



Butterfly Children's Hospices

2nd December 2019

Financial Incident

The team at Butterfly Children's Hospices are currently managing a sensitive staffing situation in China.

Some weeks ago, the charity's senior management became aware that a Chinese member of staff, who was responsible for the hospice in China's finances, had acted illegally in regard to local finance matters. This was reported to the local police and the charity are cooperating fully with the Chinese authorities.

The member of staff is no longer working with the charity and is under police investigation. These investigations may take some time to conclude.

The Chinese governmental director of the charity is very supportive of the charity and is working with the charity's management in resolving the issue.

The issue is not expected to affect the ongoing work of Butterfly Children's Hospices in the long term, and the management are working to improve processes and procedures to ensure the situation cannot arise again.

A Butterfly Children's Hospice donor has made a very generous donation to cover the financial losses.

Butterfly Children's Hospices UK management have made the Charity Commission aware of the issue and are monitoring the situation carefully.

A full statement will be made in the annual report.

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