

Press release: Charity Commission issues official warning over governance failures

The Charity Commission has issued an official warning to the Islamic Trust (Maidenhead) after finding misconduct and mismanagement in the administration of the charity.

The Commission opened an inquiry into the charity in April 2017 after its trustees failed to file its statutory returns for 2016 on time. This is despite having previously been part of the Commission's class inquiry into double defaulters and providing assurances to the Commission that they would not default again.

The Commission subsequently issued an order under section 84 of the Charities Act directing the trustees to prepare and submit the outstanding statutory returns, and explain what steps had been taken to prepare them. The trustees complied in full with the order and the outstanding statutory returns were submitted in May 2017.

As part of the inquiry, the Commission met with the charity's trustees and inspected the charity's books and records. The Commission identified a number of deficiencies in the charity's governance which are set out in the report published today.

The inquiry concluded that the trustees did not properly discharge their duties under charity law. In December 2017 the Commission used its regulatory powers to issue the charity with an official warning under section 75A of the Charities Act. The warning sets out that the trustees must take all reasonable steps to ensure that future statutory returns are submitted on time.

The Charity Commission's Director of Investigations, Monitoring and Enforcement Michelle Russell said:

Keeping detailed financial records and filing accounts on time, in addition to being a legal requirement for charities with an annual income over £25,000, is crucial to being able to evidence your charity's effectiveness to donors, beneficiaries and the regulator. It's also necessary to show that charitable funds are being spent on legitimate causes. In this case there were clear failings in the charity's financial management and overall governance, despite receiving previous advice from the Commission as part of our double defaulters class inquiry.

The trustees also failed to keep records of their wider decision-making which meant they were unable to show that they acted

reasonably, in the best interests of the charity and took advice where appropriate.

The [full inquiry report](#) is available on 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. The duty to file accounts and the trustees' annual report with the Commission applies to all CIOs, irrespective of income and to all other registered charities whose gross yearly income exceeds £25,000.