



Oceans London

Expense Policy 2023

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1. Policy Context

Overview and Objectives

This document provides guidelines and establishes procedures for employees incurring travel, entertainment and related expenses while on company business. Oceans will reimburse all approved and reasonable expenditure incurred in undertaking company duties. The guidelines enable controlled reimbursement to take place and indicate the evidence and the authorisation required. Amendments to the policy, procedures and expense levels should only be made with reference to the *management team*¹.

The objectives of the company are to:

- Provide regular reimbursements to employees and consultants
- Control costs
- Prevent fraud
- Ensure the company complies with its tax and legal obligations

The principle area of law relates to Income Tax. Under the general tax law, expense payments rank as taxable remuneration. A taxpayer may claim a deduction for expenses incurred wholly, exclusively and necessarily in the performance of duties of the employment. These rules are designed to satisfy HMRC requirements. It is Oceans Management's responsibility to ensure that costs are controlled and that expenses cannot be deemed to be extravagant. To set firm limits for every eventuality will always be difficult and will never suit every occasion or circumstance for expense reimbursement. Where there are nuances these will need to be reviewed and authorised by *Oceans Management team*.

Supporting Evidence

An expense claim must be supported by original receipts, invoices or similar. Credit card items must be accompanied by an itemised receipt giving full details of VAT numbers and amounts.

Missing Receipts

Items over £10 where receipts have been misplaced, the employee/consultant must in the first instance attempt to retrieve a duplicate copy from the original vendor.

Where duplicate receipts cannot be provided the employee/consultant must submit approval from the management team and attach proof of purchase (e.g. a copy of the cheque, credit card receipt, credit card statement).

¹ Please refer to Appendix for details on management team.

Authorisation of Travel

No persons may authorise his/her own travel arrangements. Employees /consultants who undertake business travel which has not been authorised will not be reimbursed.

Spouses, family members or others are not usually permitted to travel at the expense of Oceans. When a business reason exists, prior authorisation must be obtained from the *management team*.

Authorisation of Expenses

The expense approver is responsible for reviewing expense reports for compliance and appropriateness. Approvers must be familiar with the Policy and all other applicable policies and are expected to understand the business environment including special circumstances affecting expense claims.

It is the responsibility of the expense approver to check pre- approval evidence has been attached before approving any submission. Breaches to this process could result in disciplinary action.

Prior to approving the expense, the expense approver must take the necessary steps to ensure that the claims are accurately completed, correctly coded, and that the costs incurred comply with applicable policies.

All expenses must be reviewed and authorised promptly to avoid payment delays to employees. The expense approver must never authorise reimbursement of his or her own, or their manager's expenses.

2. Expense Claims

Accommodation

Where overnight accommodation is required for business purposes, this must be pre-approved by the *management team*.

Meals

Employees and consultants will be reimbursed for reasonable cost of meals and drinks when travelling on business for Oceans.

The daily spend limit includes room service and mini bar charges, the employee must provide valid receipts to support these expenses and should be itemised if included as part of the hotel bill.

Daily spend guidance²:

Breakfast - £10

Lunch - £25

Dinner - £35

Where breakfast is included in the accommodation charge only the other meals can be claimed.

Working Lunches

Working Lunch (or meeting refreshments) expenses are reimbursable if there is a justified business need and it has been pre-approved by the *management team*. Evidence of pre-approval needs to be attached to claim the submission.

Transport

The most cost effective, safe and efficient ground transportation should be taken for business purposes.

Entertainment

Entertainment must include a valid receipt, and details of the following should be included:

- The purpose of the entertainment and how it supports the business
- The venue
- Client name, company and number of individuals attending etc.

Entertainment per person can be up to £150 per person and must be pre-approved by the *management team*.

Business entertainment includes gifts and hospitality of any type (please refer to the Gifts Policy for further detail).

Staff entertainment

Staff entertainment is a taxable benefit and must be pre-approved by the *management team*. The staff entertainment allowance is £50 per person. Evidence of pre-approval must be submitted when the expense claim is being submitted.

Domestic Air and Rail Travel

Standard/economy must be used for all travel required for business.

Where possible bookings should be made in advance in order to obtain cheaper tickets

² At the traveller's discretion daily limit can be used accordingly, does not have to follow spend limit table exactly.

Mileage

The mileage for individual's journeys in a private car will be calculated at the current rate of 45p per mile (subjective to HMRC updates and change).

Overseas Air and Rail Travel

All bookings for overseas travel for business, including transfers, hotels and any other reservations must be made through Oceans official procedures.

Long haul flights 6+ hours can be booked in business class.

Any exceptions to standard practices must be signed off by the *management team*.

All personal travel should be separate from business trips and paid for personally by employees/consultants.

Mobile Phones To be advised

Working from home to be advised

Appendix

Definitions

1. Management Team = Directors and Pastor Liz

Expense Forms

