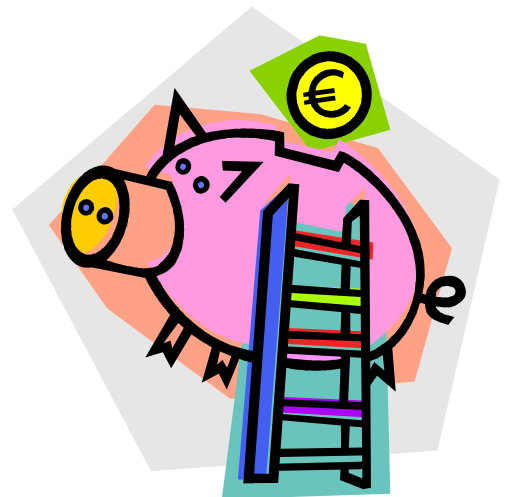


FINANCE FORMS AND PROCEDURES

Responsibilities of the Treasurer (but all committee members should be involved)

The treasurer of a group is responsible for the finances, they should be checking the accounts regularly and feeding back to committee meetings to ensure that the whole committee knows what is going on and what procedures they need to follow.

This leaflet gives information and guidance for **ALL** committee members on the financial procedures and forms you need to follow.



FURTHER INFORMATION

Student Development

Tel. 0121 251 2424

www.guildofstudents.com

studentgroups@guild.bham.ac.uk

Counter opening times

Monday — Thursday 11—5.30

Friday 11—4.30

Paying In Form (blue)

- This slip is used for paying money in to your group accounts. You need to fill in the source box which tells us what the payment is for. This also tells us whether the money should have VAT deducted; please be as detailed as possible.
- If you are paying in cheques please record the surname from the cheque and amount in the spaces provided. Cheques should be made payable to 'University of Birmingham Guild of Students' and have your student group name written on the back. If you are handing in a number of cheques for the same amount then you can write 10x£5 for instance.

Business Claim Form (beige)

- If you have received a service from a business they will issue you with an invoice, use this form to raise a cheque or bank transfer to pay the invoice. This form works in the same way as the personal expense claim form (see below) and you will need to provide the invoice and the relevant signatures from your committee. You can only use a business claim form for purchases under £500. For purchases over £500 you complete a purchase order

Transfer form (pink)

- You use this slip when you wish to transfer money from one Guild account to another, be that your Guild accounts or another student group account. A committee signature is required, and for transfers over £50 two committee signatures are required.

Personal Expense Claim Form (yellow)

- If someone has paid for something for your group out of their own pocket, they can claim it back with this form. A full receipt **MUST** be provided as proof of expenditure; this does not include invoices written by you or switch receipts. The receipts need to be attached to the expense form and handed in to the counter with two signatures from your committee. **A committee member cannot authorise their own personal expense claim, even if they are the treasurer.**

We then check there is enough money in the account for the claim, check the paperwork attached is acceptable evidence, check that the signatures match those we have recorded in the folder and that we have a related risk assessment.

- Please make sure you put a contact number or email address in the space provided on the form so we can let you know straight away if there are any problems.
- If the claim is £50 or under, we can give it out as cash a few days after it is handed in. Only the person named as the claimant can collect this money and they need to bring photo ID with them, ideally their Guild card or a photo driving licence.
- If it is over £50 it can be raised as a cheque or done as a bank transfer. **Please allow at least five working days for these to be processed.** Anyone can collect a cheque on another's behalf.
- At the bottom of the form you can tick the relevant box if it is to be collected or posted. If you want it posting please provide a Stamped Address Envelope.

Retail Voucher (green)

This can be used to spend money with any of the Guild services such as clothing, gifts, Venues or Tech Services. It can only be issued to a committee member for purchases over £50 and two committee signatures will be needed. We then check you have an available balance and write the voucher out for you. You hand the retail voucher over when you make your purchase and the money will come out of your account the following week.

Purchase orders

A purchase order is a promise to pay a company, which they may take instead of payment in advance. We use these when the company requests them, or for payments over £500; ask in Student Development for details.

How can I find out how much money is in my groups account?

At any time, you can ask for a printout of your account statement (up to 15 months ago) at the Student Development Counter, or email us: student-groups@guild.bham.ac.uk and we can send you a PDF.

GRANTS—Who is eligible and when can we apply?

All recognised societies and associations can apply for grant funding. The main application period is in the summer term, when groups apply for money for the following financial year. Allocations are considered with criteria such as number of members, attendance at Guild Council and other meetings and amount being raised by members or fundraising—your group should not rely too heavily on getting grant funding. Make sure that all of your committee is involved in filling out the forms and that they are as detailed as you can make them.

Throughout the academic year, there is a small pot of money called the 'rolling grant' which groups can also apply for—this is aimed at costs that come up unexpectedly and shouldn't be relied upon for regular costs. See the fundraising page of our website for more details.

V.A.T. — Value Added Tax

VAT (value added tax) can have a major effect on your group's finances if you are either not aware of it or do not understand it. Please read this section carefully and if you still do not understand go to the counter and ask questions. You must also attend the compulsory committee training which will explain VAT and how to run your accounts.

The Guild of Students is required by law to account for the VAT (20% from January 2011) which is incurred on purchases and must be declared and paid to customs and excise. Customs and Excise decide which items should include VAT. They also decide which item should be exempt from VAT. To make this process as easy as possible, the Guild has a separate VAT account which VAT payments go in and out of.

Not all costs includes VAT. Below is a list of which items include VAT and which do not.

Non-Sporting Groups

INCOME

Includes VAT (must be declared and deducted from income)	Non-VATable
Membership Sponsorship Ticket Sales T-shirt sales Market Stalls Accommodation for trips	Donations Travel Food Course fees

EXPENDITURE

Includes VAT (must be declared and deducted from income)	Non-VATable
Membership Sponsorship Ticket Sales T-shirt sales Market Stalls Accommodation for trips	Donations Travel Food Course fees

Sporting Groups

This refers to sports clubs as defined by Her Majesties Revenue & Customs, not those clubs supported by University of Birmingham Sport (UBS). This includes UBS clubs as well as diving, dance, mountaineering, ski and snowboarding, ten pin bowling and walking.

This only applies to those activities in the pursuit of the sport, so membership fees will be non-vatable but social events will be vatable.

INCOME

Includes VAT (must be declared and deducted from income)	Non-VATable
Socials inc. ticket sales Merchandising e.g. hoodies which is not required as part of your core activity (if sold to group members)	Membership fees Match fees Uniforms Donations Kit Trip Fees

EXPENDITURE

Includes VAT (to be re-claimed)	VAT Exempt/Zero Rated
Anything with a VAT receipt	Anything without a VAT receipt

Why do I need VAT receipts and what should they include?

If something you spend money on includes VAT make sure you get a VAT receipt. This happens automatically if buying things from a major shop but if you are spending more than £100 you need to make sure you have specific information on the receipt. It must include:

- The address of the company
- Their VAT registered number
- The sub-total of the cost
- A break down of the VAT
- The total charge

If this information is not included the VAT added onto your bill will come out of your account and not the Guild VAT pot thus costing your group more than necessary.

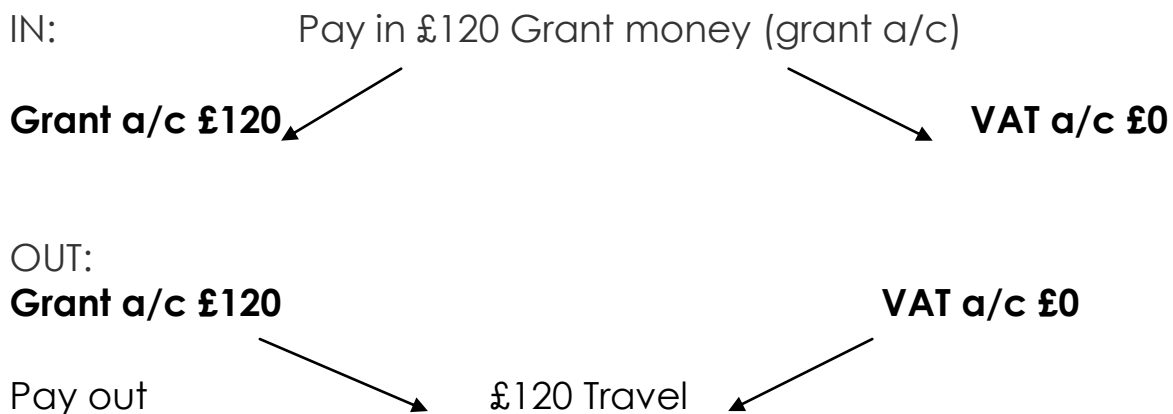
LYING TO AVOID VAT IS FRAUD AND THEREFORE ILLEGAL. IF YOU ARE FOUND TO BE DOING THIS YOUR ACCOUNTS WILL BE FROZEN AND YOU MAY BE DERECOGNISED

What happens when my income and expenditure both include VAT?



Here you can see that VAT does not affect the balance of your account at all. Here you are NOT being charged VAT twice. Because the above shows two different transactions, VAT must go in and then out again. The net effect on your society account is nil as you are declaring £20 on income and reclaiming £20 from expenditure.

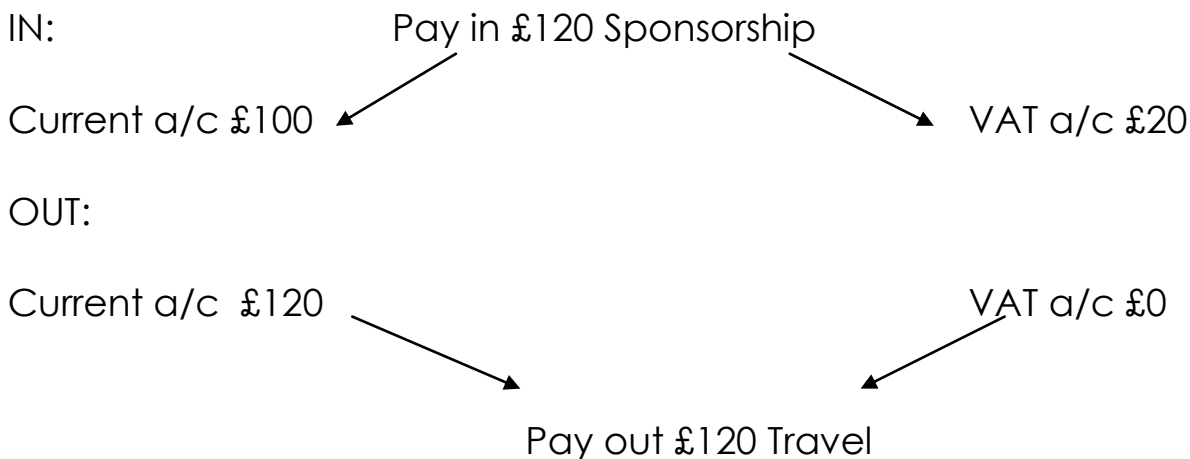
What happens when neither my income and expenditure include VAT?



Here you can see that VAT does not affect your account because the amount in and out of your account is the same.

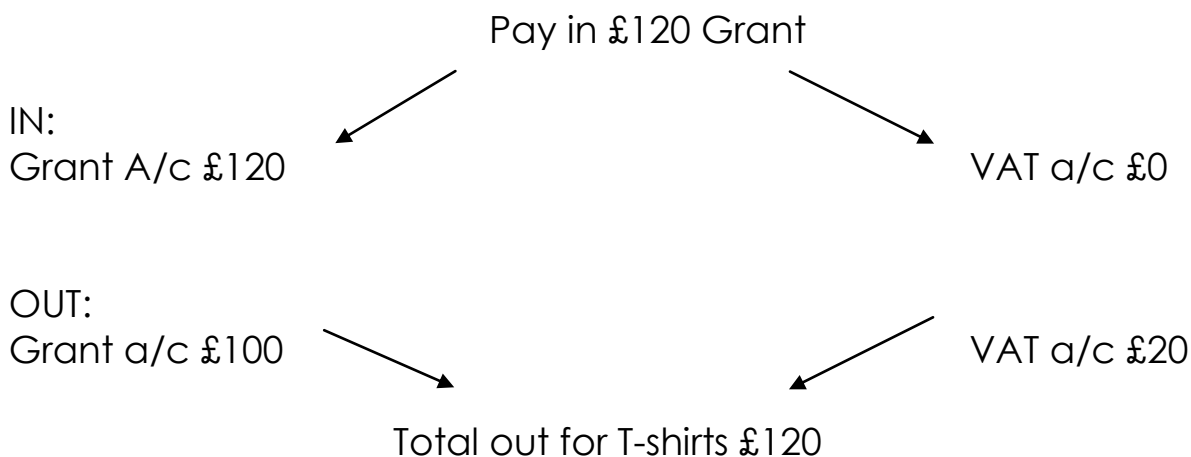
Where your account is affected is when your income includes VAT and your expenditure does not include VAT OR if your expenditure includes VAT and your income does not include VAT.

What happens if my income includes VAT but my expenditure doesn't?



The key information here is that MORE money has come out of your account than you paid in. When budgeting with membership/sponsorship/ticket sales ALWAYS ADD VAT to the amount of money you need to pay for your event. This situation is most likely to occur in your CURRENT account because this is where income is VATABLE.

What happens if my income doesn't include VAT but my expenditure does?



The key information here is that LESS money has come out of your account than you have paid in because some money has been taken out of the VAT pot. This usually happens in your GRANT account because your income via your grant is non-VATable and some of your expenditure may be VATable.

How to calculate VAT...

To be able to budget effectively you need to be able to calculate VAT on your income and expenditure.

It is important to note that when budgeting for an event, all of your income will have VAT deducted whilst not all of the expenditure may include VAT that can be recovered. This depends upon the suppliers you are using and whether they are registered for VAT. Always ensure VAT (at 17.5%) is added to your ticket price to make sure you are covered.

To + or - VAT from a £

£ excluding VAT x 1.2 = VAT Inclusive

£ including VAT / 1.2 = £
excluding VAT

Pick & Mix leaflets are available on a variety of topics, designed to assist you as thoroughly as possible with running your group or understanding the Guild of Students generally

To find out more information, visit the Guild online:
www.guildofstudents.com

The Student Development department is located on the ground floor of the Guild of Students, and supports student groups, volunteering and training.

Student Development Counter:

The first port of call for any queries and for any administration regarding your group, volunteering or training. During holidays, we're open 12-3pm Mon-Fri, and our general Term-time opening hours are:

11am-5.30pm Monday - Thursday
11am-4.30pm - Fridays.

The general student group area for committees is open 9am-9pm on weekdays and 10am-8pm at weekends, which you can use for committee meetings, checking emails and organising your group. You have access to computers, a printer and photocopier, workspace and your pigeonholes.

Disclaimer: The information in this leaflet only provides general guidance. The leaflet should not be regarded or relied upon as a complete or authoritative statement. University of Birmingham Guild of Students will not accept any liability for any claims or inconvenience as a result of information in this leaflet.