

## Applicability

These Policies & Procedures are based on the Charity Commission's guidance on reimbursing out-of-pocket expenses incurred by Trustees as in its publication "**Trustee Expenses and Payments**" (CC11) [www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments](http://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments)

## Policy

### Scope

All Directors, Members, Supporters and Volunteers are entitled to be reimbursed by Grace & Flavour CIC for purchases and expenses actually, necessarily, reasonably and incidentally incurred by them on behalf of Grace & Flavour CIC, on submission of an appropriately authorised claim form and relevant supporting receipts.

**"Actually"** means that the claimant actually incurred the claimed expenditure.

**"Necessary"** means that the activity could not have been undertaken efficiently and effectively without incurring the expenditure;

**"Reasonable"** means that the cost of the expense must be commensurate with prudent, value-for-money use of Grace & Flavour CIC funds to promote & deliver its CIC purposes. Thus, the cost incurred must be competitive with (*i.e.* similar to) the costs of alternatives of similar quality and suitability-for-purpose.

However, this does NOT mean that the cheapest goods/services must always be purchased. Where the additional benefits TO GRACE & FLAVOUR CIC ACTIVITY BEING PROMOTED/DELIVERED demonstrably outweigh the additional cost of more expensive goods/service they can be chosen in preference to the cheaper alternatives. However, the claimant must always be ready and able to give a credible justification for their choice if challenged **and have obtained APPROVAL before incurring the expense.**

### Gifts in Kind (Waived or Unclaimed Expenses/Purchases)

Supporters, Directors, Members and Volunteers occasionally choose to waive, or not to claim, a reimbursement of expenses and/or purchases to which they would otherwise be entitled.

Grace & Flavour CIC greatly appreciates the generosity of all who choose to act in this way.

However not claiming reimbursement of legitimate expenses/purchases is not necessarily in the best interests of Grace & Flavour CIC:-

1. It causes the real costs of Grace & Flavour CIC's activities (*i.e.* including those costs which are subsidised by supporters) to be under-recorded and, therefore, under-reported (*e.g.*: in the CIC's Annual Report & Financial Statements);
2. It hides the true generosity of Grace & Flavour CIC supporters, particularly their financial generosity which goes unrecorded and, therefore, unreported;
3. Under-reporting of Grace & Flavour CIC costs and the generosity of its supporters can hamper the making of effective grants.

**Accordingly, Grace & Flavour CIC encourages all those who can legitimately claim reimbursement of their expenses do so.**

Supporters who generously waive their expense or purchases as "donations" to Grace & Flavour CIC should still submit expenses but marked as "Not for Payment".

## Procedures: Reimbursement of Expenses & Purchases

### Prior Approval (before purchasing)

- Prior approval for the purchase must be obtained from the chairman, head gardener or treasurer for all expenses over £20 in total except in the case of directors procuring regular expense items as agreed and budgeted for by the finance committee.

### Claims for Reimbursement of Expenses & Purchases

- Claims for the reimbursement of expenses must be submitted on Grace & Flavour CIC approved claims form available on the Grace & Flavour Website and in the Treasurer folder at Potting Shed.
- All expense claims must be accompanied by the original receipt(s) for each item. If the original receipt has been lost attach a note explaining and provide other documentary evidence of the item purchased and actual cost incurred.
- All expense claims are to be signed by the claimant.
- All completed expense claims are subject to approval by a director of Grace and Flavour (or the treasurer) other than the claimant. Expense claims above £100 in total are subject to approval by the chairman, head gardener or treasurer.
- All expense claims must be submitted within **2 months** of the relevant activity.

### Reimbursement of Expenses & Purchases

- All claims submitted for the reimbursement of expenses incurred on purchases made on behalf of Grace & Flavour CIC will be vetted for compliance with these policies and procedures before being authorised for reimbursement.
- Claims which are not in the prescribed form, incomplete (e.g. missing required supporting documents), inaccurate or otherwise not compliant with this policy will be returned for correction or rejected.
- Valid claims will be authorised for reimbursement as soon as is reasonably practical after receipt. Payment will either be made by Bank Transfer directly to the claimant's bank account or by Cheque.
- Alternatively in the case of small claims (£20 or under in total), these may instead be made by cash as agreed with the Grace & Flavour CIC Treasurer.
- Any Expenses incurred and not claimed within **2 months of the receipt date** will be considered to be a donation to Grace & Flavour CIC.

### Changes to the Policy

Grace & Flavour CIC reserves the right to change its Expenses Policies & Procedures to maintain consistency with current accepted Best Practice, and otherwise to meet the needs of the CIC.

Whenever possible Grace & Flavour CIC will give appropriate advance notice of any such changes. However such changes may be made with minimal or no notice when reasonably expedient to do so.

## Change Details

Date of Change:	Changed By:	Comments:
13/02/2020	Directors	Policy agreed at Director's Meeting
12/09/2024	Directors	Claims and Reimbursement update agreed at Director's Meeting
15/01/2025	Directors	Claims form location and Policy change notice - minor update