

## **JCR FINANCE TRAINING GUIDE**



# Students' Union JCR Finance training

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## **Contact Details**

Your main point of contact in the SU finance office is Emma Laing-Pedder

- Please see Emma with any of the following

**Handing in of payment claims**

**Purchase orders and invoices to be handed in**

**New budgets or budget queries**

**Any other queries**

Emma Laing-Pedder – Accounts Assistant –

Tel: 01524 594 264 Email [e.laing-pedder@lancaster.ac.uk](mailto:e.laing-pedder@lancaster.ac.uk)

Monday to Friday until 2.30PM Term time ONLY

- If Emma is unavailable please contact Danielle

Danielle Wynne – Assistant Accountant & Finance Office Team Leader–

Tel: 01524 594 264 Email [d.wynne@lancaster.ac.uk](mailto:d.wynne@lancaster.ac.uk)

Monday to Thursday until 4pm Full year

**If Emma and Danielle are unavailable anyone in the finance office will be happy to help (Janet, Elz and Jane).**

Tel: 01524 592 575

Opening Hours: Monday to Friday 10am until 4pm Full year

- Other useful contacts  
Qasim Younis – VP Union Development–

Email [su.vp.uniondevelopment@lancaster.ac.uk](mailto:su.vp.uniondevelopment@lancaster.ac.uk)

Your Details: Before you start your post you will need to provide the finance office with your email address, your mobile number and a sample of your signature. You will usually be contacted via email unless there is an urgent issue.

## **FAQ's**

- **Office opening Hours:**

The finance office is open between **10am and 4pm Monday to Friday.**

Please don't leave things until the last minute as we need sufficient time to complete all queries/tasks before the 4pm closing.

- **Signatures:**

For all orders/payment claims/budgets two signatures (one should be the Finance Officer unless a claim is for them) are required not including the person whom the money is for.

- **VAT:**

All tickets sold and most expenditure types are subject to VAT at 20% (standard rate).

'Gross' means including VAT, 'Net' means without VAT.

E.G a ticket sold at £5 will provide £4.17 income for the JCR/PG Board

- **Timescale:**

All payment claims take a minimum of 24 hours before the money may be collected in order to allow the relevant authorisation to be sought.

Invoices & payment claims to be paid by BACS; are paid once a week usually on a Thursday. Payments made by BACS can take up to 3 days to arrive.

- **Paperwork:**

Purchase orders must be written for all orders placed and the green (middle) copy must be provided to the finance department immediately.

Any invoices that arrive in your office must be taken /sent to the finance office immediately.

Any payment claims must be made as soon as possible after the money has been spent. Any claims over two months old will not be paid. Additionally a time limit for collection of cash of two months applies after the claim has been made. After this time any monies will be paid back into the original account.

- **Alcohol policy/ quizzes and gifts:**

The purchase of alcohol must be limited to the following circumstances: for formal dinners and official Union receptions and where required under contract e.g. extrav riders. The purchase of alcohol as an enticement to attend meetings or to join clubs is strictly prohibited.

Quizzes must be self-financing i.e. do not bring in a payment claim form for prizes.

The purchase of gifts for Senior College Officers and staff is limited to a maximum of £60 in any one year. Purchase of gifts using Union funds for other individuals is not allowed unless with specific permission from the Financial Controller and an FTO.

## **Budgets**

### **What is a Budget?**

It is an estimate of income and expenditure for a set period of time or an event.

Budgets you will need to complete include the main annual budget, Welcome Week, Extrav, Xmas, 'Socials', Sports events e.g. Founders, Legends, patriots

### **Main (Annual) budget**

An annual budget is written based upon the Union's financial year. This is 1st August to 31st July. An annual budget must be set by early June for the year following.

The budget should be approved by the President and the Treasurer/equivalent and submitted to the Finance department and VP UD. The budget will be checked by the Finance department and VP UD/ LUSU President. The budget will need to be submitted to the Executive Committee (by week 7 of Term 3) for approval.

Changes between the budget lines within the financial year i.e. across the budget codes must be authorised by the Treasurer and one other member of the JCR Exec. The other member of the Exec should be the one responsible for the budget area that is having budgeted funds reduced (if applicable). Communication of such changes should be sent to the Finance Office.  
See Section 11.3 of the financial regulations: Budgetary Control.

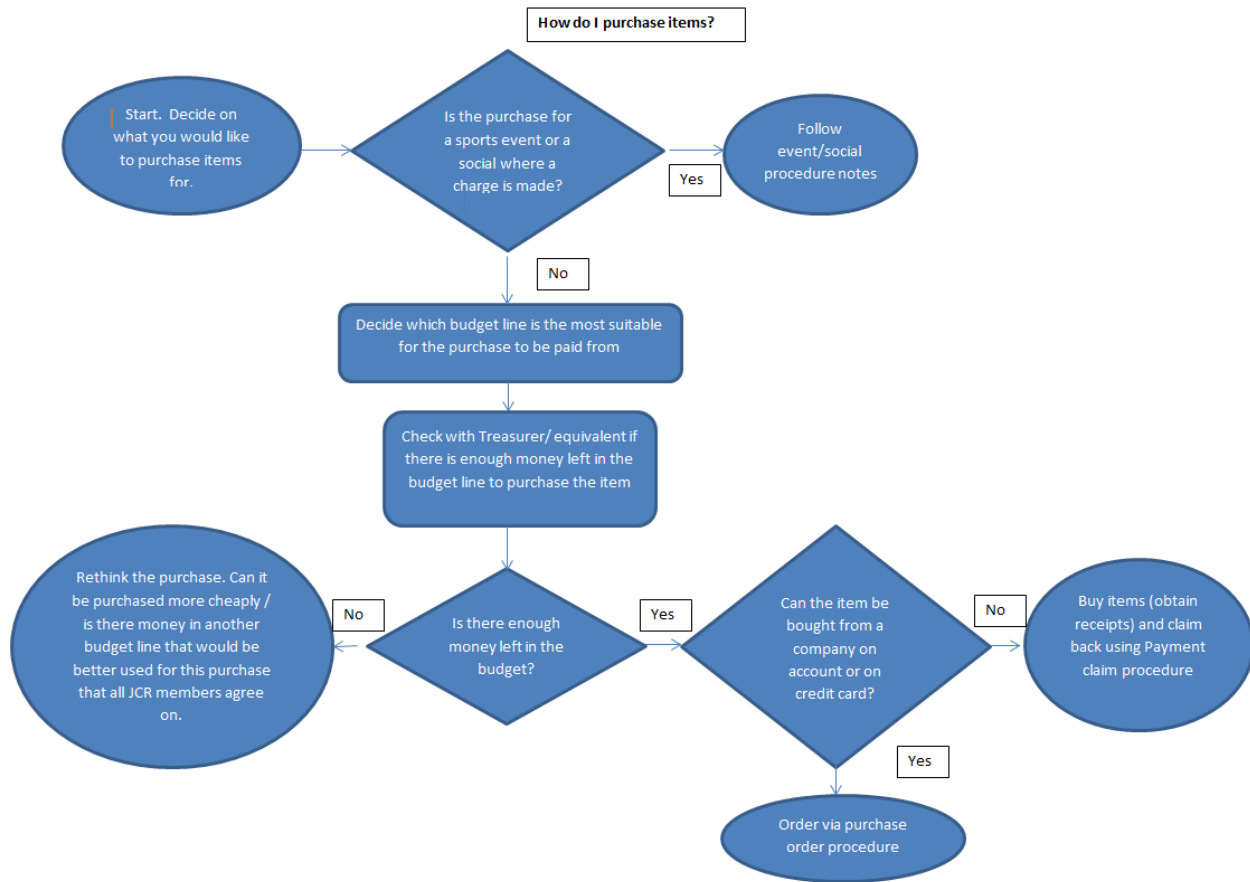
An annual budget shows a basic idea of how much income you will have for the year and how this income will be spent over the year to show an overall profit/loss or break even position. This budget should aim to break even (no profit or loss made). Your aim over the year is to monitor your actuals compared to the budget and to 'stick' to this budget.

You will receive a copy of your budget that will run to the end of this financial year and a statement of the current status i.e. what has been spent so far this year. You will be expected to write a new budget for the next financial year during the summer term. This will be explained in more detail at the time, as specific training sessions will be arranged to help you.

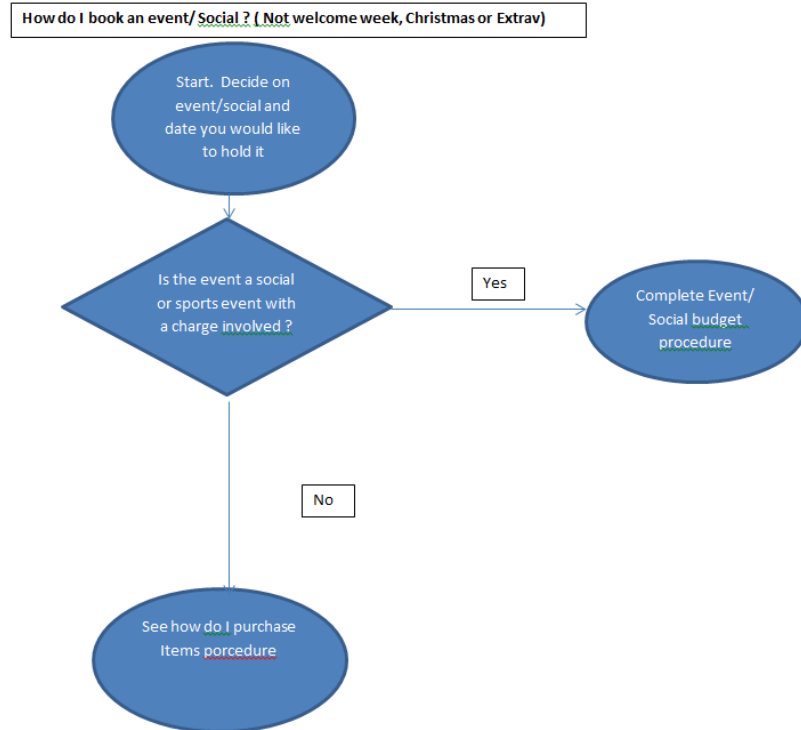




## How do I purchase Items?



## How do I book an event or social ?





## Social/Event Budget Procedure

This budget form is used for the below

A social budget form must be completed for every social for which a charge is made. This could be ticket sales or sale of wristbands. This includes sports events including those with a social aspect where a charge is made.

You may also want to use this form to assist in the below circumstances;

- sports events including those with a social aspect where no charge is made but costs are large/ many in number
- socials where there are costs are large/ many in number

This form must be completed and authorised BEFORE any items are booked or purchased or contracts signed and BEFORE sales of tickets commence.

### Extract from Financial Regulations (18.3)

This must be approved by the Treasurer/Gen. Sec and 1 of the Social Secs. (*Note: Sports Secs for sports events*).

Social Budget forms need to be submitted to the Social & Events Group (SEG) for approval at least 5 working days before the event. Note: any budgets must be checked by a member of the Finance department prior to submission for approval.

For physical tickets: The collecting JCR or PG Board officer is responsible for matching the number of tickets sold to the proceeds collected, for banking the cash, for returning unsold tickets and for returning ticket stubs.

For e-tickets: The collecting JCR or PG Board officer is responsible for ensuring all information regarding ticket sales and income collection is correct and ensuring that the Finance office receives the income from the sales source.

See section 14.4 and 14.5 in the Financial Regulations for receipts and ticket sales.

For tickets sold through NUS Union Cloud – refer to section 14.6.

An e-version of the social budget form which you have been shown and trained on can be found under the link online to fill out print and sign at <https://lancastersu.co.uk/resources/social-budget-form>.





Please note the Students' Union and therefore all JCR's are VAT registered.

This means that all income received is subject to VAT\* (we deduct VAT on income received – the VAT is held/registered centrally and paid over to HMRC quarterly). This means that only the income after VAT is removed shows in your accounts.

It also means all costs from Vatable companies are subject to VAT (we can claim back VAT on costs incurred – the VAT is held/ registered centrally and claimed back from HMRC quarterly). This means that only the cost with VAT removed shows in your accounts. Please note we can only claim VAT back from VAT registered companies where their VAT number is included on their invoice/receipt.

- GROSS – means cost or income including VAT
- NET – means cost or income without VAT

To calculate Net value from Gross. Take the Gross figure and divide by 1.2

E.g. Gross = 6, Net =  $6/1.2 = 5$

To calculate Gross from Net value. Take the Net figure and times by 1.2

E.g. Net = 5, Gross =  $5 \times 1.2 = 6$

A common mistake is to use 0.8 i.e.

*Please note  $/0.8$  or  $*0.8$  do not have the same effect. It will not give you the correct figure*

*Net = 4, Gross = £4.8 ( $4 \times 1.2$ ) however using  $/0.8=5$  ( $4/0.8=5$ ). This is incorrect.*

\*VAT is very complicated and we have therefore simplified it to the most common situation for the purposes of this explanation

|   |                   |                               |                      |                           |                         |                   |      |
|---|-------------------|-------------------------------|----------------------|---------------------------|-------------------------|-------------------|------|
| JCR SOCIAL FORM   |                   |                               |                      |                           |                         |                   |      |
| Name:   |                   | College:                      |                      | Event:                    |                         | Event Date:       |      |
| Details of event get included in this box   |                   |                               |                      |                           |                         |                   |      |
| Gross Ticket Price (£)  |                   |                               |                      |                           |                         |                   |      |
| Has social been authorised by the Executive Committee?  |                   |                               |                      | Finance Signature .....   |                         |                   |      |
| BUDGET - ALL AMOUNTS DO NOT INCLUDE VAT   |                   |                               |                      |                           |                         |                   |      |
| INCOME  |                   |                               |                      |                           | FINANCE OFFICE USE ONLY |                   |      |
| Description   | Income per ticket | Total No of tickets           | Total Sales possible | Expected sales @80 %      | Actual Income           | Paid / Rec'd      | Sign |
| E.g. ticket sales   | 0                 |                               | £0.00                | £0.00                     |                         |                   |      |
| BUDGET  |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
| Total Income  |                   |                               |                      | £0.00                     |                         | £0.00             |      |
| EXPENDITURE   |                   |                               |                      |                           | FINANCE OFFICE USE ONLY |                   |      |
| Description   | Pay To            | Payment Reference             | Cost exc VAT         | Invoice Details           | Paid / Rec'd            | Sign              |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
|   |                   |                               |                      |                           |                         |                   |      |
| Total Expenditure   |                   |                               | £0.00                |                           | £0.00                   |                   |      |
| OVERALL PROFIT / (LOSS)   |                   |                               | £0.00                |                           | £0.00                   |                   |      |
| Tickets Taken Number Range  | Total Number      | Tickets Returned Number Range | Total Number         | Tickets Sold (Number)     |                         | Cash Returned (£) |      |
| Received by JCR.....Date:.....  |                   |                               |                      |                           |                         |                   |      |
| Authorised by JCR Members:<br>Signed Treasurer:   |                   |                               |                      | Signed 2nd JCR Signatory: |                         |                   |      |
| PLEASE ENSURE JCR SIGNATORIES HAVE AUTHORISED AND SIGNED ABOVE. LEAVE BELOW TO THE FINANCE OFFICE |                   |                               |                      |                           |                         |                   |      |
| Signed SU Signatory:  |                   |                               |                      | Signed SU Signatory:      |                         |                   |      |

You firstly need to fill out the top section explaining where you wish to go and when and any other relevant details. This information is used by SEG to decide if the social can go ahead.

|   |                 |               |                    |
|---|-----------------|---------------|--------------------|
| <b>Name:</b>                              | <b>College:</b> | <b>Event:</b> | <b>Event Date:</b> |
| Details of event get included in this box |                 |               |                    |

Next it is best to decide what your costs are and fill out the Expenditure section. You can add extra lines as necessary.

| <b>EXPENDITURE</b>       |               |                          |                     | <b>FINANCE OFFICE USE ONLY</b> |                              |                                |
|--------------------------|---------------|--------------------------|---------------------|--------------------------------|------------------------------|--------------------------------|
| <b>Description</b>       | <b>Pay To</b> | <b>Payment Reference</b> | <b>Cost exc VAT</b> | <b>Invoice Details</b>         | <b>Paid / Rec'd per Sage</b> | <b>Paid / Rec'd inc Acc/PP</b> |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
|                          |               |                          |                     |                                |                              |                                |
| <b>Total Expenditure</b> |               |                          | <b>£0.00</b>        |                                | £0.00                        | £0.00                          |

You will most likely need to get a rough cost/quote from companies at this point. You can either contact the SU finance office and we will try to let you know a rough cost based on previous events or will provide the name and number of a supplier who may be suitable. Or you can call companies yourself. Please ensure at this point you make it clear to the companies that you are only asking for a quote and not actually committing to a booking. You will need to ask the companies if the price they have quoted includes VAT.

Once you have the details you need;

Include the following in the columns provided

- a description of the item ( if tickets/entries include number of them)
- the company/person you are wishing to use
- if you are paying by purchase order or paying and claiming the monies back ( please enter either PO or PMT CLAIM in the payment reference column
- The cost not including VAT.

Once all costs have been listed, the Total Expenditure should automatically calculate and show in the blue box at the bottom.

*Note re Sugarhouse event tickets for JCRs*

If you wish to end your social at the Sugarhouse, tickets are available at a discounted price for all those on the social or occasionally free of charge.

Each JCR may be provided with up to 100 free entries per term, by prior agreement with the Sugarhouse management dependant on availability.

Other tickets are purchased as a one off and again must be agreed in advance by the Sugarhouse management and are subject to availability. These are sold to the JCR at an agreed cost. The JCR can then sell this ticket on at the same price as part of their social or can add a little extra to it to make extra income to pay for the social.

The JCR is not charged by the Sugarhouse for unsold tickets.

You now need to work out how you will cover the cost of the event/social. And fill in the **Income** section of the form.

| <b><u>INCOME</u></b> |                   |                     |                      |                             | <b>FINANCE OFFICE USE ONLY</b> |                       |                         |
|----------------------|-------------------|---------------------|----------------------|-----------------------------|--------------------------------|-----------------------|-------------------------|
| Description          | Income per ticket | Total No of tickets | Total Sales possible | Expected sales @ 80% Amount | Actual Income                  | Paid / Rec'd per Sage | Paid / Rec'd inc Acc/PP |
|                      |                   |                     |                      |                             |                                |                       |                         |
| E.g. ticket sales    | 0                 |                     | £0.00                | £0.00                       |                                |                       |                         |
|                      |                   |                     |                      |                             |                                |                       |                         |
|                      |                   |                     |                      |                             |                                |                       |                         |
|                      |                   |                     |                      |                             |                                |                       |                         |
|                      |                   |                     |                      |                             |                                |                       |                         |
| <b>Total Income</b>  |                   |                     |                      | <b>£0.00</b>                | £0.00                          | £0.00                 | £0.00                   |

Most common income types include

- Monies from JCR Annual Budget
  - Income from ticket sales
  - Contributions from SCR
  - Sponsorship income ( see notes on sponsorship procedure)
- For monies from JCR Annual budget, ask your Treasurer/equivalent if there are any monies remaining that can be used towards the event/social. If there is enter it under the Expected sales @80% Amount column.
- For Ticket sales you must estimate that only 80% of your tickets will sell. This is as a contingency to ensure no losses are incurred and is based on the average selling rate of events. You need to fill in Gross Ticket price (Inc VAT) in the cell provided near the top of the sheet. See below

**Gross Ticket Price (£)**

**6**

**Has social been authorised by the Executive Committee?**

The spreadsheet will automatically calculate the net income per ticket (less VAT). This is gross ticket price / 1.2. Now fill in the total number of tickets that it is possible for you to sell. The spreadsheet will then calculate the total possible sales at 100% and the expected sales at 80% which is used for the budget. An example is shown below for 100 tickets sold at £6. Note the income used for the budget is £400 not £600.

**Gross Ticket Price (£)**

**6**

**Has social been authorised by the Executive Committee?**

## BUDGET - ALL AMOUNTS DO NOT INCLUDE VAT

| <b>INCOME</b>      |                          |                            |                             |                                    |
|--------------------|--------------------------|----------------------------|-----------------------------|------------------------------------|
| <b>Description</b> | <b>Income per ticket</b> | <b>Total No of tickets</b> | <b>Total Sales possible</b> | <b>Expected sales @ 80% Amount</b> |
| E.g. ticket sales  | 5                        | 100                        | £500.00                     | £400.00                            |

- For monies from SCR. On occasion your SCR may wish to contribute towards an event you are holding. They can do this by either
- Paying for items directly. If they wish to do this please still list the cost in the expenditure section but mark as paid by SCR and put a value in the cost column of £0.
  - Paying monies over to you so you can cover all the costs. For these contributions you must get prior agreement from your SCR of the amount before they are included on the budget (e.g. confirmation e-mail). A purchase order must be filled in by your SCR on their accounting system for this money on account 8000415.  
You can then enter it under the Expected sales @80% Amount column.

- For sponsorship income. Please contact the students union 'Commercial Marketing & Support Manager' (currently Stu Powers). He will give you guidance on speaking to companies/organisations and the sponsorship forms detailing the arrangement you must get signed by the organisation. Only once you have these signed forms is the income counted towards your budget. Enter the value under the Expected sales @80% Amount column.

Please take care when organising sponsorship. Some sponsors can be poor payers and if this happens the income may be removed back out of your account as a 'bad debt'.

Once all income streams have been listed the Total income should automatically calculate and show in the blue box at the bottom.

The Overall Profit/ (Loss) should also automatically calculate in the box at the bottom.

|                                |  |  |              |  |       |       |
|--------------------------------|--|--|--------------|--|-------|-------|
| <b>Total Expenditure</b>       |  |  | <b>£0.00</b> |  | £0.00 | £0.00 |
|                                |  |  |              |  |       |       |
| <b>OVERALL PROFIT / (LOSS)</b> |  |  | <b>£0.00</b> |  | £0.00 | £0.00 |
|                                |  |  |              |  |       |       |

A social must always be budgeted to make a zero or small profit.

If your budget is showing a negative value i.e. a loss you will need to rethink the event.

Your options are

- Reduce your costs
- Source a new income stream
- Increase any ticket prices

Once your social/ event budget shows a zero or small profit. It needs to be signed (approved by two finance trained signatories from your JCR (one must be the Finance officer/equivalent). If the event is a social a social sec should be the second signatory. If the event is sports based we would advise using a sports representative.

Hand it in to the finance office or it may be emailed by the two signatories to the SU finance contact (currently Emma Laing-Pedder) and VP Union development (Currently Qas Younis). It will then be checked by the Finance Office and VP Union development before being passed on to SEG for approval.

Once your social has been agreed at SEG you can begin to sign contracts/ book items/ purchase items and sell tickets.

The Students Union have an E-ticket selling system via NUS union cloud. Monies collected through Union Cloud from NUS on behalf of LUSU for income will be paid over within an agreed timeframe.

If you wish to sell physical tickets, some basic event tickets are available for free, from the finance office. When you sell a ticket the side that says non-refundable on is given to the purchaser and you keep the stub. At regular intervals and as soon as possible, you should return any stubs and money to the finance office. When you finish selling return any stubs and unsold tickets along with any additional income to the finance office.

For items being purchased please see procedures for Purchase Orders and Payment Claims.

## Purchase Order Procedure

This form is used for all of the below

- Purchases via a company/individual where payment is to be made on receipt of an invoice.
- Purchases via a company/individual (inc DJ's) where payment is to be made prior to delivery on receipt of an invoice or 'proforma' invoice (i.e. pre delivery).
- Purchases to be made on a Students Union company credit card.

This form must be completed and authorised BEFORE it is brought to the finance office.

Per the Financial Regulations

- Orders can only be made by the officers authorised by the JCR or PG Board Bye-Law (*i.e. authorised signatories*).
- Orders must only be authorised by budget holders when it is known that a sufficient budget or allocation is available.
- Care should be taken to ensure if there are any additional costs e.g. delivery, import duties and that these are minimised.
- Budget holders should only purchase from recognised, authorised suppliers. These would normally be from the NUSSL approved lists. Outside these lists, any new suppliers must be authorised by the Financial Controller or Chief Executive. Before opening a new supplier account – check with the Finance department to ensure that one is not already open and in the cases of new supplier accounts lodge the relevant details i.e. supplier name, account code once authorised.
- All goods and services ordered must be for the purpose that the budget was allocated, and must not be ultra vires. Orders are not to be used for private purchases.

The responsibility to communicate the order of the items themselves to the company/individual lies with the persons wishing to order the items NOT the Students' Union finance office. This includes credit card purchases whereby the persons wishing to order the items should be present until the purchase is complete.

**This form must be approved by the Treasurer/equivalent and 1 other finance trained signatory.** The form is held in a triplicate book. This is kept by the treasurer/equivalent of each JCR and must be kept in a secure location.

The three triplicates have the below purposes

- Top copy – White – to be sent to the company/individual ordering from. Not all companies require the form but all MUST be given the Purchase order number to quote on their invoice. However we would advise sending the physical form where possible.
- Middle copy – Green – to be handed in to the finance office (or sent via internal mail) with immediate effect
- Bottom copy – Blue – to be kept by the JCR treasurer/equivalent to track spending

All purchase orders contain an official order number. This is the number found at the top right hand corner of the purchase order. This number should be referenced on the invoice by the supplier.





Please note the Students' Union and therefore all JCR's are VAT registered.

This means that costs from Vatable companies are subject to VAT (we can claim back VAT on costs incurred – the VAT is held/ registered centrally and claimed back from HMRC quarterly).

This means that only the cost with VAT removed shows in your accounts.

When you fill out a purchase order form it is the cost without VAT that should be stated. Please note we can only claim VAT back from VAT registered companies where their VAT number is included on their invoice.

- GROSS – means cost or income including VAT
- NET – means cost or income without VAT

To calculate Net value from Gross. Take the Gross figure and divide by 1.2

E.g. Gross = 6, Net =  $6/1.2 = 5$

To calculate Gross from Net value. Take the Net figure and times by 1.2

E.g. Net = 5, Gross =  $5 \times 1.2 = 6$

\*VAT is very complicated and we have therefore simplified it to the most common situation for the purposes of this explanation



The first area to fill in is the budget name and code. This is your JCR name and the area of your budget you wish to take the money from. E.g. Pendle Sports. The code is the codes you were provided with at the start of your term in office. An example of budget codes using Pendle is below;

| <b>BUDGET CODES</b> |                                       |
|---------------------|---------------------------------------|
|                     | <b>Income</b>                         |
| <b>JP01</b>         | JCR Capitation                        |
| <b>JP02</b>         | JCR Machine Monies                    |
| <b>JP04</b>         | JCR Other Income                      |
|                     | <b>Expenditure</b>                    |
| <b>JP15</b>         | JCR Administration                    |
| <b>JP20</b>         | JCR Other Expenses                    |
| <b>JP22</b>         | JCR Media and Communications          |
| <b>JP30</b>         | JCR Other social functions ( inc ppl) |
| <b>JP33</b>         | JCR Christmas Dinner                  |
| <b>JP35</b>         | JCR Summer Extravaganza               |
| <b>JP40</b>         | JCR Welfare and Campaigns             |
| <b>JP55</b>         | JCR Founders/Legends/Patriots         |
| <b>JP60</b>         | JCR Sports Equipment & Expenses       |
| <b>JP61</b>         | JCR Intro Week                        |
| <b>JP63</b>         | JCR TV/AV Equipment and Costs         |

The order date is today's date.

The Person ordering is your name. This is so we know who to ask if we have a query.

A delivery address must be supplied along with the name and contact details of the supplier. Please note if you wish to have items delivered to the Students Union the Welcome desk should be made aware to allow them to contact you once the item arrives. Often items do not list the name of the person who has made the order.

In the item description section; please make sure it is clear and easily readable so that it can be seen what you are purchasing.

Please also state as much information as possible e.g. for buses:

Number and size of coaches, day date and time required, where to collect you, where taking you, where and when it leaves to come back.

Now please fill in the Net cost of the item (price before VAT). Please note coaches are Zero rated for VAT so the price quoted is the net cost. This is also true for any items being purchased from a non VAT registered company.

Now two signatures (one must be the Finance officer) are required (from trained authorised signatories).

If a supplier wishes to be paid on the day of the event (DJ's usually do), please write clearly on the purchase order that cash is required on the night and the date of the event. Also ensure that an invoice from the supplier reaches the finance office before this date or no cash can be provided.

Once complete provide the white (top) copy to the supplier and/or give them the order number. The green (middle) page must immediately be taken/sent via internal mail to the finance office. The blue (bottom) copy is to be kept for your records (usually by the treasurer).



#### Additional notes for credit card purchases

Once the form is completed and signed contact the finance office (usually Emma Laing-Pedder; but others do hold company credit cards should Emma not be available) to arrange a suitable time to purchase the items on the company card. This can sometimes be done immediately, however this is not always possible, so please do not leave purchases to the last minute.

Also, please do not leave these purchases too close to the finance office closing time as sometimes issues occur that can mean that purchases take longer than expected. Please note the office closes at 4pm.

Finally if you receive any invoices from company where a purchase has been made on the company credit card please immediately provide this paperwork to the finance office. This is particularly important for VATable items as the VAT portion of the cost can only be removed from your account once the paperwork is received. This means that if you do not provide this paperwork you may end up over paying for items by the VAT value (currently VAT standard rate is 20%)

## **Payment Claim Procedure**

This form is used for all of the below

- Payment claims are limited to a value of £100. See below re exception.
- Purchases over £100 where no other payment method could be found and prior approval has been sought from the Financial Controller



Please note the Students' Union and therefore all JCR's are VAT registered. This means that costs from Vatable companies are subject to VAT (we can claim back VAT on costs incurred – the VAT is held/registered centrally and claimed back from HMRC quarterly).

When completing the payment claim form you do not need to worry about adjusting the value for VAT. The finance office will do this for you.

However please note we can only claim VAT back from VAT registered companies where their VAT number is included on their receipts, so if the receipts you attach to the form does not include this we will not be able to adjust the value for Vat in your accounts.

[illegible]

- Get an idea of how much you think the items you are purchasing will cost you before VAT. Then check with your treasurer/equivalent that enough money is left in the budget to purchase these items.
- If in any doubt ensure you are eligible for expenses with the VP Union Development before making the purchase.
- Payment claims shall be submitted at the earliest opportunity, and no later than two months after incurring the expenditure. The amounts claimed shall be supported by receipts where these might reasonably be expected to be obtainable. These should be full VAT receipts and not

credit card flimsies or copies of bank / credit card statements. The receipts should be collected within 2 months and if not the claim amount will be reimbursed back into the relevant budget code.

A link to an e version of the form to fill out and print and sign can be found at <https://lancastersu.co.uk/resources/payment-claim-form>

With this form the budget name and budget code are the account to be debited.

This is your JCR name and the area of your budget you wish to take the money from. E.g. Pendle Sports. The code is the codes you were provided with at the start of your term in office. An example of budget codes using Pendle is below

#### **BUDGET CODES**

**JP01**

**JP02**

**JP04**

#### **Income**

JCR Capitation

JCR Machine Monies

JCR Other Income

#### **Expenditure**

**JP15**

**JP20**

**JP22**

**JP30**

**JP33**

**JP35**

**JP40**

**JP55**

**JP60**

**JP61**

**JP63**

JCR Administration

JCR Other Expenses

JCR Media and Communications

JCR Other social functions ( inc ppl)

JCR Christmas Dinner

JCR Summer Extravaganza

JCR Welfare and Campaigns

JCR Founders/Legends/Patriots

JCR Sports Equipment & Expenses

JCR Intro Week

JCR TV/AV Equipment and Costs

If you wish to claim for more than one item on the same claim form; please write the JCR name and the word 'various' as the budget name. Then next to each item listed in the claim description mark the budget name and code they are to be paid from.

The claim date is today's date.

Who should the money be payable to is the person who originally spent the monies. This may be different to the person completing the form.

Method of Payment. Please indicate if the claim is to be paid in cash or into a bank account. (Bank Payments will not be paid for less than £5 due to charges involved). If the claim is for cash the person should come to collect the cash with ID.

Bank details for Bank Payments. If a payment is to be made into a persons' bank account please provide the relevant account details. This must be completed for ALL claims even if details have been provided on a previous claim.

Description of claim. Please fill in a brief description of what the money is for grouped by type of item. You do not need to list every individual item on the receipt. E.g. decorations for Welcome Week. (If claiming from more than one budget code; write the budget code in this section next to the relevant items).

If you wish to claim petrol expenses, you must put in a claim for mileage. In this case, in the description section provide details of date of travel, start point and destination and reason for travel. Also list the number of miles travelled. This is this multiplied by the 45p per mile e.g. a journey of 10 miles each way. Claim would be for  $20 \times £0.45 = £9$

Next list the Amount (cost) of each item on the claim in the relevant column. This is the full cost including any VAT. The finance office will deduct any VAT possible before coding the cost to your accounts.

The Total should fill in automatically at the bottom of this column.

| Description of Claim | Amount<br>(Inc VAT) |
|----------------------|---------------------|
|                      |                     |
|                      |                     |
|                      |                     |
| <b>Totals</b>        | <b>£0.00</b>        |

Person completing the form. This section is important as by filling out the form and signing this declaration you are agreeing to the below statement

**By signing this form you agree that the items claimed for are in line with the Financial Regulations and that all information is accurate**

The name of the person who actually filled in the form must be provided and they must sign the form. This may not be the same person who the money is payable to.

Now two JCR authorised finance signatories (other than the person the money is payable to) need to sign the form. One must be the Finance Officer unless a claim is for them. You **cannot** sign your own claim.

Finally attach any receipts to the back of the form as proof of monies spent.



The form can now be brought to the Finance Office and the cash can be collected twenty four hours later at the earliest. BACS will be paid directly into the relevant bank account on a weekly basis.



## **Winter Balls and Summer Extrav's and Sponsorship**

### **Summer Extrav's**

These are slightly different from all other socials in that you have a finite amount of money that you can spend. This is up to £3,000 plus VAT no matter how many people attend or what the ticket price is. Your exact amount is shown on your main budget.

You are responsible for deciding on a theme and acts etc. you would like at your Extrav.

Ticket prices are set by the SU and are dependent on central costs. Both this income and central costs are borne by the Students' Union. This money is used to pay central costs such as barriers PRS etc. E-Ticket sales are used for the event. This incurs extra fees.

The rest of the procedure is the same as a social. You fill in a social budget form taking into account that you must not spend more than is in your original budget and that some items will not be paid for by yourself.

Your Extrav budget needs to be approved by the Executive committee in Term 2.

### **Winter Balls**

Again these are slightly different from all other socials in that you are dealing with a much larger event and therefore a higher risk of losses occurring. Please note some SCR's run the winter ball.

You are responsible for organising and booking all areas of the ball.

The rest of the procedure is the same as a social. You fill in a social budget form so that the amount from your main budget is listed as income and any income from your tickets is listed, however you must only budget to sell 80% of your tickets to take into account any shortfall you may make. Other income streams are covered in the social budget procedure.

You can then decide on what you will purchase with the income listed. This is the one time in the year that alcohol is allowed but only as part of your meal at your hotel.

Once complete this needs to be provided to the finance office to be checked by finance and VP Union development before being authorised by the Executive committee. The whole approval process must be completed by the end of week 3 of Michaelmas term; however it is encouraged to do this significantly earlier due to venues requiring booking and deposit payments over the summer which cannot be completed without an authorised budget.



# SPONSORSHIP

Please contact the students union 'Commercial Marketing & Support Manager' (Currently Stu Powers).

He will give you guidance on speaking to companies/organisations and the sponsorship forms detailing the arrangement you must get signed by the organisation.

Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organisation which offers in return rights and association that may be used for commercial and other advantage in return for the sponsorship investment.

## JCR or Club/Society Sponsorship Deal

- A sponsorship form must be completed detailing the proposed sponsorship arrangement. Some organisations have their own form; however a proforma is on the LUSU website.
- The sponsorship form and accompanying documents such as a 'contract' must be approved by the Commercial Marketing & Support Manager and an FTO prior to any initiation of the deal.
- Refer to section re Bribery / Gifts& Hospitality. In summary it is an offence to receive a bribe in order to secure an arrangement such as a sponsorship deal.

Please take care when organising sponsorship. Some sponsors can be poor payers and if this happens the income may be removed back out of your account as a 'bad debt'

## **Appendix 1 – Financial Regulations**

The most up to date version is dated 1<sup>st</sup> August 2017 and is on the Students' Union website ; [www.lancastersu.co.uk/about/documents](http://www.lancastersu.co.uk/about/documents)

It is important that you read (and understand) this document and are aware of your responsibilities.

JCR's are covered in section 18 of the document. Extracts from this have been included in the relevant sections of this document. The below covers points not raised in an earlier section of the training notes.

### **❖ 15.7. Tenders and Quotations**

Subject to any special rules imposed by funding bodies, the following rules apply (except for goods for resale): Page | 24

- Under £1,000: the budget holder has the discretion to decide whether or not to obtain quotations, but value for money must always be obtained.
- Between £1,000 and £3,000 - a minimum of 1 additional written quote must be obtained unless the supplier is on the Nussl consortium list or on the University approved procurement framework.
- Between £3,000 and £25,000 – at least three written quotations must be obtained. If this is not feasible/ not practical then the reasons why need to be justified. For expenditure (this includes annual contract values) in excess of £25,000, competitive tendering will need to be undertaken at least once every 3 years unless business needs demand differently. Where there is no source of competition available and / or for good practical business reasons going to tender is not the best way forward, this would need to be justified in writing to the Chief Executive. The above figures exclude VAT.

### **❖ 18.1 General**

Section 47 of the Articles of Association states that the financial management of the JCRs must comply with these financial regulations.

The elected Officers of the JCR's will not automatically be a budget holder. Prior to becoming a budget holder / authorised signatory, the Officer must undertake financial training held by the Finance department and be signed-off as such by the Finance department. By signing the 'Authorised Signatories' form/ card the Officers agree to abide by the Financial Regulations. No financial activity is to be initiated prior to this.

In the event of any investigations into suspected irregularities, authorities may be suspended. This would be agreed by the VP UD / President and Financial Controller (see section 3).

## ❖ 18.2. Financial Reporting

The annual budgeting process for the JCRs is based on the Union's financial year i.e. 1<sup>st</sup> August to 31<sup>st</sup> July, and a budget must be set for the year by mid-June. The budget should be approved by the President and the Treasurer/Gen. Sec and submitted to the Finance department and VP UD. The budget will be checked by the Finance department and VP UD/ LUSU President. The budget will need to be submitted to the Executive Committee (by week 7) for approval.

The JCR's should ensure that they follow their own 'Terms of Reference'.

Changes within the budget within the financial year i.e. across the budget codes must be authorised by the Treasurer and one other member of the JCR Exec. The other member of the Exec should be the one responsible for the budget area that is having budgeted funds reduced (if applicable). Communication of such changes should be sent to the Finance Office.

See Section 11.3: Budgetary Control.

The Finance Office will send (via e-mail) the Treasurers and Presidents the management accounts and a transaction listing for the period approximately 2 weeks after the month-end. The Treasurer is responsible for reporting the management information back to their relevant JCR's.

The Intro Week budget should be prepared as soon as possible after / or at the same time as the approval of the Annual Budget. The Intro week budgets need to be approved by the Exec by the end of the Summer Term.

## ❖ 18.4. College Involvement

Where there is to be College involvement in JCR activity, the proposed agreement needs to be documented and agreed by both parties in advance of the event. Details of this agreement need to be given to the Finance department.

For those instances whereby the JCR owes the College (e.g. SCR) funds; the JCR will need to raise a purchase order form.

For those instances whereby the College (e.g. SCR) owes the JCR funds; the College (SCR) will need to raise a purchase order form.

#### ❖ **18.7. Equipment**

JCR and PG Board Officers are responsible for all Union equipment held within their college. An inventory must be maintained for all equipment and lodged with Finance Office. Equipment should be labelled and cross referenced to the inventory. It should also be security marked where possible.

Where equipment is loaned to other colleges it must be signed out and signed back in. The borrowers must acknowledge their responsibility to return the equipment by the agreed date and in the same condition when it was borrowed. The lenders must sign that these conditions have been adhered to.

#### ❖ **18.8 Alcohol, Quizzes and Gifts**

The purchase of alcohol must be limited to the following circumstances: for formal dinners and official Union receptions and where required under contract e.g. extrav riders, the purchase of alcohol as an enticement to attend meetings or to join clubs is strictly prohibited.

Quizzes must be self-financing.

The purchase of gifts for Senior College Officers and staff is limited to a maximum of £60 in any one year. Purchase of gifts using Union funds for other individuals is not allowed unless with specific permission from the Financial Controller and an FTO.

#### ❖ **14.4 Cash & Cheque Receipts**

All cash and cheques collected remain the responsibility of the collecting officer, post-holder or staff member until such time that it is officially discharged. Cash and cheques collected must be securely stored in a locked cupboard, cash tin, or safe, dependent on value. Where monies are held overnight, secure arrangements must exist for their safekeeping. Keys to safes and other secure containers must be secured according to agreed insurance protocols.

Care should be taken to ensure that the monies held do not exceed the insurance value of the secure facilities provided; refer to Appendix B of the Financial Regulations.

Cash received should be collected, counted and recorded by two individuals, wherever possible. Cash income collected must at all times be kept entirely separate from personal funds.

Suitable security arrangements must be adopted for transporting cash to the bank or Finance Office. This includes varying the time and route taken where possible.

Where money is in transit it must be accompanied by the following number of able-bodied employees (as per insurance requirements):

| Amount of Money            | Number of Employees |
|----------------------------|---------------------|
| £2,000 or less             | One                 |
| Between £2,001 and £6,000  | Two                 |
| Between £6,001 and £10,000 | Three               |

For sums in excess of £10,000, this should be split.

**For non –employees; the amount of monies in transit should not exceed £3,000.**

Cash and cheques collected must be banked without deductions, unless specifically agreed with the Financial Controller.

Banking must be done no later than three days following collection of the receipts, however preferably by the next working day.

#### ❖ 14.5 Ticket Sales

Ticket (physical and e-tickets) sales for events must be agreed in advance by the Finance Office against an approved budget / authority and must be sequentially numbered. Receipts must be reconciled to ticket sales daily. Receipts and proof of income should be brought to the Finance Office within three working days (and preferably by the next working day), in addition to any unsold tickets.

#### ❖ 14.6 Union Cloud – Digital Receipts

Monies collected through Union Cloud from NUS on behalf of LUSU for income including membership fees, ticket sales will be paid over to the recipient within an agreed time frame.

Monies will not be paid over until they are received from NUS i.e. in the LUSU bank account. If monies are received late, and confirmation has been received from NUS on the amounts due, the Chief Executive (or Financial Controller in their absence) can authorise the payment to the Groups in advance of it being received into the bank account.

### ❖ **15.9 Extract Travel & Subsistence**

Claims for travel, subsistence and miscellaneous expenses will only be allowed for expenditure incurred in the performance of official Union business, and should be limited to the reimbursement of expenditure actually and reasonably incurred. Staff / Officers who are planning to attend an 'event' (which is likely to incur costs above £100) should obtain approval from their Line Manager / President/ VP UD in advance of that event.

Travel shall normally be undertaken by public transport, an exception being Group visits. Private cars may be used in certain circumstances where public transport would be inappropriate or uneconomic, and reimbursement will then be made at the HMRC statutory mileage rates.

Further detail on travel by hire car, private car, motorbikes/bicycles and taxis are covered in Appendix 4 (Expenses Policy) of the Universities Financial Regulations.

Travel and subsistence claims may include the cost of meals, accommodation and any other expenditure necessarily incurred while on Union business.

**Note: the cost of meals taken in the course of business travel should be reasonable and supported by receipts.**

Persons undertaking visits and incurring expenditure which will be charged to any account administered by the Union shall do so with the objective of achieving the maximum economy appropriate to the circumstances.

Claimants shall provide full particulars of the dates of absence from the Union, destination and purpose of a visit. Where extended journeys are undertaken, possibly involving a number of purposes, details shall be provided of the expenditure incurred at each stage and the purpose to which it relates.

Persons who have approval to undertake visits where the cost of travel and subsistence is estimated to exceed £50 may make an application to the Financial Controller for an advance. Such application (via a payment claim form) shall provide details of the expected expenditure and the total amount required. If approved, the advance may be provided no more than four days before the intended date of departure.