

St Cuthbert's Society Junior Common Room (1168134)

Business Model Principles

POL015

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Review Cycle	Annual		
Next review due	June 20120	Circulation details	Executive Committee Trustees
Review by	Trustee Legal Committee		

1. Introduction

- 1.1. This policy is intended to outline the official approach that St Cuthbert's Society Junior Common Room (referred to as "the JCR") shall take in regard to its finances.
- 1.2. Cuth's JCR is a students' union within the meaning of the Education Act 1994¹. It is devoted to advancing the educational interests and welfare of its members, representing the students of St Cuthbert's Society to external bodies and to provide social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of all students.

2. Financial Strategy

- 2.1. The JCR shall devote all available financial resources to the furtherance of the JCR's charitable aims and to the administration and governance of the JCR in pursuit of these aims as required.
- 2.2. The JCR aims to break even on all income and expenditure on an annual basis to provide a stable and sustainable services for its members, except in exceptional circumstances where approved by a motion passed in a JCR meeting.
- 2.3. The JCR is a not for profit organisation, however it may make a profit or loss in individual years.
- 2.4. This policy is supported and informed by the JCR Investment Policy Statement, Reserves Policy and the JCR Risk Management Policy.

3. Financial Sustainability

- 3.1. The JCR financial year runs with the academic year.
- 3.2. Day to day control of the JCR financial strategy is delegated by the JCR Trustee Board to the JCR Finance and Compliance Officer (FCO) and Financial Committee.
- 3.3. JCR income comes from a variety of sources which can be broadly divided into categories based on restriction level and funding timescale:
 - 3.3.1. Commercial financing (unrestricted, long term) – profits and incomes from JCR operations (including investment income) for future JCR development.
 - 3.3.2. Programme financing (restricted, long term) – donations and external grants designated for a specific purpose.
 - 3.3.3. Event financing (restricted, short term) – event ticket sales, used to fund the hosting of the event in question.
 - 3.3.4. General financing (unrestricted, short term) – JCR levy, intended to fund year on year and overhead expenditure and 'everyday' activities of the JCR.
- 3.4. The JCR shall achieve financial sustainability through maintaining a diversified funding mix and by generating modest surpluses through commercial financing in line with the financial strategy as outlined above.
- 3.5. The JCR FCO and Financial Committee should take account of the expected lifetime of all fixed assets of the JCR and identify expected replacement costs within a suitable timescale so that replacements will not cause an unexpected or undue burden on JCR funds at any given time.
- 3.6. The JCR FCO and Financial Committee shall undertake reviews of JCR expenditure to evaluate the allocation of funds to JCR activities and ensure that all expenditure falls in line with the JCR's charitable aims and is deployed effectively in supporting them.

4. Financial Reporting & Planning

- 4.1. The JCR FCO and Financial Committee shall produce annual budgets for approval by the JCR and JCR Trustee Board prior to the start of each financial year. These are to forecast income and expenditure for all areas of JCR activity and should be

¹ <http://www.legislation.gov.uk/ukpga/1994/30/part/II>

designed to be representative of all JCR activities, except in exceptional circumstances as outlined above. Individual events or activities may make a profit or loss as required.

- 4.2. Individual event budgets shall be produced and should aim to independently break even if run as a charitable event, or make a profit within the accepted margins if run as a fundraiser. Events may, exceptionally, be subsidised by the JCR if considered to be a worthwhile use of JCR funds.
- 4.3. The JCR FCO and Financial Committee shall produce Quarterly Reports detailing the actual income and expenditure of the JCR with comparison to the budget forecasts and previous year's figures. This also includes general comments on the financial status and development of the JCR in the appropriate quarter.
- 4.4. The JCR accounts shall be independently examined external accountant annually and approved by the JCR and JCR Trustee Board when complete. This is to be done promptly upon the completion of the financial year.
- 4.5. The JCR shall comply with the requirements of the Education Act 1994 and the Charities Act 1993 with regards to keeping financial records and enabling the examination of accounts.

5. Review

- 5.1. These Business Model Principles were prepared by the JCR President and JCR Treasurer on behalf of the JCR Trustee Board to provide a framework for the management of its finances and to ensure that appropriate safeguards are in place.
- 5.2. These Business Model Principles will be reviewed on an annual basis prior to the Q3 Trustee Meeting to ensure their continuing appropriateness.

6. Approval and Review

- 6.1. These Business Model Principles were prepared by the JCR President on behalf of the JCR Trustee Board.
- 6.2. These Business Model Principles will be reviewed every 3 years by the Trustee Board in consultation with relevant parties including the JCR President and Executive Committee Members.

These Business Model Principles have been approved by the JCR President and Trustee Board.

Signed Tim Chapman

Signed Amy Kuner

Dated June 29th 2019

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Chair, JCR Trust 2018-2019

JCR President 2018-19