<u>Press release: Interim Manager</u> <u>appointed: Support the Heroes</u>

The Charity Commission, the independent regulator of charities in England and Wales, has opened a statutory inquiry into <u>Support the Heroes (registered</u> <u>charity number 1155853)</u> and appointed an interim manager to run the charity. The inquiry was opened on 10 November 2016.

The charity has objects to support those serving or who have served in the Armed Forces. The charity currently furthers its objects by making grants to other charities.

The regulator opened the inquiry following its investigation into a number of complaints about the charity, in particular about its fundraising activities. The Commission has serious concerns about an agreement that the charity has entered with a commercial fundraising company. It is particularly concerned about the transparency of the charity's fundraising arrangements and the ability of the public to make an informed decision about donating to the charity. The regulator is also examining the charity's governance arrangements and the ability of the ability of the trustees to avoid or manage potential conflicts of interest. The Commission is also liaising with the Fundraising Regulator about its concerns with the charity's fundraising practices.

As a result of these serious concerns the Commission ordered the trustees not to part with any of the charity's property on 11 November 2016, as well as directing them to cease all fundraising while it conducts further investigations. The Commission froze the charity's and subsidiary's bank accounts on 18 November 2016.

The Commission appointed Brian Johnson of HW Fisher & Company as interim manager on 9 December 2016 to assist the Commission in swiftly addressing its regulatory concerns. The interim manager is appointed with all the powers and duties of a trustee and will act to the exclusion of the current charity trustees. This is a temporary appointment and will be reviewed on a regular basis in line with normal procedures.

The inquiry will examine the administration, governance and management of the charity by the trustees, in particular the extent to which the trustees have:

- ensured that conflicts of interest in the charity and its subsidiary have been adequately avoided or managed
- acted in the charity's best interests and acted in accordance with their legal duties
- responsibly managed the charity's resources and acted with reasonable care and skill in respect of its fundraising agreement with a professional fundraiser and associated risks to the charity's property
- adequately protected the charity's reputation and managed significant risks to public trust and confidence in the charity especially with regards to the conduct and reporting of fundraising activities conducted

by the charity or on its behalf

The charity's trustees have filed an appeal with the First-tier Tribunal (Charity) challenging the regulator's decision to appoint an interim manager.

It is the Commission's policy, after it has concluded an inquiry, to publish a report detailing what issues the inquiry looked at, what actions were undertaken as part of the inquiry and what the outcomes were. Reports of previous inquiries by the Commission are available on its website.

The charity's details can be viewed on the Commission's <u>online charity search</u> tool.

Ends

PR 05/17

Notes to editors

- The charity was featured in the programme <u>'The Great Military Charity</u> <u>Scandal'</u> which was broadcast on BBC One Scotland at 19:00, Tuesday 8 November 2016.
- 2. Fundraising is subject to a self-regulatory system. <u>The Fundraising</u> <u>Regulator</u> regulates all types of fundraising by charities based in England and Wales and adjudicate concerns and complaints about fundraising against the Code of Fundraising Practice. The Commission does however have a role in fundraising regulation where there is evidence that trustee actions or failings, in fulfilling their duties towards their charity, pose a serious risk to the charity or where it is identified that there is a serious risk to charitable funds, or to public trust and confidence.
- 3. The Charity Commission is the independent regulator of charities in England and Wales. To find out more about our work, see our <u>annual</u> <u>report.</u>
- 4. Search for charities on our online register.
- 5. Section 46 of the Charities Act 2011 gives the Commission the power to institute inquiries. The opening of an inquiry gives the Commission access to a range of investigative, protective and remedial legal powers.
- 6. The Commission's decision to announce the opening of a statutory inquiry is based on whether it is in the public interest to do so and with

consideration of our objective to increase public trust and confidence in charities.