

THE SCOTTISH CHARITY REGULATOR (OSCR)

Interim report made under section 33 of the Charities and Trustee Investment (Scotland) Act 2005

SC032787 Wick Academy Development Fund

OSCR has directed the charity trustees of the Wick Academy Development Fund not to distribute or otherwise part with any funds belonging to the Charity without OSCR's consent. As a result of inquiries undertaken it appears to OSCR that it is necessary to act to protect the property of the Charity.

Background

Wick Academy Development Fund is a charity established in Scotland (Scottish Charity Number SC032787) and was recognised as a charity by HM Revenue and Customs (HMRC) on 15 March 2002. The Charity's objects are to:

"promote for the benefit of the inhabitants of Wick and the environs without distinction of sex, sexuality, political, religious or other opinions by associating with the local statutory authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities, or assist in the provision of facilities, in the interests of social welfare for recreation and other leisure-time occupation so that their conditions of life may be improved".

From its formation until April 2009 the Charity engaged in fundraising activity by selling lottery tickets in Wick. That activity ceased on 28 April 2009.

In September 2010 OSCR opened an inquiry into the Charity, having received concerns as to whether the Charity was providing public benefit and about its failure to make use of its accumulated funds. In the period since then OSCR has engaged repeatedly with the Charity to try to ensure that it used its funds to further its charitable purposes.

The Charity has not in the period since it suspended fundraising by lottery undertaken activities in furtherance of its charitable purposes (other than the making of enquiries in relation to available land and ultimately unsuccessful discussions with the local authority about support for Wick High School). It has failed to undertake such activities while holding funds of approximately £140,000. These funds were raised within the local community in order to further the Charity's purposes.

Regulator's Action

Following our inquiries, we have concluded that there is no realistic prospect of activities being undertaken by the charity trustees in furtherance of the Charity's objects. The Charity is not providing public benefit and is therefore at risk of removal from the Scottish Charity Register. Should the Charity be removed from the Register the charity trustees would remain under an obligation to apply the Charity's assets in accordance with its purposes. We have no confidence that the charity trustees would comply with this requirement.

In our view it is necessary for a Judicial Factor to be appointed to manage the affairs of the Charity, and we will be applying to the Court of Session to make such an appointment.

Given the seriousness of the situation and our concerns about the Charity's funds, we have considered it necessary to direct the charity trustees not to part with any funds belonging to the Charity without our consent for a period of 6 months, pending the result of our application to the Court of Session.

The charity trustees have the right to ask for the decision to issue a direction to be reviewed.

OSCR
14 October 2020