

CHARITY TEAM  
**SPECIALIST SERVICES  
FOR CHARITIES  
SOCIAL ENTERPRISES  
HOUSING ASSOCIATIONS  
& NOT FOR PROFIT  
ORGANISATIONS**

**RUSSELL-COOKE LLP** is a top 100, London based law firm with around 150 highly-regarded specialist solicitors, working in departmental teams. We advise a mix of commercial, not-for-profit, regulatory and individual clients.

### THE CHARITY TEAM

The Charity Team at Russell-Cooke is one of the leading charity and not-for-profit legal practices in the United Kingdom. Our team of 15 partners and solicitors focuses entirely on the charity and not-for-profit sector and has extensive experience advising charities, social enterprises, housing associations and not for profit organisations on legal matters. We are committed to the third sector and are personally as well as professionally engaged with, and contribute to, its development.

### WHAT WE CAN DO FOR YOU

Our focus on your sector means that we understand the complexities of delivering a social mission in a competitive and uncertain financial environment. Our aim is to deliver advice in a practical and cost-effective manner. We like to maintain close contact with you and provide a proactive service which anticipates issues before they arrive. The team can provide expertise in most areas that you require, including:

- Registration and incorporation of all types of legal entities
- Governance and constitutional issues, including trustee updates and training
- Tendering and contracting
- Fundraising, trading, trading subsidiaries, tax and VAT
- Intellectual property and trademarks
- Charity Commission, Tenant Services Authority and Industrial & Provident Society consents, enquiries and orders
- Employment law, TUPE and change management, employment tribunals and claims
- Property advice on acquisitions, disposals, developments, leases, licences and transfers of land, and compliance with the Charities Act
- Funding and security issues for grants and mortgages
- Risk management and legal audits.

### HOW WE WORK WITH YOU

How we work varies to suit you. We can help you drive a major project such as a merger by providing legal, project management and change management advice to trustees and senior management teams, helping them to address risk, human resources, and property issues. We are equally happy giving light touch general advice. We appreciate your cost sensitivities and always provide a scope of work and budget.

Join us for our evening seminars which offer the chance to update your knowledge of legal issues, learn from the real-life experiences of others and network with charity professionals.

We are the authors of the Russell-Cooke Voluntary Sector Legal Handbook, now in its third edition.

### PARTNER PROFILES



**James Sinclair Taylor | Partner**  
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James specialises in governance, constitutional issues, mergers, advising on sensitive contractual issues, funding issues, and the development of collaborative structures.



**Jane Klauber | Partner**  
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Jane advises organisations on employment law including organisational change, TUPE, drafting and reviewing documentation, implementing internal procedures, compromise agreements, and Employment Tribunal proceedings.



**James McCallum | Partner**  
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James advises on a wide range of property transactions and management issues for charities, social enterprises and social housing organisations. He also advises on the strategic aspects of property negotiations, mergers and incorporations, and relationships with landlords and funders.



**David Mears | Partner**  
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David advises on commercial and governance issues including trustee duties, establishing new charities, charity mergers, trading, tax, commercial agreements and fundraising.



**Andrew Studd | Partner**  
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Andrew advises on a wide range of charity and company law issues, constitutional and governance matters, commercial contracts, mergers, joint ventures, collaborative working arrangements and reorganisations.



**Mary Cheves | Partner**  
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Mary advises on property law, including strategic advice on property portfolios and management, the acquisition and disposal of property for both operational use and investment, mortgages and grants, and the property aspects of transfers and mergers.

## TOP 10 TIPS ON BECOMING A CHARITY TRUSTEE

### THE CONSTITUTION, STRUCTURE & KEY DOCUMENTS

Build a picture of your charity's culture, legal structure, its objectives and goals and its current financial situation by reviewing key documents: the Constitution; the most recent set of accounts; the last annual return to the Charity Commission; and a copy of any policies and procedures. Ask for explanations if necessary. For more information see Chapters 2, 3, 7 & 9 of Russell-Cooke's Voluntary Sector Legal Handbook (VSLH).

### OBJECTS

Find out the objects of your charity. These are the charitable purposes for which the charity is established and can be found in the governing document. Do your current activities and future plans come within these objects? Are your activities for the benefit of the public rather than certain individuals? For more information see Chapter 5 VSLH.

### PAYMENTS AND OTHER BENEFITS

Ensure you are aware of the restrictions in your Constitution on the kinds of benefits a trustee and certain people connected to a trustee can receive. Whilst you should be able to recover expenses, you will not be generally be permitted to be paid simply for being a trustee. For more information see Chapter 16 VSLH.

### TRUSTEE DUTIES

Remember that as a trustee you have ultimate responsibility for the affairs of your charity, for ensuring the charity delivers its outcomes for the public benefit, complies with its obligations and remains financially stable. Do your fellow trustees have particular responsibilities or skills? If you have a job description this should give you further information on your exact duties, which may differ according to your legal structure. For more information see Chapter 15 VSLH.

### EMPLOYMENT

Do you have employees? Do you use volunteers, consultants or other self-employed people? Ensure you understand what roles individuals have and what their rights are. An employment claim could be one of the largest liabilities your charity faces. For more information see Chapters 25-39 VSLH.

### NO CONFLICTS?

Take time to consider whether you are involved or have an interest in a particular transaction or situation in which you are or could possibly be considered to have an interest which conflicts with the interests of your charity or might raise a clash of loyalties. Ensure that you and your fellow trustees declare any such interests as soon they come to light and that there are up to date policies to address any ongoing potential conflict. For more information see Chapter 11, 15-17, 19 & 51 VSLH.

### TRUSTEES vs MEMBERS

Who are your trustees and members? It is important to understand the distinction between the two roles; trustees have duties to the charity and must act in its best interests; members have certain rights (but not the right to receive a financial return). In some charities the trustees and members can be the same people, so it is vital to know whether a decision is being taken by the trustees or the members. For more information see Chapter 12-14 VSLH.

### INSURANCE

Obtain copies of your charity's insurance policies. What is excluded from the policies? What limitations are there on the amount that will be paid on a valid claim? Will an excess payment be required? Be aware of loopholes. Are the trustees themselves insured? For more information see Chapter 23 VSLH.

### PROPERTY

Does your charity own or lease property? Make sure you understand the key terms of the lease including the rent, your ability to terminate, any liability for wear and tear and your insurance obligations. Have key dates been diarised? If you have a licence, consider whether you need the added protection of a lease. For more information see Chapters 60-63 VSLH.

### SHOULD THINGS GO WRONG – LIABILITY

As a trustee your personal liability will depend largely upon your charity's legal structure. If your charity is incorporated (i.e. a company or IPS), your personal liability will generally be limited to situations in which you have acted wrongfully or fraudulently. If your charity is unincorporated (i.e. a trust, association or other body) your personal liability could be unlimited. If this is the case, discuss with your fellow trustees whether you should consider incorporating. For more information see Chapter 22 VSLH.

To purchase the Russell-Cooke Voluntary Sector Legal Handbook contact the Directory of Social Change, [www.dsc.org.uk](http://www.dsc.org.uk) 08450 77 77 07.

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