

[Press release: Charity Commission orders military charity to wind up](#)

In a [report](#) published today the Commission sets out its findings, conclusions and regulatory action taken following its investigation into [1st Knight Military Charity](#). The charity, which had objects to assist members of the armed forces and their dependents or carers, was ordered to and has now been wound up.

The Commission's [inquiry was opened on 8 November 2016](#) after undercover reporting for a BBC Scotland programme exposed anti-Islamic comments made at the charity's shop by a trustee and volunteer, as well as the sale of merchandise displaying anti-Islamic and derogatory comments and imagery.

“Wholly offensive and inappropriate” materials and comments

The inquiry concluded that there was misconduct in relation to offensive material available for sale at the charity's premises and comments recorded as part of the programme. The Commission's report highlights:

- A second trustee present at the time of the undercover recording failed to intervene or challenge the comments made.
- The offensive merchandise was ordered on more than one occasion, and the trustees did not seek to later return or dispose of the stock.
- Further highly offensive and inappropriate t-shirts depicting Nazi symbolism was advertised for sale on the charity's online store.
- An unannounced visit to the charity's premises later confirmed that the relevant materials had been removed from sale, however offensive and inappropriate merchandise was still displayed on the charity's online store in February 2017.

Michelle Russell, Director of Investigations, Monitoring and Enforcement at the Charity Commission said:

The public rightly expect charities to demonstrate the highest standards of integrity and conduct. What we saw in this case fell short of that: not only was this charity mismanaged, we also saw evidence of behaviours and attitudes that have no place in charity. The organisation has now wound up, and I am pleased that we have ensured its assets are redistributed by another charity.

The inquiry also found wider concerns about the charity's management and governance.

The Commission issued an order under section 84B of the Charities Act 2011 to direct the trustees to wind up and dissolve the charity, in the public interest and because it was unlikely that the charity could continue to

operate beyond the end of the inquiry. The trustees complied with this order on 22 March 2018 and the charity was dissolved and removed from the Register of Charities on 23 March 2018.

The charity's remaining funds were transferred to another charity, identified by the Commission, with similar objects to the charity. They will be used to provide support to wounded veterans and their loved ones.

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

Ends.

Notes to Editors

1. Under new powers granted to it under section 84B of the Charities Act 2016, the Commission has the power to direct charity trustees to wind up and dissolve a charity. On 22 December 2017 the Commission published a public notice of its intention to issue the order under section 84B (2) of the Act. This was published on the Commission's website for a period of 60 days. The Commission did not receive any representations following the issuing of public notice. After the period for representations expired the trustees were directed to take specified action to wind up and dissolve the Charity and have its remaining property transferred to a charity with the same or similar purposes.
2. The programme '[The Great Military Charity Scandal](#)' was broadcast on BBC One Scotland at 19:00, Tuesday 8 November 2016.
3. The Charity Commission is the independent regulator of charities in England and Wales. To find out more about our work, see the [about us](#) page on GOV.UK.
4. Search for charities on our [online register](#).