

[Press release: £25 million accounted for after charity regulator intervenes](#)



CHARITY COMMISSION
FOR ENGLAND AND WALES

The Charity Commission has today published a [statement of the results](#) of its pre-inquiry and class inquiry work into “double defaulter” charities between April 2017 – March 2018.

Double defaulters are charities that have defaulted on their statutory obligations to meet reporting requirements by failing to file their annual documents for two or more times in the last five years.

The compliance work involved 80 charities and found that:

- Approximately £25 million of charity income relating to 56 charities has been accounted for as a result of the Commission’s pre inquiry and inquiry work during this period
- A further 24 charities were found to have ceased to exist or did not operate and were therefore removed from the register of charities
- The class inquiry also exercised statutory powers to freeze over £50,000 of unprotected charity funds
- Further enforcement action is being taken against 5 charities, which were part of the class inquiry during this period, as a result of additional regulatory concerns and/or persistent defaulting. These are each now subject to separate inquiries into their governance and activities

Harvey Grenville, Head of Investigations and Enforcement at the Charity Commission for England and Wales, said:

The public deserve to be able to understand how their donations are being spent, and see clearly that they go towards their intended causes.

This vital work has ensured compliance issues in over 50 charities have been addressed resulting in over £24 million of charity income now being accounted for. By exercising our powers to protect over £50,000 of charity funds at risk, we demonstrated the robust intervention the public would expect.

Trustees of registered charities with an annual income of over £25,000 are under a clear legal duty to ensure that their charity's accounts and annual returns are submitted to us on time.

Too many trustees are still failing to file on time or properly notify us when a charity has been wound up. This report should serve as a reminder to other trustees that failure to comply with these duties is regarded as mismanagement by the Commission and can result in regulatory action against a charity or its trustees. Trustees who persistently breach this duty and are unwilling to mend their ways face the very real threat of removal or disqualification.

The full report is available on [GOV.UK](https://www.gov.uk).

Ends

Notes to editors

1. The Charity Commission is the regulator of charities in England and Wales. To find out more about our work see the [about us](#) page on GOV.UK.
2. Search for charities on our [check charity tool](#).
3. Under the pre-inquiry stage, charities are issued with a final warning before being placed into the class inquiry. This final warning resulted in 28 charities making good on their default prior to the deadline specified in the final warning.

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