



Charities Act 1960

1960 CHAPTER 58

PART II

PROVISIONS FOR INQUIRING INTO, MAKING KNOWN AND CO-ORDINATING CHARITABLE ACTIVITIES

Powers of Commissioners and Minister to obtain information, etc.

6 General power to institute inquiries

- (1) The Commissioners may from time to time institute inquiries with regard to charities or a particular charity or class of charities, either generally or for particular purposes:
Provided that no such inquiry shall extend to any exempt charity.
- (2) The Commissioners may either conduct such an inquiry themselves or appoint a person to conduct it and make a report to them.
- (3) For the purposes of any such inquiry the Commissioners may by order, and a person appointed by them to conduct the inquiry may by precept, require any person (subject to the provisions of this section)—
 - (a) to furnish accounts and statements in writing with respect to any matter in question at the inquiry, being a matter on which he has or can reasonably obtain information, or to return answers in writing to any questions or inquiries addressed to him on any such matter, and to verify any such accounts, statements or answers by statutory declaration;
 - (b) to attend at a specified time and place and give evidence or produce documents in his custody or control which relate to any matter in question at the inquiry.
- (4) For the purposes of any such inquiry evidence may be taken on oath, and the person conducting the inquiry may for that purpose administer oaths, or may instead of administering an oath require the person examined to make and subscribe a declaration of the truth of the matters about which he is examined.

- (5) The Commissioners may pay to any person the necessary expenses of his attendance to give evidence or produce documents for the purpose of an inquiry under this section, and a person shall not be required in obedience to an order or precept under paragraph (b) of subsection (3) above to go more than ten miles from his place of residence unless those expenses are paid or tendered to him.
- (6) No person claiming to hold any property adversely to a charity, or freed or discharged from any charitable trust or charge, shall be required under this section to furnish any information or produce any document relating to that property or any trust or charge alleged to affect it.
- (7) Where the Commissioners propose to take any action in consequence of an inquiry under this section, they may publish the report of the person conducting the inquiry, or such other statement of the results of the inquiry as they think fit, in any manner calculated in their opinion to bring it to the attention of persons who may wish to make representations to them about the action to be taken.
- (8) The council of a county, county borough, county district or borough included in a rural district and, in London, the Common Council of the City of London and the council of a metropolitan borough may contribute to the expenses of the Commissioners in connection with inquiries under this section into local charities in the council's area.
- (9) If any person wilfully alters, suppresses, conceals or destroys any document which he may be required to produce under this section, he shall be liable on summary conviction to a fine not exceeding one hundred pounds, or to imprisonment for a term not exceeding six months, or to both.

7 Power to call for documents, and search records

- (1) The Commissioners may by order require any person having in his possession or control any books, records, deeds or papers relating to a charity to furnish them with copies of or extracts from any of those documents or, unless the document forms part of the records or other documents of a court or of a public or local authority, require him to transmit the document itself to them for their inspection.
- (2) Any officer of the Commissioners, if so authorised by them, shall be entitled without payment to inspect and take copies of or extracts from the records or other documents of any court, or of any public registry or office of records, for any purpose connected with the discharge of the functions of the Commissioners or of the official custodian for charities.
- (3) The Commissioners shall be entitled without payment to keep any copy or extract furnished to them under subsection (1) above; and where a document transmitted to them under that subsection for their inspection relates only to one or more charities and is not held by any person entitled as trustee or otherwise to the custody of it, the Commissioners may keep it or may deliver it to the charity trustees or to any other person who may be so entitled.
- (4) No person claiming to hold any property adversely to a charity, or freed or discharged from any charitable trust or charge, shall be required under subsection (1) above to transmit to the Commissioners any document relating to that property or any trust or charge alleged to affect it, or to furnish any copy of or extract from any such document.

- (5) No person properly having the custody of documents relating only to an exempt charity shall be required under subsection (1) above to transmit to the Commissioners any of those documents, or to furnish any copy of or extract from any of them.

8 Receipt and audit of accounts of charities

- (1) Statements of account giving the prescribed information about the affairs of a charity shall be transmitted to the Commissioners by the charity trustees on request; and, in the case of a charity having a permanent endowment, such a statement relating to the permanent endowment shall be transmitted yearly without any request, unless the charity is excepted by order or regulations.

- (2) Any statement of account transmitted to the Commissioners in pursuance of subsection (1) above shall be kept by them for such period as they think fit; and during that period it shall be open to public inspection at all reasonable times.

- (3) The Commissioners may by order require that the condition and accounts of a charity for such period as they think fit shall be investigated and audited by an auditor appointed by them, being a member of one of the following bodies:—

The Institute of Chartered Accountants in England and Wales;

The Society of Incorporated Accountants ;

The Institute of Chartered Accountants of Scotland;

The Association of Certified and Corporate Accountants;

The Institute of Chartered Accountants in Ireland;

Any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of paragraph (a) of subsection (1) of section one hundred and sixty-one of the Companies Act, 1948, by the Board of Trade.

- (4) An auditor acting under subsection (3) above—

(a) shall have a right of access to all books, accounts and documents relating to the charity which are in the possession or control of the charity trustees or to which the charity trustees have access;

(b) shall be entitled to require from any charity trustee, past or present, and from any past or present officer or servant of the charity such information and explanation as he thinks necessary for the performance of his duties;

(c) shall at the conclusion or during the progress of the audit make such reports to the Commissioners about the audit or about the accounts or affairs of the charity as he thinks the case requires, and shall send a copy of any such report to the charity trustees.

- (5) The expenses of any audit under subsection (3) above, including the remuneration of the auditor, shall be paid by the Commissioners.

- (6) If any person—

(a) fails to transmit to the Commissioners any statement of account required by subsection (1) above; or

(b) fails to afford an auditor any facility to which he is entitled under subsection (4) above ;

the Commissioners may by order give to that person or to the charity trustees for the time being such directions as the Commissioners think appropriate for securing that the default is made good.

(7) This section shall not apply to an exempt charity.

9 Exchange of information, etc.

- (1) The Commissioners may furnish the Commissioners of Inland Revenue and other government departments and local authorities, and the Commissioners of Inland Revenue and other government departments and local authorities may furnish the Commissioners, with the names and addresses of institutions which have for any purpose been treated by the person furnishing the information as established for charitable purposes or, in order to give or obtain assistance in determining whether an institution ought to be treated as so established, with information as to the purposes of the institution and the trusts under which it is established or regulated.
- (2) The Commissioners shall supply any person, on payment of such fee as they think reasonable, with copies of or extracts from any document in their possession which is for the time being open to public inspection under this Act.