

Commission opens inquiry into The Potanin Foundation as founder sanctioned

Press release

The Charity Commission has opened a statutory inquiry into The Potanin Foundation, after the charity's founder Mr Vladimir Potanin was sanctioned by the UK government.



The Potanin Foundation was registered in 2006 and is a grant-making charity supporting its sister charity in Russia, the Vladimir Potanin Foundation. It has broad charitable objects which include advancing the education of the public in Russia and elsewhere.

Mr Potanin is the charity's only member and has controlling rights, including trustee appointment and removal.

On 29 June 2022 the Foreign, Commonwealth and Development Office sanctioned Mr Potanin under the UK's Russia (Sanctions) (EU Exit) Regulations 2019. Mr Potanin is now subject to a full asset freeze and his name appears on the 'UK Sanctions List' as a designated person.

The Commission's position is that individuals subject to UK financial sanctions cannot control a charity.

The Commission opened an inquiry on 29 June 2022 to:

1. Consider the viability of the charity and how to safeguard its assets;
2. Examine the management and administration of the charity by its trustees including the role of Mr Potanin, as the charity's founder, if any, in decision-making;
3. Review the relationship between the charity and the Vladimir Potanin Foundation in Russia and the management of grants awarded and associated risks.

The regulator has issued orders restricting certain actions without its prior

consent, including restricting the charity's bank account, preventing the charity's trustees from parting with the charity's assets, and restricting Mr Potanin's ability to use his powers as the charity's founder.. According to [the charity's most recently filed accounts](#), it has assets in excess of £95million.

The Commission may extend the scope of the inquiry if additional issues emerge.

ENDS

Notes to Editors

1. On 29 June 2022, Mr Vladimir Potanin was named by Her Majesty's Treasury ('HMT') as a 'designated person' for the purposes of the Russia (Sanctions) (EU Exit) Regulations 2019.
2. The effect of designation with an asset freeze by the UK government, means it is prohibited to deal with the frozen funds or economic resources, belonging to or owned, held or controlled by a designated person. It is also prohibited to make funds or economic resources available, directly or indirectly, to, or for the benefit of, a designated person. Matters relating to sanctions should be directed at the [Office of Financial Sanctions Implementation](#).
3. Prior to the opening of the inquiry and following Mr Potanin's designation by the Canadian and Australian governments, the charity's Chair of trustees contacted the Commission to discuss the implications of this on the charity. At the Commission's encouragement the Charity's trustees submitted a serious incident report to the Commission and has continued to provide further information as requested.
4. The charity's most recently filed accounts can be found on [the register](#).
5. 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](#).
6. 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.

Published 29 June 2022