

[Press release: Charity regulator removes two trustees for serious breaches of charity law](#)

The founding trustees of a Birmingham based charity have been disqualified by the Charity Commission, following their removal, after an investigation found them responsible for misconduct and mismanagement.

In a [report published today](#), the charity regulator sets out the findings and conclusions of its statutory inquiry into [The Suyuti Institute](#), whose purposes include advancing the Islamic faith.

The Commission's investigation finds that the founding trustees had transferred liability for repaying the mortgage on a property owned by the wife of one of the trustees to the charity. The regulator concludes that these actions were not taken in line with the requirements of charity law and resulted in significant private benefit to one of the trustees.

The decision was taken when the charity accepted the transfer of assets and liabilities from a private trust connected to the mother of one of the trustees. That trust owned a plot of land in Manchester, on which an old cinema building had once stood, but was also responsible for repaying the mortgage on a property owned by the same trustee's wife.

The cinema building in question had been demolished several years prior to the charity accepting the transfer.

Both founding trustees are qualified solicitors and the inquiry concluded that it was reasonable to expect that they would have understood their legal duties and responsibilities as trustees when considering whether to accept the assets and liabilities of the private trust.

The Commission used its legal powers to suspend and then remove the two individuals as trustees of the charity, which means they are disqualified from being trustees, or from holding senior management functions in any charity in England and Wales.

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

The public rightly expect those running charities to live up to the highest standards of behaviour and attitude. That includes demonstrating scrupulous financial probity and being able to show that all decisions are made in the best interests of the charity and its beneficiaries.

The two founding trustees of this charity failed to fulfill those

expectations and were responsible for serious breaches of their charity law duties, which is why we removed them.

The regulator has since been monitoring the work undertaken by the charity's newly appointed trustees, who have secured repayment from the former trustee for funds he owed to the charity, implemented new financial controls and who are now producing a strategy for the charity's future, having put its activities on hold during the investigation.

Michelle Russell added:

The Commission's purpose is to ensure charity can thrive and inspire trust, and I am pleased that, working with us, the new trustees have returned the charity to a firmer legal footing and are considering its future activities.

The Charity Commission is the regulator and registrar of charities in England and Wales. Its purpose is to [ensure charity can thrive and inspire trust so that charities can improve lives and strengthen society](#).

The inquiry opened in January 2017 and concluded on 19 March 2019, with the publication of the inquiry report. The full inquiry report is available on gov.uk.

The Suyuti Institute was registered as a charity in April 2013.

ENDS

Notes to editors