

Regulator opens statutory inquiry into Yorkshire-based education charity, following repeated non-compliance

The Charity Commission has opened a statutory inquiry into Charr Yarr Welfare Foundation Limited ([1156698](#)), as a result of serious regulatory concerns that there is, or has been, misconduct or mismanagement in the administration of the charity.

The charity funds several medical facilities in Pakistan, and operates a school in Bradford, West Yorkshire. Its purpose includes the promotion of education and relief of poverty throughout the world.

The regulator opened a compliance case into Charr Yarr Welfare Foundation Limited in April 2018 to examine financial concerns, including the charity being unable to provide receipts for £27,200 of grants made to a partner charity based in Pakistan. The charity's accounts for the financial years ending 31 August 2016 and 31 August 2017 were also submitted to the Commission late.

After two compliance visits, the regulator issued regulatory guidance and an action plan to the charity, however the trustees again failed to file accounts for the financial year ending August 2018 on time and continue to be in default of their accounting duties. The trustees were put on notice and advised that this was evidence of mismanagement and/or misconduct in the administration of the charity.

The failure of the trustees to comply with this advice and the action plan resulted in the Commission issuing an Official Warning to the charity on 9 January 2020. Since then, the trustees have failed to submit required outstanding financial information and a report in relation to the progress of the action plan.

The charity also remains in default with Companies House in respect of filing the directors' reports and accounts. The Commission is concerned that action commenced by Companies House to 'strike off' the charity from the register of Companies will place the charity at risk of it losing property.

Despite extensive engagement and attempts to put corrective measures in place, the Commission continues to have serious concerns about the way the charity is run.

It therefore escalated its engagement to a statutory inquiry on 19 May 2020. The inquiry will further examine the trustees' governance of the charity in light of their failure to comply with the issued action plan and Official Warning. It will also examine the future viability of the charity.

The Commission may extend the scope of the inquiry if additional regulatory

issues emerge.

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 are available on [GOV.UK](https://www.gov.uk).

Ends.

Notes to editors:

- The Charity Commission is the independent, non-ministerial government department that registers and regulates charities in England and Wales. Its purpose is to ensure charity can thrive and inspire trust so that people can improve lives and strengthen society.