



Charities Act 2011

2011 CHAPTER 25

PART 9

CHARITY TRUSTEES, TRUSTEES AND AUDITORS ETC.

Remuneration of charity trustees and trustees etc.

185 Remuneration of charity trustees or trustees etc. providing [^{F1}goods or] services to charity

- (1) This section applies to remuneration for [^{F2}goods or] services provided by a person (“P”) to or on behalf of a charity where—
- (a) P is a charity trustee or trustee for the charity, or
 - (b) P is connected with a charity trustee or trustee for the charity and the remuneration might result in that trustee obtaining any benefit.

This is subject to subsection (3).

- (2) If Conditions A to D are met in relation to remuneration within subsection (1), P is entitled to receive the remuneration out of the funds of the charity.

Condition A

Condition A is that the amount or maximum amount of the remuneration—

- (a) is set out in an agreement in writing between the charity or its charity trustees (as the case may be) and P under which P is to provide the [^{F3}goods or services, or goods and services,] in question to or on behalf of the charity, and
- (b) does not exceed what is reasonable in the circumstances for the provision by P of the [^{F4}goods or services, or goods and services,] in question.

Condition B

Condition B is that, before entering into that agreement, the charity trustees decided that they were satisfied that it would be in the best interests of the charity for the [^{F5}goods or services, or goods and services,] to be provided by P to or

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on behalf of the charity for the amount or maximum amount of remuneration set out in the agreement.

Condition C

Condition C is that if immediately after the agreement is entered into there is, in the case of the charity, more than one person who is a charity trustee and is—

- (a) a person in respect of whom an agreement within Condition A is in force,
- (b) a person who is entitled to receive remuneration out of the funds of the charity otherwise than by virtue of such an agreement, or
- (c) a person connected with a person falling within paragraph (a) or (b),

the total number of them constitute a minority of the persons for the time being holding office as charity trustees of the charity.

Condition D

Condition D is that the trusts of the charity do not contain any express provision that prohibits P from receiving the remuneration.

- [^{F6}(3) This section does not apply to any remuneration for services provided by a person in the person's capacity as a charity trustee or trustee for a charity or under a contract of employment.
- (3A) Any entitlement to receive remuneration under subsection (2) is in addition to and does not affect any entitlement to receive the remuneration by virtue of—
- (a) any provision contained in the trusts of the charity;
 - (b) any order of the court or the Commission;
 - (c) any other statutory provision contained in or having effect under any Act.]
- (4) Before entering into an agreement within Condition A the charity trustees must have regard to any guidance given by the Commission concerning the making of such agreements.
- (5) The duty of care in section 1(1) of the Trustee Act 2000 applies to a charity trustee when making such a decision as is mentioned in Condition B.
- (6) For the purposes of Condition C an agreement within Condition A is in force so long as any obligations under the agreement have not been fully discharged by a party to it.
- (7) Sections 187 and 188 (interpretation) apply for the purposes of this section.

Textual Amendments

- F1** Words in s. 185 heading inserted (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(a), 41(4); S.I. 2022/1109, Sch. para. 6
- F2** Words in s. 185(1) inserted (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(b), 41(4); S.I. 2022/1109, Sch. para. 6
- F3** Words in s. 185(2) substituted (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(c)(i), 41(4); S.I. 2022/1109, Sch. para. 6
- F4** Words in s. 185(2) substituted (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(c)(ii), 41(4); S.I. 2022/1109, Sch. para. 6
- F5** Words in s. 185(2) substituted (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(c)(iii), 41(4); S.I. 2022/1109, Sch. para. 6
- F6** S. 185(3)(3A) substituted for s. 185(3) (31.10.2022) by Charities Act 2022 (c. 6), ss. 30(d), 41(4); S.I. 2022/1109, Sch. para. 6

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Modifications etc. (not altering text)

- C1** S. 185 modified by 1956 No. 3, s. 7A (as inserted) (E.) (1.3.2019) by [Church of England \(Miscellaneous Provisions\) Measure 2018 \(No. 7\)](#), **ss. 14(1)**, 17(3); S.I. 2019/67, art. 2(1)(m))
- C2** S. 185 excluded (coming into force in accordance with s. 53(6)(7) of the amending Measure) by [Cathedrals Measure 2021 \(No. 2\)](#), **Sch. 1 para. 4(6)** (with ss. 42(4), 48, 52(1))

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 106(1)-(1B) substituted for s. 106(1) by [2022 c. 6 s. 16\(a\)](#)
- s. 322(2)(ea) inserted by [2022 c. 6 Sch. 2 para. 26](#)
- s. 331A331B and cross-heading inserted by [2022 c. 6 s. 15](#)