

Press release: New Charity Inquiry: The Bersam Trust

The Charity Commission, the independent regulator of charities in England and Wales, has opened a statutory inquiry into The Bersam Trust ([526452](#)) to look into concerns over potential misconduct and mismanagement in the administration of the charity. The inquiry was opened on 14 January 2018.

The charity, which operates from the Salford area, has objects which include providing children with a strictly orthodox Jewish religious education and advancing orthodox Jewish practice.

The Commission has examined the charity's annual accounts and obtained records from the charity's bank account under section 52 of the Charities Act 2011. It found significant discrepancies between the financial activity recorded in the accounts and the values of funds entering and leaving the charity's bank accounts, raising serious concern.

The Commission's accountancy analysis also identified that comparative figures in the accounts do not match those in the previous year's accounts and differences are not supported by explanation from the Independent Examiner.

The Commission has therefore taken protective regulatory action to freeze the charity's bank accounts, under section 76(3)(d) of the Charities Act 2011.

The inquiry will examine the governance, management and administration of the charity and will focus particularly on:

- the financial management of the charity, and whether funds have been properly expended solely for exclusively charitable purposes and can be accounted for;
- whether loans involving the charity are in accordance with its governing document and have been properly accounted for;
- the trustees' compliance with legal obligations for the content and preparation of the charity's accounts and other information or returns;
- whether the trustees may have knowingly or recklessly provided the Commission with information which is false or misleading;
- if the trustees have avoided or adequately managed potential conflicts of interest, and if there has been any direct or indirect private benefit;

The Commission previously engaged with the charity in respect of regulatory concerns regarding governance issues, and provided regulatory advice and guidance to the trustees in the form of an action plan. The inquiry will also examine the extent to which the trustees have complied with previously issued regulatory guidance.

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

1. 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.
2. Search for charities on our [check charity](#) tool.
3. 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.
4. Section 76(3)(d) of the Charities Act 2011 gives the Commission the power to order any person who holds any property on behalf of the charity, or trustee of it, not to part with the property without prior approval of the Commission. It is a temporary order and is reviewed on a regular basis in line with normal procedures.
5. Section 52 of the Charities Act 2011 gives the Commission the power to require a person by order to provide the Commission with information about a charity which is relevant to the discharge of the Commission's functions.