

The Motor Club Reserve

A note by the Membership Services Manager

Background

In June 2011 the Clubs & Societies Board asked me to investigate the history of a fund of money colloquially known as the Motor Club Reserve, this was one of a number of decisions made regarding the three clubs associated with care of the vintage vehicles, the minutes are available online¹.

From reviewing the minutes and papers of meetings for the past 15 years the operating practice of such a fund appear never to have been recorded through a meeting we still have minutes and papers for. Having spoken to a number of former sabbaticals and staff, as well as those students involved in the motor clubs there is however a consistent narrative.

The operating practice is described as a fund of money being available to the three vintage vehicle motor clubs (CGCU VVMC, RCS Motor and RSM Motor) to cover expenditure for large pieces of repair work to the vintage vehicles. Expenditure from this fund to be agreed between the Chairs of the three clubs and held within the Union's accounts. Every year the Union would contribute £2,000 to the fund at the start of each financial year and the clubs would claim expenditure from it as was necessary. Money remaining in the fund at the end of each financial year would roll over into the next. It was never intended that claims were made every year; to ensure that the fund did not grow continuously a cap of £10,000 was established at which point the Union would contribute no more money, until such a time that the fund fell below this limit.

Documented History

In the budget negotiations (for the 1999/2000 financial year) in March 1999 it seems the Union established the Motor Club Fund in the proposed budget. Appendix 1 contains the draft budget paper, the fund is highlighted at the top of the second page, the note reading "Central Fund to be controlled by Motor Clubs". [At the time every grant allocation to a club or society was subject to 10% of the value of the allocation being recovered through membership subscriptions. At some point in the intervening decade this practice was discontinued due to the administrative overhead and the grant allocations reduced to their respective net cost to the Union].

The proposed budget was reported to Union Council in May 1999, (papers are available if necessary). **It is probably fair to assume that the narrative of a fund being established by the Union is true.**

The £2000 value appears in the Union's budget from 2006/07², 2009/10 and 2010/11. Previous to 2004 papers for meetings are not available online. **It is also probably fair to assume that the notion of a fund being topped up by £2000 a year by the Union is true.**

¹ <http://www.imperialcollegeunion.org/data/files/clubs-and-societies-board-minutes-21-06-11-3800.pdf>

² <http://www.imperialcollegeunion.org/data/files/paper2-338-2909-1724.pdf>

As previously noted there is no documentation which covers the operating practices for such a fund, in particular:

- such a fund being topped up to a maximum of £10,000,
- their being an unlimited amount one club could claim (up to the value of the fund at any point in time),
- who (on a practical basis) controls the fund.

Current situation

In the budget discussions for the 2011/12 financial year during spring 2011 it was decided to cease funding the motor club reserve by £2,000 a year. Instead the contingency fund of the Clubs & Societies Board was increased by £1000.

It has been confirmed that no “fund” or “reserve” for this purpose exists within the Union’s finance system (I make no attempt to use the correct accounting terminology here). Any claims made to such a fund/reserve appear to have been charged against the £2,000 line in the Union’s annual budget, against a cost centre called Motor Club Reserve.

Only two such transactions have been made (or recorded as such through this method) on the current finance system (in use since the 2005/06 financial year). During the 2010/11 financial year a claim was made to the Motor Club Reserve for £2,512 by the RCS Motor Club for repair of bearings on the Fire Engine, both transactions relate to this. This expenditure was approved by the then Deputy President (Finance & Services). The expenditure shows against the Motor Club Reserve line, which appears in the Membership Services section of the Union’s management accounts. A £512 over spend to budget it noted there.

CGCU VVMC have approached me recently regarding a claim they wish to make for approximately £2,200 relating to casting of new cylinders for Bo’, details given in Appendix 2.

Decisions needed

If we are to assume that the narrative relating to such a fund is true, and I have found no evidence to the contrary, then, following the operating practice described, there would have been a “fund” (or “reserve”) available for use of the three vintage vehicle motor clubs of £7,488 at the start of the 2011/12 financial year and remaining at that value now.

The £7,488 figure being calculated by five £2,000 contributions at the start of the 2010/11, 2009/10, 2008/09, 2007/8 and 2006/07 financial years, less the only expenditure to the fund recorded during the same period of £2,512.

Given that there is no specific “fund” or “reserve” for this purpose within the Union’s finance system a decision needs to be made as to whether the Union will honour the availability of £7,488 for future use of the three vintage vehicle motor clubs for large repairs going forward. In doing so consideration probably needs to be given as to where this money would come from and how expenditure decisions are to be made in future, especially in respect of a potential claim.

Phil Power
July 2012

Appendix 1

| ACTIVITY | Budget 98/99 | Forecast 99/00 | Budget 99/00 | % Change | Notes |
|--|----------------|----------------|----------------|----------|--|
| Subvention | 716,000 | 756,025 | 745,400 | 4 | No Sabb wage increase |
| Compensation for the loss of the bookstor. | 20,000 | 20,600 | 20,600 | 3 | Inflation |
| Interest | 23,000 | 20,240 | 18,000 | (22) | Reduction in Interest Rates |
| Investments | 4,100 | 4,100 | 4,100 | 0 | |
| Life membership | 4,400 | 4,400 | 4,840 | 10 | Assume 10% price rise |
| Room Bookings | 41,200 | 42,000 | 41,200 | 0 | Probably stay same as a crane in the quad |
| Games Machines | 3,600 | 10,000 | 10,000 | 178 | New Deal |
| STA Travel | 22,500 | 12,600 | 12,600 | (44) | 30% of £42,000 deal |
| Trading Contributions to central overhead: | 57,551 | 59,400 | 59,400 | 3 | 40% of wages (MH x2, DP, Finance Office) |
| Careers Fair | 4,000 | 4,000 | 4,000 | 0 | Retiro on top to Jobshop |
| Miscellaneous | 12,900 | 13,300 | 9,600 | (26) | No STA: Freshers Fair, Insig, Temp Meb, Misc |
| Total Income | 909,251 | 946,655 | 929,740 | 2 | |

| ACTIVITY | Budget 98/99 | Claim 99/00 | BAG 99/00 | % Change | Notes |
|-------------------|--------------|-------------|-----------|----------|--|
| ACC | 80,916.00 | 113,710.38 | 77064.21 | (4.8) | Does (98/99) include coaching or extra travel?, VAT calculated |
| C&G | 14,690.00 | 17,690.16 | 15021.37 | 2.3 | Passed as submitted |
| CAG | 2,403.00 | 2,412.00 | 2412 | 0.4 | No training, Irrecov VAT |
| ICSM | 100,992.00 | 113,380.00 | 81746.21 | (19.1) | Central Sports Budget, Exec increase |
| OSC | 7,516.00 | 12,258.00 | 8536.92 | 13.6 | Included Subs recals & advertising assumptions |
| PUB | 49,131.00 | 48,056.00 | 40572.5 | (17.4) | Includes CCU RAG |
| RAG | 1,468.00 | 1,296.00 | 1136 | (22.6) | Irrecov VAT |
| RCC | 54,882.00 | 62,060.47 | 52687.4 | (4.0) | Must calculate Irrecov VAT |
| RCS | 9,981.00 | 10,337.00 | 7713.27 | (22.7) | Irrecov VAT |
| RSM | 14,430.00 | 18,336.00 | 13390.27 | (7.2) | Events separated, DramSoc Lighting Inc. ? |
| SCAB | 15,708.00 | 17,843.00 | 16019.73 | 2.0 | No major problems |
| SCC | 7,293.00 | 8,576.47 | 6942.25 | (4.8) | Per club budget for first timell |
| Silwood | 5,000.00 | 9,986.00 | 8469.56 | 69.4 | Allow for E&W lunch |
| Academic Affairs | 40 | 40 | 40 | 0.0 | Sail, Undr, Bill, Boat & Glid (Inc VAT -10% members) |
| Capital Equipment | 13000 | 13777 | 22350 | 71.9 | If we want to continue this..... |
| Exploration Board | 4000 | 4120 | 4000 | 0.0 | Allow small increase |
| House | 12360 | 12730.8 | 12500 | 1.1 | Include new glider (£500) |
| Insurance | 8815 | 9579.45 | 9560 | 8.7 | Includes extra student increase |
| Library | 1500 | 1700 | 1700 | 13.3 | Based on 97/98 figures @ 10ppp |
| Nightline | 900 | 927 | 883 | (1.9) | Cut by UFC |
| Nursery | 4000 | 4120 | 0 | (100.0) | In case anything ever gets done |
| PG | 20 | 20 | 20 | 0.0 | Assume no changes from college. Should go into club accounts? |
| Sporns Centre | 10415 | 10727.45 | 10415 | 0.0 | Insurance for vans (£340 per van) |
| Transport | 20000 | 20600 | 4000 | (80.0) | Rape Alarms, Rest in central budget due to new sabb |
| Welfare | 1905 | 1365 | 900 | (52.8) | New Minibus rates & EU wage effects |
| Women's Minibus | 5818 | 5992.54 | 6522.6 | 12.1 | To repay if profit made |
| Summer Ball | 0 | 300 | 300 | NEW | |

| | 98/99 | 99/00 | BAG 99/00 | % Change | Notes |
|------------------------------------|-------------|-------------|------------|----------|---|
| Motor Club Fund | 0 | 2000 | 1800 | NEW | Central Fund to be controlled by Motor Clubs (-10% members) |
| Training | 0 | 20000 | 0 | NEW | Central Training Fund/Travel? (no money) |
| Health & Safety | 0 | 3000 | 0 | NEW | Money for first aid/H&S claims etc (no money) |
| Travel Costs | 0 | 0 | 7050 | NEW | 25% increase in minibus costs (Clubs, RAG and CAG) |
| Tennis Court Loan | 0 | 0 | 3800 | NEW | 3 year Repayment of Tennis Court resurfacing |
| Student Development | 0 | 2000 | 0 | NEW | Training, SDC, Sponsorship (no money) |
| TOTALS | 447,183.00 | 548,940.72 | 417,572.29 | (6.6) | Claim 98/99 may not be exactly correct |
| Admin Cost | Claim 98/99 | Claim 99/00 | BAG 99/00 | % Change | Notes |
| Salaries & Wages | 238524 | 227087 | 248634 | 4 | Calculated, at great length |
| Sabb Salaries | 40622 | 67834 | 66932 | 65 | Sabbs at Clerical Scale ? |
| Cleaning Salaries | 35041 | 38564 | 38564 | 10 | Upgrade of staff member |
| Contract Cleaning | 4985 | 5135 | 5135 | 3 | May move into cleaning wages |
| Cleaning Materials | 4069 | 4191 | 4191 | 3 | |
| Security | 28110 | 28953 | 29684 | 6 | EU Wage effect, ICU increase (2/3 part time) + ClubSec, Equip etc |
| Staff & Sabb Training | 5871 | 6047 | 6047 | 3 | Includes Staff training |
| Officer's Accommodation | 28681 | 34462 | 28734 | 0 | No Ccu rooms, half of sabbs in hall |
| Other Staff Costs (eg Recruitment) | 850 | 900 | 900 | 6 | |
| Welfare Adviser | 3233 | 3330 | 3379 | 5 | Have Martin's submission |
| Bank Charges | 2802 | 2886 | 2886 | 3 | No of accounts down, charges up |
| Stationery | 5251 | 5409 | 5409 | 3 | Estimate |
| Postage | 1705 | 1756 | 1756 | 3 | Estimate |
| Office Equipment | 4600 | 5000 | 3000 | (35) | Down as IT separate, new office |
| IT/Computers | 0 | 3000 | 3000 | NEW | New comp, upgrades & software, laser printer? |
| Telephones | 5000 | 11400 | 11400 | 128 | Includes Standing Charges |
| Maintenance & repairs | 10300 | 10609 | 10609 | 3 | General Maintenance (non-house) |
| Travel | 924 | 952 | 952 | 3 | Exec/Conference Travel |
| Tankards | 200 | 200 | 200 | 0 | Board & pots |
| Elections | 750 | 800 | 1500 | 100 | Allows for 2 elections ?? (Wages £625, NE £75, Exp £50) |
| Marketing | 3058 | 3150 | 3150 | 3 | Central Union Marketing budget |
| Health & Safety | 300 | 310 | 310 | 3 | PAT testing ? |
| Other Expenditure | 3716 | 3827 | 3827 | 3 | Staff subsistence, hospitality |
| Depreciation | 17171 | 17686 | 17286 | 1 | New Glider cheaper than the old one! |
| Irrecoverable VAT | 7000 | 7200 | 7200 | 3 | Based on last year |
| Total | 452763 | 490688 | 504685 | 11 | |
| TOTALS (cash balance) | 9,305 | (92,964) | 7,483 | | |

Appendix 2

Boanerges (Bo' for short) is the last remaining James and Browne veteran car of its type (made in Hammersmith in 1902) and since 1934 has been the motorised mascot of the CGCU.

This year Bo' is 110 years old which is quite an exceptional age for a vehicle which is so regularly used. The cylinder pots of the car have been limiting operation of the car due to metal fatigue since the 1960s and have seen a number of repairs by both gas fusion welding and metal stitching. There are two cylinder pots on the car.

In 2007/08 a significant investment was made in gas fusion welding of both cylinder pots and while this has been a success on the offside cylinder pot the nearside has seen further repairs since; firstly pinning a hole into the cooling water jacket in 2010 and metal stitching of two cracks in the combustion chamber in 2011.

It has decided by the club that to protect the future running of the car, and without relying on repeated costly repairs, that new cylinders need to be cast. The manufacture of tooling for casting of such a part, to be produced in low volume, is commonly the most expensive stage. For this reason the club has, kindly supported by Dr. Shaun Crofton (Imperial College, Mechanical Engineering Dept.) and Gordon Addey (Royal College of Art, Workshop Manager), endeavoured to produce the tooling themselves.

Casting the pots themselves in Iron is an operation for which the facilities no longer exist in the College and so this activity will need to be outsourced to a foundry. Kingfisher foundry near Bedford has been accepted by the club as the most suitable for the job.

Machining of the finished blanks has been kindly offered by Dr. Shaun Crofton but cylinder liners will be required, which is a small additional cost. The funding needed for the project is around £2,200; some club funds will also be utilised.