

Newhaven & Seaford Sailing Club Expenditure and Expenses Policy

1. Introduction

Newhaven and Seaford Sailing Club Ltd is a members club, set up for the benefit of the members, it is expected that members do not exploit the Club for their own financial benefit. However, certain functions within the Club performed by members do earn expenses and this is accepted. All members and especially directors are to ensure that Club funds are expended wisely, carefully and correctly authorised. Members should be aware of this document and, where they handle club money, follow the rules herein to ensure that all transactions are transparent and above board. Directors have greater powers to control club money and are therefore to be especially careful and vigilant when dealing with club finances.

This policy covers all claims for reimbursement of expenses made wholly and solely in the interest of the operation of the business of NSSC Ltd. This procedure is mandatory to all members. Failure to comply with this procedure may result in the expenses not being reimbursed.

The policy applies to **all** expenditure regardless of how the reimbursement will be made and covers all personal expenses. The policy reflects the need to manage our activities efficiently, keeping bureaucracy to a minimum, while complying with tax and other statutory obligations.

2. Major Expenditure.

All expenditure over £5,000 is to be authorised by a majority of directors at a formal management meeting. Only in very exceptional circumstances may such authorisation be given in another way (eg on-line polling) in which case all directors are to be asked and any director may veto the transaction until the next management meeting. Expenditure between £1000 and £4,999 may be authorised by the Treasurer and the director with control over the appropriate budget. Expenditure below £1000 may be authorised by the appropriate director if within the appropriate director's budget. All such expenditure is to be reported without delay to all directors and ratified at the next board meeting.

3. Minor and Routine Expenditure.

Minor expenditure on such items as boat spares, fuel, domestic needs etc is to be expended appropriately, economically and within a specified budget. The Treasurer and purchase ledger officer are authorised to pay for routine bills for utilities, annual maintenance, insurances etc but with care for economy and appropriateness.

4. Cheques and Direct Debits.

The Treasurer and purchase ledger officer are to reconcile all receipts, payments and direct debits monthly or at appropriate intervals to detect fraud and other improper transactions.

5. Social Events.

It is generally expected that social events shall be self-supporting. There is a small budget for social events to allow for prizes, decorations etc. Where there is live music for example it is expected that the participants largely contribute to the event.

6. Catering.

All catering is to be self-supporting and indeed expected to make a positive contribution to the club finances. Some events are supported by the social budget but these need to be specifically authorised by the club committee. It is expected that catering carried out by club members would make a profit of around 50%. All expenses for food etc must be claimed and reimbursed. NO reimbursement from cash takings is permitted In order to comply with HM Revenue & Customs requirements.

7. Payments to Members.

Members are not paid a wage or salary. Instructors may be paid expenses for certain functions such as when there are paying customers. Such payments are intended to reimburse the instructor for necessary clothing and sailing equipment, travel costs, food and drink and other incidentals. Any payments in excess of the necessary expenses are to be report to HMRC and the appropriate tax paid. Instructors claiming expenses are to submit invoices to the responsible director who is to authorise them as appropriate. Members may be paid for other professional services as authorised above. Payments to directors (other than for instructional expenses) are to be specifically authorised by the club committee.

8. Records. All financial transactions are to be supported by invoices, receipts and other records. All unsupported bills are to be authorised by the club committee.

9. Authorisation of expenses claims

All expenses must be authorised and no claimant may authorise their own claim. By authorising transactions, the authoriser is confirming that the costs have been incurred and incurred necessarily for the purposes of NSSC Ltd business, that there is sufficient budget to cover the expense and that supporting documentation, such as a receipt, is presented. NO expenses will be reimbursed without a receipt without BOTH the budget holders and Commodores authority to pay.

Where an individual member incurs expenses frequently as part of their routine duties, we recommend applying for a credit account with the supplier

The NSSC expenses form must be completed each time, with receipts attached and authorised where possible.

All claims should be made at the earliest opportunity and within the relevant financial year. All out of year claims for expenses must be authorised by the Treasurer.

10. Expense payment procedure

In order to comply with HM Revenue & Customs requirements expenses reimbursed to you will only be made on production of receipts or invoices, except in the limited instances specified below in which expenses are reimbursed by the way of fixed rate allowances for which receipts are not required.

You may claim the actual cost of expenses incurred wholly exclusively and necessarily in the performance of NSSC business.

Expenses incurred must be recorded on an expenses form and the receipts submitted at the same time.

You must sign the declaration on the claim form, and the form must be authorised under the procedures described under "Authorisation of expense claims". This can be by passing via email.

All claims must be submitted once authorised to the NSSC Accounts team.

11. Cash

Cash Advances will not be made, there is no petty cash system.

Handling cash should be avoided; if cash is accepted/received then it should be paid into the club account by BACS with a reference showing what for, boat hire, pidd catering, etc.

A mobile credit card machine with receipt printer is available from the Treasurer for special events and use in Piddinghoe Galley.

12. Mileage

Individuals are required to obtain authority to claim mileage from the relevant budget holder.

Where authority is granted NSSC will reimbursed at the rate of 45p per mile if towing and 35p otherwise .

You must hold insurance for business use. If not you will need to claim for the cost of fuel at the amount paid supported by a VAT receipt for fuel purchased.

Full details of the journey, including date, reason for journey, starting points and destinations, should be shown in the appropriate columns of the expenses claim form.

No tax or NIC liability arises in respect of mileage claimed for the use of the members own car under the above rules and details need not be reported in personal tax returns.

13. Instructor Expenses

Can only be claimed when invited to teach on a course run by the NSSC sailing school for RYA sailing or Powerboat qualifications were the student is making appropriate payment for the course.

These will be met as a round sum allowance of £30 per half day session. This is to cover an instructors out of pocket expenses to attend and provide training.

All claims must be made on an expenses form or an Invoice made out to NSSC Ltd and all these claims must be authorised by the Training Centre Principal with details of the course instructed on.

These must be declared to HM Revenue & Customs for Tax purposes.

Cadet nights will not incur instructor expense payments being made.

14. Conclusion.

Club members are expected to act in the best interests of the Club, to be careful with Club money, make every effort to get value for money, to keep careful records of transactions and to report any issues which bring financial probity within the club into question.

If you have any queries regarding this policy, please contact the Treasurer or Secretary.