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CHARITY COMMISSION
FOR ENGLAND AND WALES

Inquiry Report

GO TV

Registered Charity Number 1119306

A statement of the results of the class inquiry into double defaulter charities in particular GO TV (registered charity number 1119306) ('the charity').

Published on 26 January 2017.

The class inquiry

On 20 September 2013, the Charity Commission ('the Commission') opened a statutory class inquiry ('the inquiry') into charities that were in default of their statutory obligations to meet reporting requirements by failing to file their annual documents for 2 or more years in the last 5 years and met certain criteria, including that:

- the charities were recently (or in the case of charities that would become part of it in due course, would be) given final warnings to comply by a specified date
- on the day after the specified date they were still in default (partially or otherwise)

At the point a charity met the criteria they would become part of the inquiry. Charities that have been identified for inclusion in the class inquiry have a last known annual income of at least £150,000.

The charity

The charity was registered on 21 May 2007. It is an unincorporated charity governed by a Trust Deed dated 1 January 2007.

The charity's objects are:

1. The advancement of the Christian religion for the benefit of the public by the proclamation of the gospel of Jesus Christ.
2. The relief of suffering of persons in need by offering practical and spiritual help in time of need.

In practice the charity has furthered its objects by preaching the Gospel of Jesus Christ in Exeter but it is in the process of ceasing its operations.

More details about the charity are available on the **register of charities** ('the register').

Issues under investigation

The charity had failed to submit its annual return for the financial year ending 31 March 2013, and its annual accounts, reports and annual returns for the financial years ending 31 March 2014 and 2015, to the Commission within the statutory deadlines. During the whole period of default, the charity was sent various computer generated reminders from the Commission regarding the submission of their annual accounting documents. Although reminders were sent the charity remained in default of its obligations under the Charities Act 2011 ('the act').

In addition, a final warning letter was issued on 7 December 2015 requesting that the missing documents be provided by 11 February 2016, and warning the charity that if it remained in default it would become part of the inquiry. The charity became part of the inquiry on 12 February 2016 because it failed to supply the outstanding annual accounting information by the deadline provided.

The inquiry was confined to dealing with the trustees' mismanagement and misconduct¹ and remedying the recent non-compliance in connection with the trustees' persistent failure to file their annual accounts and returns within the statutory deadlines.

The outstanding annual return for the year ending 31 March 2013 was submitted to the Commission in March 2016, and the remaining outstanding accounting documents were submitted in November 2016.

A charity representative informed the Commission that the reason why the charity had not complied with its statutory accounting requirements was due to the trustees conducting an internal investigation into the charity's operations and finances after identifying unauthorised expenditure within the charity. Further delays were incurred as the trustees made alternative arrangements to complete the outstanding accounting records, which included requesting financial records from the charity's bank, and re-classifying details of its expenses in its financial records after the internal investigation was completed. This does not excuse the failure of the trustees to fulfil their statutory obligations.

When the charity's outstanding accounting documents were submitted, the accounts were referred for scrutiny by the Commission's accountants. Any issues arising from that scrutiny will be followed up separately.

Conclusions

The charity's trustees were in default of their legal obligations to file accounting information with the Commission. This was mismanagement and misconduct in the administration of the charity and a breach of their legal duties.

As a result of the inquiry, the Commission ensured the charity complied with its legal obligations to submit their annual accounting information. Two sets of accounts were filed and as a result £70,535 of charitable income has been accounted for with the Commission.

The charity ceased to be part of the inquiry on publication of this report.

Regulatory action taken

The Commission provided regulatory advice and guidance about the trustees' duty to file the charity's annual accounting information, and guidance regarding the responsibility of the trustees to recover property lost to the charity.

The Commission used its information gathering powers under section 52 of the act to order and obtain bank records and financial information of the charity relating to the missing years accounts. These were used in connection with the Commission's scrutiny of the accounts.

¹ The terms misconduct and mismanagement are taken from section 76 of the act. Misconduct includes any act (or failure to act) in the administration of the charity which the person committing it knew (or ought to have known) was criminal, unlawful or improper. Mismanagement includes any act (or failure to act) in the administration of the charity that may result in significant charitable resources being misused or the people who benefit from the charity being put at risk. A charity's reputation may be regarded as property of the charity.

On 4 May 2016 the inquiry exercised powers under section 84 of the act to direct the trustees to prepare and complete the relevant missing annual accounts, reports and returns for the charity and provide copies of these to the Commission.

Issues for the wider sector

Trustees of charities with an income of over £25,000 are under a legal duty as charity trustees to submit annual returns, annual reports and accounting documents to the Commission as the regulator of charities. Even if the charity's annual income is not greater than £25,000 trustees are under a legal duty to prepare annual accounts and reports and should be able to provide these on request. All charities with an income over £10,000 must submit an annual return.

Failure to submit accounts and accompanying documents to the Commission is a criminal offence. The Commission also regards it as mismanagement and misconduct in the administration of the charity.

For those individuals who were not trustees at the initial date of default, when they became a trustee, they became responsible for making good the default.

It is important that the financial activities of charities are properly recorded and their financial governance is transparent. Charities are accountable to their donors, beneficiaries and the public. Donors to charity are entitled to have confidence that their money is going to legitimate causes and reaches the places that it is intended to. This is key to ensuring public trust and confidence in charities.