Inquiry prompted by TV appeal finds failings in running of education charity

An <u>inquiry</u> has found that trustees of Aid and Peace Trust were responsible for misconduct and mismanagement after they failed to show how charitable funds were used and acted outside the charity's stated objects.

The regulator opened a statutory inquiry due to concerns about the management of the charity and the ongoing risk to charitable funds.

The Commission carried out a books and records inspection and engaged with the trustees, finding:

- poor financial oversight, with no annual returns submitted to the Commission since 2013
- funds transferred to private bank accounts of individuals, with trustees unable to unable to provide assurances on how they had been spent
- over £68,000 spent outside of the charity's objects including on a TV appeal, and to send money to a hospital near the Savar building collapse in Bangladesh

The inquiry found that trustees had failed to manage and consider additional risks. There was no record of how the decision to organise the appeal was reached and no evidence that appropriate due diligence checks had been carried out on parties involved in the appeal, including a non-charitable political lobbying group.

The charity's paid co-ordinator was also employed by the television company involved and was connected to the charity's chairperson, yet there was no evidence to show that these potential conflicts of interests had been managed.

During the inquiry, the Commission exercised its powers to safeguard the charity's property, and ultimately ensured that over £16,000 in safeguarded funds were spent in line with the charity's objects. The inquiry secured a voluntary undertaking from all of the trustees that they would not act in the capacity of charity trustee for 3 years, after finding they were responsible for misconduct and mismanagement in the administration of the charity. The charity has been removed from the register.

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

Being a trustee is an important responsibility, and one that must be taken seriously. By failing to safeguard charitable funds and properly govern the charity, the trustees of this charity put both its reputation and the public's generous donations at risk. It is right that they have been held to account, and that our intervention has ensured remaining funds could be properly accounted for and distributed to good causes.

The full report is available on GOV.UK

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