

Charity Commission launches statutory inquiry into MB Foundation

Press release

The regulator has opened a statutory inquiry into the MB Foundation (also known as the Mossad Horav Aryeh Halevy) over serious financial and governance concerns.



The charity lists its activities as providing financial support to help relieve sickness and poverty.

The MB Foundation was previously part of the Commission's 'double defaulters' class inquiry for failing to submit annual accounts for the financial years ending 31 March 2014 and 31 March 2015. Subsequent scrutiny of the accounts and information received from the trustees raised several concerns about the charity's governance, in particular, the trustees' handling of conflicts of interest.

The charity, whose trustees are all brothers, carried out several transactions with companies and individuals directly connected to the trustees or the trustees' family members. This included a total of four loans to a connected company totalling over £1.7M.

The trustees have so far failed to provide the Commission with any formal documentation in relation to these loans. Furthermore, the trustees did not provide information to demonstrate they had adequately identified or managed conflicts of interest.

The inquiry will focus on:

- the trustees' decision-making; particularly regarding loans and investments
- whether the trustees have adequately managed potential conflicts of interests
- if there has been any unauthorised or indirect private benefit
- whether the charity has suffered any financial loss as a result of any

mismanagement/misconduct

- whether trustees have fulfilled their duties and responsibilities under charity law

The Commission may extend the scope of the inquiry if additional regulatory issues emerge. The opening of an inquiry is not a finding of wrongdoing.

It is the Commission's policy, after it has concluded an inquiry, to publish a report detailing what issues the inquiry looked at, what actions were undertaken as part of the inquiry and what the outcomes were. [Reports of previous inquiries are available on GOV.UK.](#)

ENDS

Notes to Editors:

The Charity Commission is the independent, non-ministerial government department that registers and regulates charities in England and Wales. Its purpose is to ensure charity can thrive and inspire trust so that people can improve lives and strengthen society.

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