



RUGBY FOOTBALL UNION

NICK EASTWOOD
FINANCE DIRECTOR

10 August 2009

To: Secretaries and Treasurers of Section 1 and 3 Clubs at Levels 5 and below
(except Services and University clubs)

Dear Club Colleague

RFU FINANCIAL SUPPORT (INCLUDING IMPORTANT INFORMATION ON INSURANCE) FOR SEASON 2009/10

Introduction

I am writing to confirm the level of funding which has been approved by the RFU for season 2009/10 for all Section 1 and 3 Clubs at levels 5 and below, except Services and University clubs (hereinafter referred to as 'Clubs'). **This letter also includes important information on the RFU insurance programmes.**

Insurance scheme

As last season, the RFU will provide and fund for all Clubs a comprehensive personal accident and liability insurance scheme. Clubs are therefore not required to declare their number of teams or pay insurance premiums. In summary, the cover provided is as follows:

- Player accident benefits
- Clubs' referees and coaches liability
- Clubs' public liability
- Clubs' employer liability
- Legal liability for clubs and officials for player-to-player incidents
- Directors and Officers liability for clubs

Following requests from a number of clubs, the RFU's insurance advisors, Marsh, have researched the availability of a number of third party products for clubs which may wish to supplement the personal accident cover provided centrally by the RFU. Please note that certain of these providers will only make available their own products and consequently we would always recommend that the advice of an Independent Financial Advisor is sought in order to ensure that the correct product and level of protection is offered.

Further details of the cover, including policy wordings, certificates and answers to common queries can be found as part of the Virtual Adviser tool found within the Community Rugby section of www.rfu.com, or by contacting the RFU's insurance brokers, Marsh, on 01732 877647 between the hours of 9am and 5pm, Monday to Friday. The website also contains details of the supplementary insurance referred to above.

Long distance travel allowance

Travel allowance payments are available for RFU league competitions. For cup competitions further details will be made available from the Divisional Organising Committees or from the RFU Tournaments and Competitions department, as appropriate. Travel allowance payments are available for round trip travel distances in excess of 150 miles, according to the following table.

<u>Mileage</u>	<u>Amount</u>	<u>Mileage</u>	<u>Amount</u>
150 +	£300	350 +	£600
200 +	£375	400 +	£800
250 +	£450	450 +	£900
300 +	£525	500 +	£1,000

Payments for squad accommodation costs are made for journeys in excess of 450 miles return and are paid after the match and upon receipt of accommodation invoices. The rate is £25 per person. For these purposes, a squad is defined as 15 players, three replacements and three management

Capital funding - Rugby Football Foundation

Further funds are available to all Clubs, upon application, to assist specific capital improvement projects, in the form of grants up to £6,000 and interest free loans up to £100,000. Further details on this scheme are available on the website at www.rfu.com/microsites/rff or in writing by contacting the Rugby Football Foundation Administrator, Rugby House, Rugby Road, Twickenham, TW1 1DS or by emailing foundation@therfu.com.

Taxation

Clubs should note the important points below regarding taxation.

Corporation tax

All financial support payments to Clubs by the RFU are subject to corporation tax in the hands of each Club. These payments should be included as trading income in the tax computation of your Club against which you may, of course, claim trading expenses or, where appropriate, trading losses brought forward. You should be aware that the RFU is required to advise HM Revenue & Customs of all payments made to each Club.

VAT

The RFU has confirmed that the payments in support of league rugby and payments to alleviate the costs of long distance travel are outside the scope of VAT. However, customs have ruled that any payments in respect of knock-out competitions will be subject to VAT.

Contact details

Any general queries relating to this letter should be addressed to Sandra Negreira, RFU Club Accountant, Rugby Football Union, Rugby House, Twickenham TW1 1DS; tel: 020 8831 6538; email sandranegreira@rfu.com. A copy of this letter is also available under the Community Rugby section of the RFU website, www.rfu.com.

Regards



Nick Eastwood
Finance Director

Cc Chairman of the Management Board
Chairman of the Finance and Funding Standing Committee
RFU Chief Executive
Chairman & Secretary of the Divisional Organizing Committees
Chairman of the Competitions Sub Committee
Chairman of the Community Rugby Standing Committee
Community Rugby Director
Tournament and Competitions Director
RFU Club Accountant
Council Members