

Couple living rent-free at dog charity's property took charity funds to pay for items including holidays finds Commission

The Charity Commission has found serious misconduct at the charity [Chichester and District Dog Rescue Society](#) and disqualified two former trustees for their actions. New trustees are now in place at the charity.

The [charity](#) operates in East Sussex and Hampshire and aims to care and support stray and unwanted dogs in these areas. Funding is received via legacies, donations and proceeds from two charity shops.

The Commission was alerted to problems at the charity by an independent examiner in March 2017, who had found discrepancies in the charity's bookkeeping. As a result, the Commission engaged with the charity, but the trustees failed to respond to the Commission's queries.

The Commission opened a statutory inquiry to assess matters further in September 2017.

The inquiry found there had been serious mismanagement and misconduct in the charity's governance, management and administration by the two former trustees.

The inquiry identified £316,120 had been withdrawn in cash from the charity's bank account and could not be accounted for. This matter was referred to the police.

The two trustees at the time were a married couple and conflicts of interest were not managed appropriately; this led to decisions such as allowing the trustees to live rent-free at the charity's centrally heated property and install a wood burner at the property using the charity's money. Charity funds were also used to pay for a holiday taken by one of the two trustees and other family members.

Further issues identified included:

- the charity requested a dog rehoming fee of between £100 and £150 but did not record where this money went
- the trustees failed in their duty to file financial accounts and the annual report on time; with the years 2016 and 2017 outstanding
- the charity shops belonging to the charity were not maintained
- the trustees were acting outside of their charity's governing document by paying for veterinary fees for dog owners

- an alleged theft had occurred, but had not been reported to the police

A new trustee board was appointed in November 2018 and has co-operated fully with the Commission during the inquiry. A follow up visit in September 2019 found the charity to be operating effectively and it is now fully compliant with its filing obligations. The Commission's case was therefore closed on 15th January 2020.

Both former trustees have been disqualified from acting as a charity trustee or trustee of any charity and/or from holding an office or employment with a senior management function in charities generally in England and Wales, for a period of 7 years.

Amy Spiller, Head of Investigations Team at the Charity Commission, said:

Trustees are under an obligation to act in the best interests of their charity –by handling donations with care and stewarding funds towards the good cause they serve. The former trustees of this charity failed to deliver on this expectation – they were reckless with the charity's money and used funds for their own personal expenses. This almost cost the charity's future and will have let down people who trusted this charity to help a cause they care about.

Rightly, the trustees have been disqualified and new trustees have been appointed to ensure this charity is now placed to deliver on its purposes and thrive.

Ends