



Political Financial Activities Unit

Guidance Note: Dormant Companies

Donations to political parties and candidates should only be received from permissible donors. In relation to corporate donations, Section 24(2)(d) defines a permissible donor as a company *“formed and registered under the Companies Ordinance, which for a period of not less than 12 months before the donation is accepted, has continuously carried on business in the Turks and Caicos Islands”*.

A donation is therefore not permissible from a “dormant company”. A company is dormant during a period in which no significant accounting transaction occurs, that is, no transaction which is required to be entered in the company's accounting records. A dormant company is one which is not active or not trading. A company may be considered dormant for example where:

- It is not active or not engaged in any business activity or receiving income or profits
- It holds no assets capable of producing any profits or income
- It holds assets that are unlikely to produce profits and income in the near future

How do you check if the company is carrying on business in the Turks and Caicos Islands

You must be satisfied the company is carrying on business in the Turks and Caicos Islands and has been for a period of not less than 12 months before the donation is accepted. Even if you have direct personal knowledge of the company, you should check the companies register to see if the company has been making the relevant returns to the registrar and to confirm it has not been struck off the register.

For any company, you should consider looking at: the company's website, relevant trade, telephone directories or reputable websites. If you are still not sure if the company is carrying on business in the Turks and Caicos Islands, you should ask for written confirmation of its business activities from the company's directors to ascertain whether the company has

been keeping proper books of account with respect to all sales and purchase of goods by the company and the assets and liabilities of the company.

Once you are satisfied that the company is not a dormant company, you will need to record:

- The name as it is shown on the register
- The company's registered office address
- The registered company number

Should you wish to contact the Commission in relation to donations from dormant companies, you can do so by using the following contact details:

General: 9461941 Patrick Noonan on 4326173 or via e-mail: pfaunit@integritycommission.tc or secretary@integritycommission.tc

Integrity Commission
Waterloo Plaza Complex (Unit 16)
Waterloo Road,
Grand Turk, Turks and Caicos Islands

Note: These guidance notes are issued to assist political parties and candidates in complying with their obligations under the Political Activities Ordinance. They are not intended to supersede the Ordinance and Regulations and in the event of any inconsistency, the Ordinance and Regulations prevail. This also applies to any future guidance notes provided by the Integrity Commission