

The role of trustees



A trustee is responsible for running a charity and has to abide by the charity's governing document. A governing document says what a charity can do. It is a legal document and can be seen as a set of rules.

A charity will have several trustees working together to ensure the charity is run properly. Some of the trustees' responsibilities may include managing staff and volunteers, money, making decisions about what the charity will do. Trustees are usually appointed by the Board of Trustees.

In some charities, trustees might be known as directors, governors, committee members or board members. Trustees must be 18 years old or over for unincorporated charities and for incorporated charities, most trustees must be 16 years old or over.

Definitions of unincorporated charities and incorporated charities

There are two types of charity: unincorporated charities and incorporated charities.

- 'Unincorporated charities' may be trusts or associations – the governing document is usually a trust deed or constitution. A constitution is a set of rules that a group works towards.
- 'Incorporated charities' – most of these are charitable companies registered with Companies House as well as the Charity Commission. Here the company is a legal company in its own right.



Trustees responsibilities – some examples

- Before becoming a trustee they need to find out about the organisation and what their role would be.
- Trustees have a duty of care in their responsibilities and have to follow all the rules and laws regarding how the charity is run.
- Trustees have a duty of prudence to ensure that the charity is, and will remain, solvent. This means that they need to be careful, responsible and use good judgement to ensure the finances are kept in order. They must be kept informed of the charity's activities, financial position, take care of the charity's funds and avoid undue risk.
- Trustees should ensure that they meet on a regular basis to keep up to date and ensure that appropriate decisions are made.
- Changes to the charity's rules can often be done by the Board of Trustees.

If things go wrong

- If a wrong decision is made because the trustees did not behave responsibly, then they may be personally liable. For example, if the trustees decided to spend money they knew the charity did not have.
- Trustees who take their roles and responsibilities seriously should not have to worry about liability.
- Trustees can be insured against liability. Note that if one or more of them behaves in a dishonest way or does not follow the rules and laws they will not be covered by insurance.

Closing a charity

A charity can be wound up and its assets given to another charity. It is a good idea to contact the Charity Commission to discuss the procedures because the law can be complicated. The Charity Commission can give advice and information.

Find out more

Download our full toolkit and find details of organisations that can support you at www.wakefieldvcs.org | Telephone: 01924 367418 | Email: ask@vawd.org.uk

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