

11.1 Expenses

Policy statement

Staff and trustees of Little Fingers Pre-School (“the charity”) are entitled to claim expenses for any reasonable costs incurred, but must ensure that they get the best value for the charity by choosing the most cost-effective option available. We understand that staff need to purchase items for planned activities and Little Fingers Pre-School is committed to offering equal opportunities for all volunteers, by reimbursing reasonable expenses that allow them to carry out their duties.

This policy aims to provide clear guidance on the types of expenses that can be claimed and the procedures for making a claim.

Types of expenses

Expenses may only be claimed for amounts incurred wholly and exclusively for the charity’s work, as detailed below. If there is in any doubt as to whether an expense is reimbursable, advice is sought from the Charity Commission prior to incurring the expense.

- **Business travel:** staff and trustees are expected to use the mode of travel, which is most efficient, cost-effective, environmentally economical and consistent with reasonable travel time. Claims for taxi fares should only be made when other forms of public transport are not viable. When travelling via public transport, the charity will only reimburse the actual cost of the journey. Therefore, when pre-paid travel cards or permits are used, a receipt and evidence as to the actual cost of each journey taken must be provided. Anyone using their own car, van, motorcycle or bicycle will be reimbursed actual costs for mileage up to the Approved Mileage Allowance Payment set by HM Revenue & Customs (please refer to the HM Revenue & Customs website for current details at www.hmrc.gov.uk). The cost of car parking or toll fees may also be claimed if a receipt is provided to support the claim. The charity does not accept any liability for fines, or any other penalties for traffic offences, and encourages everyone to drive safely. The vehicle owner is responsible in the eventuality of an accident and for maintaining the vehicle in good condition. Mobile phones should not be used under any circumstances when travelling unless you have installed the appropriate hands-free kit.
- **Meals when on business:** staff and trustees may claim for meals under the following circumstances:
 - When required to stay overnight, breakfast at £5.
 - When required to work through the lunch period, lunch at £5
 - When required to stay overnight, evening meal at £10

Expenses relating to alcohol cannot be claimed.

- **Communications:** staff and trustees can be reimbursed for expenditure on communications which are essential for trustee work, including telephone calls, postage, stationery and aids to support

communication (e.g. translation of materials). Second class post should be used where possible.

Reimbursement of mobile phone top-up cards is a taxable benefit, so staff and trustees can only claim for the individual cost of the calls made. When a trustee receives free call bundles for their mobile phone, expense claims must only relate to the proportion of calls that were made for charity business over and above the charge for the free calls. For example, if a trustee has 100 free minutes per month and make calls lasting 110 minutes in total and costing £8.50, and 80 of those minutes were for charity purposes, then the amount that they can claim can be calculated as $£8.50 \times 80 / 110 = £6.18$.

- *Transport, resources or facilities to support a staff member or trustee with a disability:* Reasonable adjustments are made to accommodate the needs of volunteers with disabilities; expenses can be claimed for additional travel costs, assistive resources and facilities. The charity also looks at options such as sharing resources with other organisations to ensure that opportunities are provided for all to be involved.
- *Relevant training, books or resources to support staff and trustee work:* Expenditure for costs relating to staff and trustee training and development are approved in advance by the trustees and must be in line with budgeted amounts.
- *Accommodation costs for overnight trips for any necessary training, events and meetings:* Prior agreement is required whenever it is essential for a staff member/trustee to stay overnight in a hotel in the course of their work for the charity. Staff members and trustees must research hotels in the area to ensure that the chosen accommodation is of reasonable value.
- *Care of dependents while attending staff or trustee meetings:* To enable staff members and trustees to attend meetings, they may be reimbursed for the cost of childcare and care arrangements for dependent relatives, in situations where:
 - They would normally have been providing care at the time.
 - There is no other responsible adult, such as a partner or relative, available.

Procedures for claiming expenses

1. An annual expense budget is agreed by the trustees to cover any necessary costs.
2. Only the actual costs incurred for expenses will be reimbursed, up to the approved amount.
3. Cash advances are not provided for expenses.
4. Expenses are claimed using the standard form, with all sections completed and totalled.
5. Receipts, tickets or bills must be provided with the expense claim form in evidence of all payments. Where they also contain items other than claimable expenses, they should be highlighted to indicate the relevant expense.
6. Claims will be withheld until appropriate documentation has been received and approved. Any incomplete claims will be returned for amendment, which is likely to cause a delay in the payment of expenses.
7. Expense claims will require approval as follows:
 - Claims exceeding £100 or £25 for a single item submitted by the Pre-school Manager will need to be authorised by the Chair of the Committee.
 - Claims exceeding £50 or £15 for a single item submitted by any other staff member will need to be authorised by the Pre-school Manager.
 - Claims exceeding £50 or £15 for a single item submitted by the Chair of the Committee will need to be authorised by the Treasurer of the Committee / Pre-school Manager.

- Claims exceeding £25 or £15 for a single item submitted by a general committee member will need to be authorised by the Chair/Treasurer of the Committee.

8. Expense claims over £200, submitted by the Pre-school Manager, or £100, submitted by the Chairperson will need to be approved by the trustees. Once approved by the trustees, the treasurer signs and dates the claim to authorise it. If the treasurer is unavailable, or has submitted the claim themselves, the Chair may provide authorisation. Trustees cannot authorise their own expenses.
9. All Expenses will be paid via BACS.
10. The expenses claimed are monitored against the budget to ensure it is not exceeded.
11. Trustees are advised that if they intentionally make false or inaccurate claims that this will be regarded as gross misconduct and may lead to their removal as a trustee.

This policy was adopted by

Little Fingers Pre-school

On

Date to be reviewed

March 2020

Signed on behalf of the provider

Name of signatory

Andrew Neal

Role of signatory (e.g. chair, director or owner)

Chair

Other useful Pre-school Learning Alliance publications

- Charity Essentials (2011)