

Imperial College Union  
**C&S Debt Collection**

*A paper by the Deputy President (Finance & Services)*

**Background**

1. Many of ICU's clubs and societies have aged debtors. As of 31/09/2009 C&S debts older than 90 days total £57,961.33.
2. C&S aged debtors was material discussed in the Audit clearance meeting.
3. Many of ICU's clubs and societies seek sponsorship and donations to fund their activities.
4. Upon a club or society securing sponsorship, occasionally C&S officers distance themselves from chasing unpaid sponsorship invoices. Due to the nature clubs and societies and the problems associated with end of year handovers, quite often uncollected sponsorship is forgotten about. Contact details of the sponsor are often lost or not passed on to the relevant persons.
5. The tables below show income from donations and sponsorship from 05/06 to 08/09. Note that C&S funding from sponsorship was increasing year on year until the recession hit.

ANALYSIS OF DONATIONS FROM 05/06-08/09

Sum of Amount	
Year	Total
05/06	164,936
06/07	194,731
07/08	158,311
08/09	9,250
Grand Total	£527,228

ANALYSIS OF SPONSORSHIP INCOME FROM 05/06-08/09

Sum of Amount	
Year	Total
<b>05/06</b>	113,503
<b>06/07</b>	129,805
<b>07/08</b>	171,238
<b>08/09</b>	34,047
Grand Total	£448,592

**Issues to address**

6. Currently no procedure exists which clarify whose responsibility it is to collect clubs and societies aged debtors (unpaid invoices and debt).
7. Currently aged debtors remain on the Union's finance system – until payment is received or they are written off as bad debt, (in the 07/08 accounting year alone we have written off £75k worth of C&S bad debt).

**Proposal**

It is proposed that:

8. As of 31/01/2010 any outstanding debt owed to ICU clubs and societies older than 90 days becomes the Unions responsibility to chase.
9. The Union will charge a fee of 10% of the total debt being chased upon securing the club or society's debt to cover staffing costs.
10. A club/society report will be produced every month to indicate to club officers all unpaid invoices and debt.
11. Each club or society will be able to access a page on workbench which contains details of all unpaid invoices and the date they were issued.
12. A consultation period will run between 0 – 90 days where clubs and societies can seek advice and help from the Union finance department.

DH/PP/YKF  
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