



Finance and Expense Policy

Overview

CROPS is committed to best practices in the utilization of finance controls.

We will endeavor to ensure the Charity remains solvent:

- Review company finances monthly via a designated finance/bookkeeper
- Ensure finances are reviewed at every board meeting
- Ensure finances are prepared for AGM and reviewed by an independent professional not linked to our charity
- Reserves – the charity will ensure that it has at least £5,000 or 10% of its total monies held for reserves (or whichever is the greater amount).

For the purposes of spending any money related to the charity permission must be first granted from The Chair, Treasurer or Board of Trustees in accordance with the below finance and expenses policy.

Any trustee or employee can spend a maximum of £100 on behalf of the charity for goods or services needed by the charity for example milk or coffee without gaining express permission.

The Chair can give permission to a maximum of £300 after which permission must be gained from the full board of trustees UNLESS specifically mentioned and reserved to a funding application. If so it must also be spent within any restrictions, time, cost and specifics set out within the said funding application(s).

As a charity there will be at least two signatories at all times and when Internet banking is being used specifics of spending must already have been agreed e.g. payment of due invoices and wages with the Chair or Treasurer.

No payments via online banking can be made without express permission of at least the Chair or Treasurer and another acting on the charities behalf e.g. Company Secretary or Finance Officer.

1. Purpose

This policy sets a framework for claiming expenses incurred on behalf of CROPS. The policy ensures members of staff act reasonably when incurring expenses and achieve value for money.

2. Scope

This policy applies to all members of staff, volunteers and trustees who may work under a contract of employment or in a freelance capacity with CROPS.



CROPS (Community Regeneration Outreach Projects)

3. Expenses

When incurring business expenses, as defined by the list provided below, it is not necessary to obtain approval from a budget holder in advance of incurring the expense (unless over £100). Provided that the most economical type of travel and accommodation is used and meal allowance limits are observed, all expenses reasonably incurred while on CROPS business will be reimbursed. All staff must seek value for money through obtaining best prices for accommodation and travel (e.g. by using advance booking and restricted travel times where appropriate for rail travel, see Appendix A). Claims must be supported by detailed receipts unless specified. **Normal travel to and from work is not covered unless agreed by the Chair or Board of Trustees.**

For any expenditure, incurred on behalf of CROPS that does not fall within the normal definition of a business expense, it is imperative that approval is obtained from a budget holder in advance of incurring the expenditure, through CROPS purchase ordering system.

Train travel

Train travel on behalf of CROPS should always be in standard or economy class and below £100 per person or further permission is needed.

Air travel

If it is more cost efficient to do so, air travel may be considered. Prior approval from the Chair or Board of Trustees should be sought. Budget airlines should be used in preference to full-fare airlines where there is a choice of carriers.

Travel by car or motorbike

- Where it is more economical than alternative means of travel, cars may be hired. Full insurance cover should be purchased at the time of hiring the car.
- If an employee uses their own vehicle, the mileage claimed need not be receipted. However, evidence should be provided of the distance travelled.
- Car mileage for business use is paid at 45 pence a mile for the first 10,000 miles and 25 pence a mile after that.
- Motorcycle mileage for business use is paid at 24 pence a mile.
- All employees who use their vehicle on CROPS's business must be appropriately insured for business purposes. It is the responsibility of the employee to ensure this. Employees are asked to consider alternative travel arrangements (such as rail) for long journeys as this may prove safer, cheaper and allow continued working.



CROPS (Community Regeneration Outreach Projects)

- Parking fines or penalties will not be reimbursed unless there are exceptional circumstances and this is at the discretion of the Accounting Officer. Under no circumstances will speeding or any other form of traffic violation penalty or fine be reimbursed.

Taxi Travel

- Where it is in the interest of business efficiency or value for money (i.e. groups travelling together) taxis may be used and the fares claimed.

Claims must be supported by receipts.

Meals

- The cost of breakfast can be claimed, up to a maximum of £5, when on business travel that requires you to be travelling before 7am. This does not include travel to the office.
- The cost of lunches purchased will be reimbursed, up to a maximum of £10, when travelling on business for a period of 5 hours or more in a single day.
- When meals are not included in the cost of accommodation or if you are on business travel that means that you will not return home before 9pm, you will be reimbursed for cost of an evening meal, up to a maximum of £30, including beverages. Claims must be supported by detailed receipts.
- Meal allowances represent a limit rather than a suggested level of expenditure and they should be applied individually to each meal rather than aggregated to pay for one more expensive meal.

Entertainment

Unless a funding application contains this heading CROPS does not support payment for entertainment. Seek confirmation from the Chair of Trustees if unsure.

Mobile Telephones

- Where CROPS deems a mobile phone is necessary for the performance of your duties this will be provided. CROPS will pay for the rental cost and business calls up to £10 (including VAT) per month on such a phone as PAY AS YOU GO so as not to exceed the £10 per month allowance.
- Staff should avoid using their phones in an area that might expose them to risk. If a phone is snatched, staff should not attempt to prevent this but should make a note of as many details as possible and immediately report the incident to the police and CROPS.
- CROPS only provides mobile phones for hand held use in safe situations. Hands free kits are not provided and staff should not use their mobile phone whilst driving or in any other unsafe situation.

CROPS will not accept responsibility for any damage or injury caused by a member of staff using a mobile phone in an unsafe manner.



CROPS (Community Regeneration Outreach Projects)

Wages

Where staffing are contracted and CROPS has staff on its payroll this will be paid monthly via time sheets submitted detailing work done and on behalf of any particular project. Non contracted staff or freelance staff will need to provide an invoice also detailing work completed, time spent and requested payment, also to be paid monthly.

4. Claims

Claims should be submitted as soon as possible after they are incurred or invoiced within the month they fall. Where an invoice is not provided receipts will need to be presented. Approval could be by the Chair, Treasurer, manager or finance officer with invoices/receipts attached, for approval.

It is the responsibility of the manager to ensure that all items claimed are legitimate and supported by a receipt. In the event that a receipt cannot be provided for an otherwise legitimate expense, this should be highlighted by the manager and it is then at the discretion of the budget holder whether or not that item is approved for payment. Managers, chair, treasurer or finance officer should initial the printed claim/receipt as evidence of their review before passing it to the budget holder, manager in charge of the project for payment approval.

5. Monitoring

The Manager and responsible trustee e.g. Treasurer, are responsible for monitoring application of the business expenses policy to ensure compliance.

Fraud is always a disciplinary offence, generally resulting in dismissal and possible prosecution.

6. Responsibilities

All members of staff have a responsibility to be aware of this policy and to report any suspicions that they might have concerning finances. The Chair, designated Treasurer and Manager have overall responsibility.

7. Queries

Any queries relating to this policy should be addressed to the Company Secretary, manager, Chair of Trustees, Treasurer or finance officer.