

Press release: New Charity Inquiry: Hindu Community Society

The Charity Commission has opened a statutory inquiry into Hindu Community Society ([1136595](#)), a charity which exists to promote charitable purpose for the benefit of the Tamil community in Coventry, particularly by advancing the Hindu religion.

The Commission has serious regulatory concerns regarding the management and governance of the charity. Despite being previously included in a class inquiry in 2017 for failing to file its financial accounts, the charity's trustees have failed for the sixth consecutive year to submit the charity's annual financial information on time. Despite repeated reminders from the Commission in relation to its accounts for the financial year end 2016, 2017 and 2018, the trustees remain in continued breach of their legal duties.

Additional concerns arose around the potential loss of £500,000 of charity funds spent on a leased property, from which the trustees were subsequently evicted. The Commission also has concerns about potential private benefit arising from payments made to trustees for employment within the charity.

The Commission therefore opened a new statutory inquiry on 14 June 2017 to examine serious concerns of potential misconduct and mismanagement at the charity. The Commission has been unable to announce or progress its investigation before now so as to avoid prejudicing a separate HMRC investigation into the Charity. HMRC's investigation has now closed.

The Commission's inquiry will now examine:

- the extent to which the trustees are complying with their legal duties to administer, govern and manage the charity, in particular;
 - their compliance with legal obligations to prepare and file the charity's annual financial information
 - the extent to which the trustees have complied with previously issued regulatory guidance
- the extent to which a properly appointed board of trustees is exercising proper and adequate oversight of the charity's affairs, in particular;
 - whether the trustees have avoided or adequately managed potential conflicts of interest and;
 - whether there has been any direct or indirect benefit
- the trustees' decision making with regards to expenditure on property leased by the charity

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 [GOV.UK](#).

Ends

Notes to Editors

- The Charity Commission is the independent regulator of charities in England and Wales; our role is to regulate charity trustees' compliance with the charity law framework.
- The Commission has not made any conclusions and the opening of the inquiry is not a finding of wrongdoing.