

## **Updated interim report under section 33 of the Charities and Trustee Investment (Scotland) Act 2005 on The Teddy Bear Foundation (SC035698)**

### **Introduction**

The Office of the Scottish Charity Regulator (“OSCR”) is making inquiries into The Teddy Bear Foundation under section 28 of the Charities and Trustee Investment Scotland Act 2005 (“the 2005 Act”). OSCR has issued a direction in terms of section 31(6) of the 2005 Act as a result of its inquiries.

### **Background**

The Teddy Bear Foundation (“the charity”) is a Scottish registered charity. It is a charitable trust and was awarded charitable status on 29 July 2004. The purposes of the charity are ‘to relieve the needs of children resident in Scotland who suffer from mental and/or physical disability, illness or impairment.’

In January 2021 OSCR opened an inquiry into the charity following receipt of concerns about payments made by the charity to company connected to one of its charity trustees.

To date OSCR’s inquiries into the charity have given us concern surrounding both the governance of the charity and financial controls within the charity.

Based on the information obtained throughout the course of our inquiry, which remains ongoing, we were concerned that there has been misconduct in the administration of the charity and considered it necessary and desirable to take protective action in respect of the charity’s property. We therefore issued a formal direction, in terms of section 31(7) of the 2005 Act, to the charity’s bank preventing it from parting with any property of the charity without OSCR’s consent.

The direction was valid for six months and expired on 27 October 2022.

### **Action**

Upon expiration of the direction to the charity’s bank we remain concerned there has been misconduct in the administration of the charity and consider it necessary and desirable to take further protective action in respect of the charity’s property. We have therefore issued the charity trustees a direction, in terms of section 31(6) of the 2005 Act, restricting the transactions that may be entered into in the administration of the charity without OSCR’s consent.

The direction is valid for six months and expires on 27 April 2023. The direction can be revoked or varied by OSCR during that period if we determine it appropriate to do so.

Our inquiries into the charity are ongoing and this direction does not pre-empt the outcome.

OSCR  
27 October 2022