



Be afraid: be very afraid...

With Halloween upon us (and I am quite sure that, like me, you will want to see what [Wikipedia](#) says about Halloween), we get used to all sorts of trick-or-treating, strange goings on and so on. This note *isn't* one of these.

Many of us are involved in all sorts of voluntary organisations: charities; sports clubs; and one-hundred-and-one other things. I know this will sound very much like a “lawyer’s point” (and being a lawyer I make no apologies for that) but do you know the risks that you are taking by being involved in any of these bodies if they are **unincorporated**? If you don’t, be afraid: be very afraid...

It is probably easier to explain what unincorporated bodies are by saying what incorporated bodies are. They are primarily companies and limited liability partnerships which have their own legal personality – so that if something goes wrong, the first person in the firing line will be that incorporated body (and not the people behind it). There are a limited number of circumstances where directors and members of incorporated bodies can also be in the firing line, but they are (as I said) limited.

That contrasts with the position for unincorporated bodies – clubs and so on. To find out who is liable for a club debt, one would have to look at the constitution – if one exists – but there is a real risk that all the club members and / or all the club committee members may be “personally” liable for the debts of that club or organisation.

But that’s a theoretical risk and it will never happen, you are saying. Really? In a recent case, the president of a rugby club was held to be liable for club debts to a builder. So, if you were not afraid before you should be now!

Society as a whole wants people to give their time for these sorts of bodies, but it is plain daft to do that and put your assets at risk. So, while saying, “Of course I’d like to help...” then go on to say “... but, what sort of body are you, and can I see the constitution?” Better to be safe rather than sorry!

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