

# Press release: New charity investigation: Grangewood Educational Association

The Charity Commission has announced today that it has opened an investigation into the [charity](#) that runs Grangewood Independent Primary School in Newham, and has frozen the charity's bank account following serious concerns about the charity's governance. The investigation was opened on 15 April 2018 and on 27 April 2018 the regulator appointed joint interim managers to run the charity.

The charity's purposes include promoting and providing for the advancement of education in accordance with the doctrines and principles of the Christian faith.

The charity has been experiencing financial difficulties and entered into a company voluntary arrangement in 2014. The charity's premises were sold in 2015 which has allowed the school to keep operating. As a result of the death of one trustee and the resignation of another, the charity has recently been functioning with only one trustee. This is in breach of the charity's governing document which requires 3 trustees to make decisions.

The Commission opened an inquiry to investigate its concerns and has taken action to freeze the charity's bank account and protect the charity's funds following a meeting with the charity's trustee and their advisers. The Commission's engagement was prompted by recent complaints about the charity's governance and management.

The inquiry will examine the following regulatory issues:

- the governance, management and administration of the charity by the trustees, with particular regard to:
  - the extent to which the trustees have complied with the governing document of the charity;
  - the financial control and management of the charity
  - whether the trustees have avoided or adequately managed potential conflicts of interest;
  - the extent to which the trustees complied with the requirements of the Charities Act when disposing of the charity's property in 2015; and
  - decisions regarding the charity's future
- whether connected party transactions and remuneration to trustees have been properly authorised

Due to the lack of effective governance oversight over the charity, the

Commission has appointed Geoff Carton-Kelly and Jason Daniel Baker of FRP Advisory as joint interim managers of the charity. This means that they will take on full control of the day-to-day management and administration of the charity from the current trustee until the Commission makes a further order.

The school presently remains in operation. Part of the Interim Managers' duties will be to establish the viability of the charity and the school it operates and determine the most appropriate option regarding the charity's future.

Ends

#### **Notes to editors**

1. The Charity Commission is the 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.