

Expenses Policy and Procedures

Policy Approved By: Board of Trustees

Date Approved: Jan 2026

Next Review Date: Jan 2027

Responsible Officer: Treasurer

1. Introduction

UMCUK is a registered Charitable Incorporated Organisation (CIO) (Charity Number: 1115442) dedicated to promoting the welfare, culture, religion, education, and health of the Ugandan Muslim community in the UK. As a volunteer-led charity reliant on donations, trustees, volunteers, and any staff (if applicable) serve without remuneration to ensure resources are used solely for charitable purposes. This policy governs the reimbursement of reasonable expenses incurred by trustees, volunteers, and staff in fulfilling their roles, promoting transparency and accountability.

It complies with Charity Commission guidance (CC11: Trustee Expenses and Payments), which allows reimbursement of out-of-pocket expenses but prohibits benefits unless explicitly authorized, and our Constitution (Article 5.5, which permits reasonable expenses but requires declaration and recusal for any proposed benefits). Misuse can erode trust, lead to conflicts of interest, or require serious incident reporting to the Commission.

2. Purpose

The purpose of this policy is to:

- Ensure trustees, volunteers, and staff are not out-of-pocket for legitimate expenses incurred while advancing UMCUK's charitable objects (Constitution Article 4), without providing personal gain.
- Provide clear procedures for claiming, approving, and recording expenses to prevent abuse, maintain financial integrity, and demonstrate good governance.
- Promote fairness and transparency, aligning with our values and addressing lessons from the Arbitration Committee Report (e.g., fiduciary breaches and weak oversight in Sections IV and VI).

- Comply with legal requirements (e.g., Charities Act 2011) and enable auditing, while linking to conflicts of interest procedures.

Expenses are reimbursements only—not payments—and must be reasonable, necessary, and directly related to UMCUK duties.

3. Scope and Definitions

This policy applies to all UMCUK trustees (as defined in Constitution Article 5.1), any co-opted members (Article 5.4), volunteers (including those in sub-committees or divisional roles), and staff (if employed in the future). It covers expenses for activities like meetings, events, travel, outreach, or administrative tasks.

- **Expenses:** Out-of-pocket costs incurred wholly, exclusively, and necessarily in performing UMCUK duties (e.g., travel, subsistence, postage).
- **Reasonable:** Proportionate to the activity, economical (e.g., standard class travel), and supported by receipts.
- **Benefit:** Any payment or advantage beyond reimbursement, which requires specific authorization and Charity Commission approval if not permitted by the Constitution.
- **Out-of-Pocket:** Costs paid personally by the individual, not charged directly to UMCUK.

Exclusions: Remuneration, loans, or unrelated personal costs.

4. Procedures

Eligible Expenses

- **Travel:** Public transport fares, mileage at HMRC rates (currently 45p/mile for first 10,000 miles), or economy flights if cost-effective. Parking/tolls reimbursed with receipts.
- **Subsistence:** Reasonable meals during duties (e.g., up to £10/lunch, £20/dinner if overnight).
- **Accommodation:** If overnight stay required (e.g., distant events), up to £100/night in budget options.
- **Other:** Stationery, printing, phone calls, or equipment directly related to UMCUK work (e.g., volunteer event supplies).

Ineligible: Luxury items, family costs, or anything implying benefit. Volunteers/staff may claim for role-specific items (e.g., materials for community workshops), subject to pre-approval.

Claiming Expenses

- Submit claims within 30 days using a standard form (available from Treasurer), with itemized receipts/scans. Include details: date, purpose, amount, and link to UMCUK activity/role.
- Verbal/email pre-approval required for expenses over £50.
- Claims under £20 may be reimbursed in cash; others via bank transfer.

Approval Process

- Treasurer reviews claims for compliance; approves if under £100.
- Claims over £100 or involving potential conflicts: Reviewed by at least two trustees (excluding claimant, per Constitution Article 5.5). For volunteers/staff, approval by a trustee or sub-committee head.
- If a benefit is proposed (e.g., beyond standard reimbursement): Declare interest, recuse from discussion/vote, and obtain Charity Commission approval if needed. Record decisions in minutes.
- Rejected claims: Reasons provided in writing; appeal to Board within 14 days.

Payment and Recording

- Reimbursements processed within 14 days of approval.
- All claims logged in a central register, reviewed quarterly by the Board. Disclose in Annual Accounts/Report per Charity Commission requirements.

5. Responsibilities

- **All Claimants (Trustees, Volunteers, Staff):** Claim only reasonable expenses; provide receipts; declare conflicts (Article 5.5).
- **Treasurer:** Process claims, maintain register, report quarterly to Board, ensure tax compliance (e.g., no taxable benefits).
- **General Secretary:** Distribute forms, coordinate pre-approvals.
- **Sub-Committee/Divisional Heads:** Assist in approving volunteer/staff claims in their areas.
- **Trustees/Board:** Oversee policy, approve high-value claims, review register for patterns/abuse.

6. Monitoring and Review

- **Logging:** Maintain an expenses register; flag unusual patterns (e.g., frequent high claims).
- **Annual Review:** Board assesses policy effectiveness, compliance, and updates (e.g., mileage rates) at year-end meeting. Include summary in Annual Report (Article 15).
- **Training:** Induction for new trustees, volunteers, and staff on this policy.
- **Audits:** Include in financial reviews; report misuse as serious incidents if applicable (Article 15(3)).

7. Related Policies

- This policy links to: Conflicts of Interest (Constitution Article 5.5), Financial Controls/Reserves (Articles 4.2(h), 15), Complaints (escalation of disputes), Risk Management (reputational/financial risks), and Constitution (overall governance). Breaches may invoke disciplinary actions (Article 10(1)).

This policy will be reviewed annually or sooner if needed. Amendments require Board approval and Charity Commission notification if material (Article 13). It is available on the UMCUK website and upon request. For questions, contact the Treasurer.