Irish Social Finance Centre 10 Grattan Crescent Inchicore Dublin 8</p> <p>Tel: 01 454 8727 Fax: 01 454 8649 Web: www.wheel.ie</p>	<p>The Wheel is a non-profit, independent resource centre and advocate for Community and Voluntary organisations. It offers support, advocacy and leadership for Community and Voluntary activity across Ireland.</p>
<p>The Department of Community Rural and Gaeltacht Affairs 43/49 Mespil Road Dublin 4</p> <p>Tel: 01 6473000 Fax: 01 6473051 Web: www.pobail.ie/en/CharitiesRegulation</p>	<p>The Department has the principal responsibility for Charity regulatory matters in this Country. It is also responsible for the Charities Acts 1961 and 1973. These Acts provide for the jurisdiction and powers of the Commissioners of Charitable Donations and Bequests in relation to charitable trusts.</p>
<p>Department of Enterprise, Trade & Employment Kildare Street Dublin 2</p> <p>Tel: 01 631 2121 Fax: 01 631 2827 Web: www.entemp.ie</p>	<p>The Department of Enterprise, Trade and Employment is responsible for the development of policy and legislation relating to company law and other forms of business regulation, such as industrial relations, employment conditions, work permits, e-commerce and trade regulation</p>
<p>Company Law Review Group Earlsfort Centre Hatch Street Lower Dublin 2</p> <p>Tel: 01 631 2763 Fax: 01 631 2553 Web: www.clrg.org</p>	<p>The Company Law Review Group is charged with reviewing and developing aspects of Irish company law. Its reports are the basis for legislative reform and are a guide to forthcoming changes in Irish Company law.</p>
<p>Institute of Directors in Ireland Heritage House Dundrum Office Park Dundrum Dublin 14</p> <p>Tel: 01 296 4093 Fax: 01 296 4127 Web: www.iodireland.ie</p>	<p>A joint initiative between the Institute of Directors in Ireland and University College Dublin. The Centre's main aim is to promote excellence in corporate governance in Ireland.</p> <p>You may wish to consider joining the Institute.</p>

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<p>Office of the Director of Consumer Affairs 4 Harcourt Road Dublin 2</p> <p>Tel: 01 402 5555 Fax: 01 402 5501 Web: www.odca.ie</p>	<p>The Office of the Director of Consumer Affairs in Ireland is responsible inter alia for enforcing Irish consumer legislation.</p> <p>Any charity which buys or sells products or engages in the provision of services to the general public, it is subject to consumer legislation such as the sale of Goods and Supply of Services Act applies.</p>
<p>Attorney General's Office Government Buildings Upper Merrion Street Dublin 2 Ireland</p> <p>Tel: 01 631 4000 Fax: 01 676 1806 Web: www.attorneygeneral.ie</p>	<p>The website of the Attorney General's Office in Ireland displays all Irish Acts and Statutory Instruments from the foundation of the State in 1922 to 1998</p>
<p>BASIS Business Access to State Information & Services Department of Enterprise, Trade and Employment 4th Floor Earlsfort Centre Lower Hatch Street Dublin 2.</p> <p>Tel: 01 631 2787 / 01 631 2788 Fax: 01 631 2563 Web: www.basis.ie</p>	<p>A website developed to provide business with a single access point to all Government information and services</p>
<p>The National Governance Hub for England</p> <p>Its code of best practice can be accessed on: www.governancehub.org.uk</p>	<p>Is a group of voluntary and community sector support organisations, working to improve the governance of voluntary and community organisations in England.</p>
<p>Accounting Standards Committee can be accessed on: www.charity-commission.gov.uk/Library/publications/pdfs/sorptext.pdf</p>	<p>The Accounting Standards Committee statement of recommended practice is contained in the charities commission web site.</p>

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8. ABOUT ARTHUR COX

Arthur Cox is Ireland's largest law firm in terms of qualified lawyers with a leading charity law practice.

Arthur Cox is a market leader in providing professional services to not-for-profit organisations, a long history of involvement in the community and voluntary sector in general and with charities in particular.

We provide advice in relation to:

- Establishment of charities
- Changes to legal structures/re-organisations
- The role of trustees/directors and governance issues
- Applications to the Commissioners of Charitable Donations and Bequests for Ireland
- Tax advice including applications for tax exemptions
- Advice on the acquisition, disposal and maintenance of property; licence applications
- Fundraising and sponsorship queries

We will continue to develop and introduce new services that will strengthen our client service offering in the area.

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9. CONTACT ARTHUR COX

The **Arthur Cox** team working on charity issues is:

Dr. Mary Redmond

Dr. Mary Redmond is a Consultant to the Group. The team is fortunate to be able to draw on her extensive background in the voluntary sector and her unique understanding of the issues affecting the sector (not least through her involvement in the White Paper Steering Group and as founder of The Wheel and the Irish Hospice Foundation). In addition to practising as a solicitor, Dr. Redmond has wide experience as a director of public, private and not-for-profit corporations.

mary.redmond@arthurcox.com Tel: +353 1 618 0570

Philip Smith

Philip is the coordinating partner of the Group, and advises on all aspects of the law in relation to the establishment and operation of charitable bodies. Philip was a contributor to the Irish Law Society's report "Charity Law: A Case for Reform" (July 2002). He is also a member of the UK Charity Law Association.

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Anne Corrigan

Anne is a Senior Associate whose main area of practice is taxation with over 20 years experience in the entire range of Irish taxes. She specialises in advising on tax and legal issues arising in the use of trust and other structures in asset management and conservation. She is one of Ireland's leading authorities on trust law. She is the author of "Trust and Succession Law" and is a member of the Charity Law Association (UK).

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