

Press release: Charity taking steps to regularise its governance following Charity Commission inquiry

The Charity Commission has today [published a report](#) of its inquiry into The Great Generation, which works to help achieve the UN's sustainable development goals in various countries around the world.

The Commission opened the investigation in January 2018 after the charity's repeated failure to fulfil their legal reporting obligations on time, and concerns that the charity's governance was inadequate due to it being run by a sole trustee, contravening the charity's governing document.

The inquiry was opened to examine a range of regulatory issues related to the governance and management of the charity.

The report details failings which amounted to mismanagement on the part of the charity's sole trustee. However, the Commission found that there were mitigating factors involved.

Whilst the report is critical of the trustee for failing to regularise the charity's banking arrangements, the investigation found that ongoing issues with the charity's banking provider was the main contributory factor in the charity failing to meet its reporting requirements.

The inquiry established that due to having only a sole trustee, conflicts of interest could not be adequately managed, but found no evidence that charitable funds were misapplied or misappropriated.

During the course of its inquiry, the Commission used its powers to freeze the charity's bank account; that step was lifted almost immediately once the regulator was reassured that the charity's assets were not at risk and notes that the sole trustee fully cooperated with the inquiry.

The Commission has issued the charity with an action plan requiring the trustee to address the weaknesses in its governance, particularly the necessity to appoint new independent trustees, a need the charity had highlighted in its annual reports. The Commission will monitor the charity's compliance with the action plan and will take further regulatory steps if the charity fails to fully comply with the actions within the specified timeframes.

Harvey Grenville, Head of Investigations and Enforcement at the Charity Commission, says:

Charity trustees have an important legal duty to ensure that their charity is governed and managed adequately. This includes

recruiting sufficient trustees to the charity and keeping clear accounting records that can evidence exactly where charity funds have gone. Transparent reporting in this way is crucial for maintaining public trust and confidence in charities.

While we are critical of the sole trustee for past failings, we recognise steps being taken to improve the charity's governance and return its financial arrangements to a secure footing.

The Commission is reminding charities that charity trustees must ensure that they prepare annual reports on what it has been achieved, and maintain accounting records as required by charity law.

Failure to do so will result in the Commission exercising its powers to ensure that this legal requirement is adhered to.

The Commission's [full report](#) of its inquiry is 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 our [annual report](#).
2. Search for charities on our [online register](#).
3. The Commission's inquiry into The Great Generation opened in January 2018 and concluded with the publication of the report on 7 December 2018.