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Sponsorship Contract Completion Guide

Introduction

This guide is to help you to complete the WSU Sponsorship Contract Template for Sports Clubs and Societies, which is available here: <u>Committee Resource Hub: Funding & Finance</u>. The premise of this guide is to clarify the steps required to accurately complete the sponsorship template and should be read in conjunction with completing the sponsorship agreement with your sponsor.

Section 1: The Sponsor

It is important to note that this section should be completed by the sponsor, to ensure that we have accurate details on record for them. The representative of the sponsoring business or organisation that you are liaising with should first fill out their details, then provide details of the Head Office of the organisation.

Remember that the type of business is important - we cannot accept sponsorship agreements with bars/pubs, takeaway food & delivery services, or lettings agents due to exclusivity of existing SU partnerships.

Section 2: The Beneficiary

You should then agree with the sponsor the specifics of the named beneficiary of the sponsorship agreement. The sponsor may be agreeing to support the whole club/society, or it may be applicable that the agreement only relates to a specific team within your student group, e.g. Women's Football 1st Team.

Section 3: Financial Agreement

(If your sponsorship agreement relates to services only, and no money will be changing hands, then please skip to Section 4: Services Agreement)

When completing the Financial Agreement section of the sponsorship contract with your proposed sponsor, please pay close attention to the Net and Gross (Inc. VAT) aspects of the agreement. The SU must charge Value Added Tax (VAT) at 20% on all financial sponsorship agreements regardless of the VAT status of the sponsor.

When making agreements with your proposed sponsor about the rate of sponsorship, you need to be careful to clarify whether you mean the Net or Gross value. For example, if you agree a £100 sponsorship (Inc. VAT), then your club/soc will only receive £83.33 (Net). If you expect your club/soc to receive the full £100 (Net), then you need to agree a £120 (Inc. VAT) sponsorship. Reviewed: June 2025

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It is important that the correct figures are entered in Section 4, so that the SU Finance Team can process invoices accordingly. The questions below detail how the sponsorship funds will be collected, whether in one single payment or in instalments. If paying in instalments, please ensure that the information is clear, again to support the SU Finance Team to easily invoice for your funding.

Do be aware that most large financial sponsorship agreements will likely be requested to be paid in instalments by your sponsor, so that they can ensure that you are fulfilling your obligations of the sponsorship agreement prior to them paying the subsequent instalments.

If the financial agreement relates to a specific use of the funds, e.g. on certain equipment or events, then you will need to tick the correct box and provide details. Please leave blank if there are no restrictions on spending the funds.

Section 4: Services Agreement

(If your agreement relates to finances only, with no services being offered, then please skip this section as you only need to complete Section 3: Financial Agreement)

When completing the Services Agreement section of the sponsorship contract with your proposed sponsor, please pay close attention to the different options that can be selected.

If your sponsor is offering a discount on their goods or services, please provide details of this discount, especially the percentage or amount and who the discount is being offered to (just the club/soc or all of your members).

If your sponsor is offering access to specific kit, clothing, equipment or facilities, please complete the relevant sections and detail the exact agreements relating to this access. Alternatively, your sponsor may be offering a services agreement that sits outside of these options, if so, please provide details of the support that is being offered.

Section 5: Responsibilities of the Beneficiary

It is important that this section details the exact obligations that the sponsor expects from your Sports Club or Society. Any ambiguity here could cause you problems down the line if the sponsor believes you have not held up your side of the bargain.

Please provide details of any advertising, event hosting/attendance, or any alternate means that you have agreed. It is important to clarify the regularity of any obligations, as this will help you to be sure that you can fulfil the sponsor's expectations.

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It is important here that the responsibilities of the beneficiary do not break any policy or best practice relating to the safeguarding and GDPR of members, nor does it breach any hire or service level agreements. For example, you cannot agree to "sublet" your Sports Club training session to a sponsor, as the Students' Union and Sports Facilities service level agreement does not cover this manner of usage.

Section 6: Important Details

Before signing off your sponsorship agreement, please ensure that both the sponsor and beneficiary have read and understood these important details. All sponsor agreements should be completed having read the WSU Sponsorship Guide, which is available here: <u>Committee Resource Hub: Funding & Finance</u>.

In particular, please note that all goods, kit, or equipment must be purchased following the WSU Financial Processes. All monies must be paid directly to Worcester Students' Union via invoicing procedures and must not be paid directly to Sports Club or Society representatives.

Section 7: Signature of Participants

Before submitting your sponsorship contract to the Students' Union, you will need to ensure that it is signed by a representative of the beneficiary (i.e. a club/soc committee member) and a representative of the sponsor.

The signature on behalf of the sponsor must be provided by the sponsor's representative only. Signing the contract on behalf of the sponsor is fraudulent and may result in legal or disciplinary action.

If approved by the SU Student Activities Team, the sponsorship contract will then be passed to the Vice President Student Activities, Chief Executive, and Director of Finance & Commercial for final approval.