

Press release: Lengthy disqualification for director with a string of charity failures

Christopher John Stoddard, 68, from Ross on Wye, Herefordshire, was the director of CS Fundraising Limited (CSF).

CSF was incorporated in June 2008 and commenced to trade in late 2012 as a professional fundraiser for charities from premises in Ross-on-Wye, Herefordshire.

The company took over the assets and contracts of an associated professional fundraising company that entered into formal insolvency proceedings in June 2012.

At its peak the company was sending out approximately 150,000 mail donation letters each month, on behalf of charities, for whom it acted as a direct marketing agency.

However, under sustained pressure from various sources, Mr Stoddard took the decision to cause the company to cease trading in November 2014 and on 19 December 2014 the company was placed into creditor's voluntary liquidation (CVL).

This brought to nine, the number of companies where Mr Stoddard had a significant role, to have gone into some form of insolvency.

An Insolvency Service investigation, which followed CSF's insolvency found, and Mr Stoddard admitted:

- causing CSF to solicit money from the general public in a way that was contrary to laws governing charities
- causing and/or allowing CSF to mislead the public in that the solicitation statement of the company did not comply with the requirements of charity laws
- between July 2013 and September 2014 he caused CSF to retain public donations of at least £125,634, which the company had received in its capacity as a professional fund-raiser on behalf of a charity
- that between July 2013 and December 2014 he breached the duty of trust owed to CS Fundraising in that he failed to act in the best interest of the company. He did so by allowing a conflict of interest to arise which caused a separate company, which he controlled, to earn revenues from the renting out of the mailing list of CS Fundraising without accounting for money due to CSF for the income earned. In addition, It has not been possible to ascertain the income received by the associated company

On 13 June 2018, the Secretary of State for Business, Energy & Industrial Strategy accepted a disqualification undertaking from Christopher John

Stoddard, which prevents him from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company or limited liability partnership, for nine and a half years.

Commenting on the ban, Martin Gitner, Martin Gitner, Deputy Head, Insolvent Investigations, part of the Insolvency Service, said:

Members of the public who donate their money to worthy causes need to be confident that all funds, less agreed costs, are forwarded by the professional fundraising companies employed by the charities.

In this case, Mr Stoddard failed to fully adhere to legislation directly relevant to the business of his company, he failed to ensure that all due funds due to a charity were paid over and he failed to act in the best interests of the creditors of CS Fundraising Limited.

Directors who engage in such conduct will be investigated and by the Insolvency Service and enforcement action taken to remove them from the market place.

Since 15 June 2010 Mr Stoddard has been director and/or major shareholder in nine companies that have entered into formal insolvency:

- CSDM: appointed as a director 13 Jan 2005; company entered administration 15 June 2010; company placed in CVL 15 June 2011
- Millfield Concepts: appointed as a director 8 May 1997; company placed into CVL 15 March 2011
- CSDM Response LLP: appointed as a director 11 June 2007; company placed into CVL 27 April 2011
- C S Incentive: appointed as a director 26 April 2007; company placed into CVL 3 July 2012
- CSDM Fundraising: appointed as a director 7 Dec 2009; company entered into administration 26 June 2013; placed into CVL 18 June 2014
- Listening People: appointed as a director 2 Oct 2012; resigned as director 27 June 2013; company placed into CVA 2 April 2014; company placed into CVL 13 November 2014
- CS Fundraising: appointed as a director 4 June 2008; company placed into CVL 19 Dec 2014
- Inspire Fundraising: appointed as director 18 March 2011; company entered administration 20 Jan 2015; company placed into CVL 22 Sept 2015
- Cleardata Direct Media: appointed as a director 28 July 2010; company placed into CVL 23 Oct 2015

Notes to editors

Christopher John Stoddard is of Ross-on-Wye and his date of birth is January 1950.

CS Fundraising Limited (Company Reg no. 06611490) was placed into creditor's voluntary liquidation on 19 Dec 2014.

In signing the undertaking, Mr Stoddard admitted:

- causing CS Fundraising Ltd to solicit monies from the general public in a way that was contrary to Section 59(1) of the Charities Act 1992
- causing and/or allowing CS Fundraising to mislead the public in that the solicitation statement of the company did not comply with the requirements of Section 60(1) of the Charities Act 1992
- between July 2013 and September 2014 he caused CS Fundraising to retain public donations of at least £125,634, which the company had received in its capacity as a professional fund-raiser on behalf of a charity
- that between July 2013 and December 2014 he breached the fiduciary duty owed to CS Fundraising in that he failed to act in the best interest of the company by allowing a conflict of interest to arise which caused a separate company that he controlled to earn revenues from the renting out of the mailing list of CS Fundraising without accounting for monies that were due to CS Fundraising for the income earned. In addition. It has not been possible to ascertain the income received by the associated company

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings. Persons subject to a disqualification order are bound by a [range of other restrictions](#).

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency deals with disqualification of directors in corporate failures, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on: