

Whimble Victory Hall

Trustees' Liability

Introduction

All members of our management committee are charity trustees, by virtue of their appointment to the management committee. The following summarises their legal responsibilities.

Contractual Liability

Whimble Victory Hall is an 'unincorporated' charity, so the trustees rather than the charity are the parties to any contract. Provided that they act properly in entering into the contract the trustees can use the charity's resources to meet their obligations.

Liability for breach of trust

All trustees must administer their charity in accordance with the terms of its governing document (the constitution), and with the requirements of charity law. A breach of trust occurs when trustees act in a way that is contrary to the terms of their governing document, or when they fail to perform their duties as trustees. Using the charity's resources for a purpose not within the charity's objects would be a breach of trust.

When trustees commit a breach of trust that results in some financial loss to the charity, they become liable to make good that loss. Trustees who are familiar with the contents of our constitution, and who have a reasonable knowledge of the law as it applies to a charity, are very unlikely to commit a breach of trust.

Responsibility for property and to employees

The trustees have a duty to safeguard all of the property of the charity and have a responsibility towards any employees. They are personally accountable and can be held personally liable for losses suffered by the charity, or any injury to an employee, during their period of trusteeship.

Trustees who take 'reasonable' actions

In the last resort, the Court would be expected to excuse a trustee from liability if it is satisfied that he or she acted honestly and reasonably.