Rukungiri Orphan Partnership (ROP)

# 011 - Expenses Policy

The law entitles charity trustees to claim legitimate expenses while engaged on trustee business. No separate authority is needed in the charity's governing document.

**Trustee expenses**

- Expenses are refunds for a legitimate payment which a trustee has had to meet personally in order to carry out their trustee duty. Expense claims should be supported by bills or receipts except where this is impractical, e.g. very small amounts claimed

**Legitimate expenses**

- The charity will only pay for the actual cost or expense and the payment is not taxable
- Reasonable cost of travelling to and from trustee meetings, or on trustee business and events. This can be part of the cost including public transport, taxi fares and petrol allowances to the level permitted by the HM revenue and customs
- Reasonable refunds for the cost of meals taken while on charity business
- The reasonable cost of childcare, or any other dependents (for an example an elderly parent), whilst attending trustee meetings
- The cost of postage and telephone calls on charity business
- The costs of the trustees Telephone rental and broadband subscription, so long as these are split to reflect the percentage of time spent on behalf of the charity
- Communication support: translating documents into Braille for a blind trustee, provision of alerting and listening devices and other special age of people with hearing impairment
- The cost of buying training material and publications relevant to trusteeship
- Providing special transport, equipment of facilities for a trustee with a disability
- Cost of reasonable overnight accommodation and subsistence while attending trustee meetings or other essential events such as voluntary sector conferences or specialist training courses

**Payments that are not expenses**

- Payment of hotel accommodation or travel costs for spouses or partners who are not themselves travelling on charity business
- Payment of private telephone bills for business unrelated to the charity
- Payment of private medical insurance
- Petrol mileage rates above the levels approved by HMRC for claimable expenses

There are many other examples. Generally, charities should be wary of the risk of excessive or false trustee expense claims. Any misuse of charity assets for private benefit can damage public confidence in a charity, can affect the charity's ability to operate for the public benefit and is likely to amount to mismanagement or misconduct. The trustee may also be liable to repay the charity for any excessive or false trustee expense claims.

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