

Charity regulator opens inquiry into SPAC Nation

The Charity Commission has today announced the opening of a statutory inquiry into the charity SPAC Nation ([1152988](#)). The inquiry will examine financial, governance and safeguarding matters at the charity.

SPAC Nation is a charity set up to advance Christianity. Much of its charitable work is based in London, working particularly with young people.

SPAC Nation has been subject to a regulatory compliance case since April 2018, which was opened to examine safeguarding and financial concerns about the charity.

In June 2019, as part of the compliance case, the Commission issued the charity with an action plan, receiving as expected a response from the trustees in November 2019. Some of this information raised further concerns about the charity's financial controls, policy and procedures.

Of immediate concern to the Commission is that substantial amounts of charity money are held in cash. As a protective measure, the Commission has issued an order under Section 84 of the Charities Act, requiring the charity to bank its money.

The Commission is also concerned about the apparent lack of clarity between the personal, business and charity roles of leaders within the charity.

The national media reported on the charity over the autumn of 2019, when several individuals alleged they had been encouraged to give money to the charity and/or individuals connected to the charity by taking on personal debt.

The Commission has opened this inquiry to examine matters further. The inquiry will look into the charity's governance, its management and its policies and practices with regard to safeguarding and people protection issues, financial issues and risk management, particularly in relation to:

- Whether the charity's safeguarding practices are adequate and the extent to which the Charity's beneficiaries are being placed at risk;
- The extent to which the financial assets of the charity have been placed at risk by the charity operating largely outside of its current bank account and previously without a bank account;
- The extent to which the trustees are managing the risks, including reputational risks, to the charity caused by recent and ongoing negative publicity in relation to the charity.

The Commission may extend the scope of the inquiry if additional regulatory issues emerge. An inquiry is not in itself a finding of wrongdoing.

A Charity Commission spokesperson said:

Charities exist to improve lives and strengthen society; the issues that have been raised related to SPAC Nation in recent weeks are highly concerning, even more so as the allegations are entirely at odds with the expectations about the way that charities will operate. The opening of this inquiry is an important step that will allow us to examine these concerns further and establish the facts. We will seek to provide assurance to the public and the community that these matters will be considered fully and, where necessary, resolved.

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 by the Commission are available on [GOV.UK](https://www.gov.uk).

Ends.

Notes to Editors

1. The inquiry opened on 5 December 2019.
2. The Charity Commission is the independent regulator of charities in England and Wales; our role is to regulate charity trustees' compliance with the charity law framework.
3. The Commission does not investigate criminal matters.