Founding trustees of Jole Rider Friends paid themselves almost a quarter of charity funds finds charity watchdog

The Charity Commission has found the two founding trustees of <u>Jole Rider</u> <u>Friends</u> responsible for serious misconduct and/or mismanagement in their handling of the charity's finances and governance, as well as for failures to sufficiently comply with directions from the Commission. The charity has been wound up and the trustees disqualified.

Jole Rider Friends had charitable objects to advance education, by providing facilities and equipment at schools and other educational institutions in Africa.

The Commission engaged with the charity in 2015, identifying it only had two trustees. Further enquiries revealed other serious concerns including that the trustees were remunerated, contravening their own constitution. At the time, the trustees refused to make restitution for the amount they had taken.

The trustees had also failed to submit accounts, annual reports and returns on time. And, in December 2016, the Advertising Standards Agency ruled the charity had made misleading claims about their charity operations on the charity's website.

The Commission opened a <u>statutory inquiry</u> to examine matters further in September 2017 and on the same day issued two orders to restrict the charity's bank from parting with property belonging to the charity and to restrict the trustees from using the charity's credit card. It was found the founding trustees had, by that point, received unauthorised remuneration of £322,500, equating to 23% of all income received by the charity since it began.

The inquiry found that the charity claimed that it had sent 13,697 bicycles to Africa. However, the charity was unable to supply any documents to show that charity funds were used for this purpose.

The inquiry found the charity operated seven different entities, but as different brand names for the same organisation.

The inquiry also found the charity was insolvent as a result of rent arrears, and that County Court proceedings had been brought against the trustees for unpaid debts owed by the charity.

The inquiry found misconduct and/or mismanagement in relation to:

• a failure to engage with the action plan, issued by the Commission to the charity, in September 2016

- the charity being in default of its filing obligations
- both trustees consistently breached the charity's own constitution and paid themselves and/or received unauthorised remuneration despite knowing at some point that this was unlawful and against the charity's governing document.
- the trustees' failure to comply, in full or at all, with directions issued by the Commission

Restitution was considered but was not found to be proportionate at the time.

The charity was removed from the charity register on 13 September 2019; it was wound up by an <u>interim manager</u> appointed to the charity on a pro bono basis.

The trustees have been disqualified from acting as a trustee or in senior management role of a charity for 12 years.

Amy Spiller, Head of Investigations Team at the Charity Commission, said:

Charities exist to improve lives and strengthen society —so it's a legitimate expectation that trustees take their responsibilities seriously. This starts with trustees ensuring charitable funds are spent on the charity's aims and purpose.

The trustees of the Jole Rider grossly misused charity in paying themselves unauthorised remuneration and in doing so, they betrayed their donors as well as those that could have benefited from this charitable support. Their behaviour throughout, both in the running of their charity, as well as during this inquiry, was a world apart from that expected of trustees. It's therefore right that both trustees have been disqualified for the part they played in this matter.

The full report is available on <u>GOV.UK</u>.

Ends