


Issue Level: 01	ISSUE DATE: 01 March 2016	SUPERSEDES: New	AUTH. 
DOC REF: AEU00588	TITLE: Expenses Policy		Page 1 of 4

Purpose and Scope

This policy applies to all employees in Advanex Europe wishing to claim back expenses. Advanex reserves the right to change, modify or withdraw all or any section of this policy at its sole discretion. Anyone affected by the changes will be advised of any significant changes to the policy or procedure.

Content

1. Eligibility
2. Employee Obligations
3. Mileage
4. Air and Rail Travel
5. Accommodation
6. Meals
7. Entertaining
8. Gifts
9. Additional expenses
10. Miscellaneous
11. Variations

Additional Documents:

Expenses Form, Purchase Order Procedure, Company Car Policy, Alcohol & Drugs Policy

1. Eligibility

Advanex resources, including cash, can only be committed or spent with certain limits of both authority and amount. Any employee exceeding the limits and breaching the rules governing such expenditure may be dealt with under the disciplinary procedure, which may entail dismissal.

2. Employee Obligations

- 2.1 All expenses must be claimed within 3 months of the expense being incurred. Any claims made outside of this timescale will only be accepted where fully justified and signed off by a senior manager using an expenses claim form. Each item must be supported by appropriate evidence eg receipt. Photocopies or credit card receipts which do not provide details of the expense are not acceptable.
- 2.2 In general receipts must be obtained for all expenditure or an explanation supplied where this is not possible. If a receipt is not obtained for goods or services liable to VAT, the company reserves the right not to pay either the whole amount or the VAT element.
- 2.3 All employees should get authority from your manager or Head of Department before claiming expenses for:

- Hotels
- Entertainment
- Travel
- Business Mileage
- Food
- Reimbursements over £50

- 2.4 Employees are only expected to claim for expenses legitimately incurred. In the event that the company has evidence showing an employee has 'padded' their expenses and/or submitted false claims, this is regarded as gross misconduct and may result in instant dismissal.
- 2.5 Where expenses, which are subject to taxation, are to be reimbursed, these will be paid via payroll so that tax can be levied as required by Inland Revenue.
- 2.6 Employees should neither gain nor lose financially in relation to expenditure and reimbursement on business expenses or travel arrangements.

3. Mileage

- 3.1 If a privately owned vehicle is used for business travel, it is the employee's responsibility to ensure that:
- They hold a current full drivers licence
 - The journey has been authorised by HR or a Senior Manager in advance and complies with the rules for company insurance or the appropriate private insurance is in place for the vehicle, which must include business use. A copy of the insurance policy must be submitted to HR.
 - The vehicle is roadworthy and legally compliant.
 - If the vehicle is over 3 years old, a valid MOT must be in place.
- 3.2 A mileage allowance can be claimed when a private vehicle is used for business trips. Employees can claim up to 45p/mile, this rate will be reviewed periodically in line with HMRC guidelines. A VAT receipt for the purchase of petrol to cover the reimbursement cost must be included; this should be dated within 3 months of the claim. When claiming for mileage, the postcode of the start and end point of each journey must be stated on the expense claim form. Please note that after 10,000 business miles the reimbursement rate reduces in line with HMRC guidelines.

Business mileage guidelines;

- Normal commuting ie travel to and from home (including any temporary residence) and permanent place of work is not reclaimable.
 - Travelling to and from the permanent place of work to a business destination, employees can claim for actual mileage incurred.
 - Travelling to a business destination from home, employees can claim for the difference between their normal commute.
 - Common sense should be applied as to whether a journey should reasonably commence from home or the permanent workplace.
 - Car parking, toll costs and congestion charges may be claimed.
 - Speeding, parking and other fines will not be reimbursed
- 3.3 It is an HMRC requirement that all drivers should keep a log of business mileage (ie. mileage in own car, where they have claimed rate per mile via expenses). This must be included with the expense form.
- 3.4 If an employee is in receipt of a company car and not in receipt of a company fuel card they are eligible to claim a reduced rate per mile in line with HMRC guidelines. Please refer to company vehicle policy.

4. Air and Rail Travel

Where possible all travel should be booked in advance through administration at AEUS. You should ensure you have the approval for the travel from your manager prior to making travel arrangements. Consideration should be given to select the most appropriate cost effective tickets. If you have air miles collected through company travel you should use for new flight bookings where appropriate.

5. Accommodation

Where possible, accommodation should be booked in advance of travel through the administration at AEUS. It is expected that the accommodation would be a standard room with private bath/shower. Hotel accommodation varies per location and is demand driven. All employees are expected to book the more cost effective accommodation.

6. Meals

- 6.1 Where employees are away from their normal place of work and have to make their own arrangements for meals they may make a claim. A flat rate for meals cannot be claimed since this would then be taxable, therefore receipts must be obtained. We have shown a guidance figure highlighted by * below for information purposes.

Breakfast: Reimbursed only if leaving from home before 07:00 and will be away from your place of work for more than 4 hours. For overnight stays breakfast should be included in the cost of hotel at booking where possible or if provided separate should be added to the cost of accommodation. When not included as part of your overnight costs you can claim with a receipt, for a reasonable breakfast cost.

*For guidance, according to HMRC, reasonable may be classed as up to £6.00.

Lunch: There is an expectation that lunchtime subsistence will be limited to that which would normally be taken whilst at work, ie a sandwich and fruit or similar, and a non-alcoholic drink. Lunch expenses should be reasonable and with a receipt. Please note it may be necessary to explain why a reasonably priced lunch was not available if that is the case.

*For guidance, according to HMRC, reasonable may be classed as up to £6.00.

Evening Meal: Expenses can be reclaimed with an overnight stay and with a receipt for a reasonably priced meal, unless it can be demonstrated and supported with a receipt that additional expense was necessary for a reasonable meal of food plus a reasonable conservative amount of alcohol.

*For guidance, according to HMRC, reasonable may be classed as up to £20.00.

- 6.2 Alcohol - general guideline: All personnel must ensure that they take their personal health and safety and those around them seriously and drink responsibly. Be aware that you are on company business and a representative of the company and act appropriately.

- 6.3 Tips – The Company reserves the judgement to reimburse/not reimburse tips.

7. Entertaining

Expenses when entertaining should be appropriate to the situation. Staff will be reimbursed reasonable entertaining costs where there is a valid business purpose. If unsure, further advice should be obtained from a senior manager. Alcohol should always be consumed within the laws and regulations of the country where you are carrying out your business. When driving or operating machinery you should be aware of how alcohol may still be present in your body the day following consumption. If you are on business representing the company

you should always consume alcohol responsibly, even if you are not reclaiming through company expenses.

8. Gifts

Gifts purchased without pre-authorisation from a member of the Senior Management Team will not be reimbursed.

9. Additional Expenses

The company reserves the right, at its sole discretion, to not reimburse additional expenses incurred due to unforeseen circumstances within an employee's control, eg missed flight due to oversleeping.

10. Miscellaneous Expenses

Reasonable miscellaneous expenses that are required to complete an employee's role can be reimbursed via bacs in line with your salary payment schedule. An expense form and receipt must still be submitted to be reimbursed for this expense.

11. Variations

- 11.1 The Company reserves the right, at its sole discretion, to amend or vary any of the terms of this policy from time to time.
- 11.2 These arrangements will be monitored and reviewed 3 months from issue to ensure they meet the evolving needs of the Company, following this they will be reviewed periodically to continue to offer appropriate rates to ensure costs incurred by employees are properly reimbursed and take account of relevant tax legislation rules for the reimbursement of expenses.
- 11.3 In the event of such variation or amendments being made, the Company will give reasonable notice of any change.