

Expenses Guide

General Criteria for Claiming Expenses through Dynamic Umbrella

- The expense must be wholly, exclusively and necessarily incurred for business purposes. Travel and subsistence expenses can only be claimed if your workplace is a temporary workplace (see Appendix 1 which explains what a temporary workplace is).
- Employees must retain the original receipts (except where certain claims don't have receipts like Mileage)
- If there is a name shown on the receipt, it must be the employee's name

REMEMBER, unless the expense is un-receipted (such as mileage), you must obtain and retain original receipts for expenditure claimed. Dynamic Umbrella does not need to see the receipts, but will periodically perform an audit, when we will request to see copies.

Travel

Tube/Train/Bus Tickets

- These can be claimed so long as they are solely for the purpose of work – any personal use of the ticket would have to be purely incidental.

Cabs

- Must be for business purposes only

Cars

- The car must be owned by the employee
- A log book must be kept
- Only business related miles can be claimed
- Mileage claim rate is 45p per mile for the first 10,000 miles and 25p per mile thereafter
- We recommend you keep hold of any fuel receipts.

Motor Cycles

- The motor cycle must be owned by the employee
- A log book must be kept
- Only business related miles can be claimed
- Mileage claim rate is 24p per mile
- We recommend you keep hold of any fuel receipts.

Bicycle

- The bicycle must be owned by the employee
- A log book must be kept
- Only business related miles can be claimed
- Mileage claim rate is 20p per mile

Rented Cars

- The cost of the car hire and the fuel can be claimed
- The car hire would have to be purely for business use
- For any incidental personal use of the car, that portion of the fuel cannot be claimed

Subsistence

We operate an HMRC approved scale rate for subsistence. You must incur a cost and obtain a receipt. Dynamic Umbrella does not need to see the receipts, but you should retain them and we will periodically perform an audit, when we will request to see copies.

- One Meal rate - If you work over 5 hours a day (including travel time to and from work) you can claim up to £5 a day subsistence.
- Two Meals rate - If you work over 10 hours a day (including travel time to and from work) you can claim up to £10 a day subsistence.

In exceptional circumstances, when you work hours outside your normal pattern you may be able to claim for an additional breakfast and evening meal:

- Breakfast rate - The rate may be paid if you leave home earlier than usual and before 6.00 am and incur a cost on breakfast taken away from home after the business journey has started. If you usually leave before 6.00 am the breakfast rate does not apply.
- Late evening meal rate - The rate may be paid where you have to work later than usual, finish work after 8.00 pm

having worked your normal day and have to buy a meal before the business journey ends and which you would usually have at home.

Clothing

- Protective and specialised clothing can be claimed so long as you are required to purchase and wear the items in order to do your job.
- This can include things like waterproofs, high visibility clothing, overalls, work boots, hard hats, etc.
- Costs associated with cleaning and maintaining the items can also be claimed.

Computers

Computer Hardware

- The costs of purchasing computer hardware cannot be claimed.

Computer Software

- Claims would have to be within reason and should be for a specific business application

Training Courses & Books

- These have to be wholly required by your current employment and in order to maintain your current professional status i.e. they cannot be for courses which further your current qualification.
- Personal development training cannot be claimed.
- Any enduring benefit must be incidental.

Professional Body Membership Fees

- These have to be wholly required by your current employment and in order to maintain your current professional status i.e. they cannot be for courses which further your current qualification.
- They must be listed on the section 201 list (search for 'section 201' Subscriptions on <http://www.hmrc.gov.uk/list3/list3.htm>).

Journals and Magazines

- Must be wholly required by your current employment with no private benefit.

Postage, Stationery & Equipment

- Must be wholly required by your current employment with no private benefit.
- Must be less than £1000 per year.

Telecommunications

Telephone

- Only itemised business calls can be claimed. The line rental can only be claimed if you have a designated business line.

Mobile Phones

- Only itemised business calls can be claimed.

Eye Tests

- To claim for eye tests you must use a computer screen as part of your employment.
- Eye tests can be claimed once a year.

Business Trips

Accommodation

- You will need to be required to work and stay away from home or your usual base to claim for business trips. This is only applicable in instances where you have had to travel for more than 2 hours to the temporary work place.
- The cost of the room can be claimed so long as it is purely business related and for your use alone.

Meals while on business trips

While on the business trip all meals can be claimed:

- If you have stayed overnight then breakfast the following morning can be claimed. On the first day of the trip (when you have not stayed overnight) any claim for breakfast must meet the requirements under the subsistence rules detailed above.
- To claim lunch the requirement is the same as with normal subsistence claims as detailed under subsistence above.
- Dinner can be claimed on the nights that you have stayed overnight. Any claim for dinner on your last day (when you are not away overnight) must meet the late evening meal requirements under the subsistence rules detailed above.

Incidentals Overnight Expenses

This can be claimed in conjunction with a business trip:

- This includes things such as having your trousers pressed at the hotel.
- Incidental claims are limited to £5 per night within the UK and £10 per night internationally.
- Incidental expenses are in addition to the accommodation and subsistence costs of a business trip.

Travel

- So long as the business trip is purely business related plane (or train, bus, etc.) tickets can be claimed.
- Any business travel during the trip can be claimed (e.g. to and from meetings), however any travel for personal reasons (sightseeing, shopping, visiting friends/ family, etc.) cannot be claimed.

Rented Accommodation

- Rent is not an expense that our employees can normally claim.
- The only times that rent can be claimed is if you are working at a temporary workplace (see Appendix 1) and it is more cost effective to rent accommodation as opposed to staying in a hotel. Rent cannot be claimed if you do not otherwise have a permanent residence elsewhere. Associated utility costs may be claimed.

Appendix 1

Temporary workplaces

Travel expenses and any associated subsistence allowances and accommodation can only be claimed if your workplace is a "temporary workplace".

Your workplace will not be temporary in the following circumstance and attributable travel and subsistence expenses cannot be claimed:

- The period that you work at the location lasts for, or is expected to last for more than 24 months. This should include any time working at the location for another Company or agency, immediately prior to the commencement of your current employment.
- If initially you do not expect to work at the workplace for more than 24 months, and the expectation changes, such that you will attend the workplace for more than 24 months, the workplace will be a permanent workplace from the date that your expectations change. Travel and subsistence expenses attributable to that workplace cannot be claimed from that date.
- You expect to work at the same location for the entire duration of your employment with the Company (even if it is for a period of less than 24 months).

Appendix 2

UK VAT Receipts

A simplified VAT receipt will be issued by a retailer where the goods or services do not exceed £250. The VAT invoice need contain only the following particulars:

- Supplier's name, address and registration number
- Time goods and services are supplied
- Description sufficient to identify the goods or services supplied
- Total amount payable, including VAT; and
- The rate of VAT chargeable and the gross amount payable, including VAT, and the VAT rate applicable to each good or service provided.

A full UK VAT receipt for goods and services exceeding £250 should contain the following information:

- Invoice number
- The time the goods and services are supplied
- Date of issue of the invoice
- Name, address and registration number of the supplier
- Name and address of the person to whom the goods or services are supplied
- A description sufficient to identify the goods or services supplied. For each description, the following information must be given:
 - Quantity of goods or extent of services
 - Rate of VAT applicable to each good and service provided
 - Amount payable, excluding VAT, in any currency
 - Total amount payable for all items, excluding VAT, expressed in any currency
 - The rate of amount of any discount offered
 - Total amount of VAT chargeable expressed in sterling
 - Individual unit price