



**eden**GROUP  
WORK LIBERATED

FOR INDIVIDUALS

# Business Expenses Policy

# Introduction

The aim of this policy is to give you a helpful and simple guide to claiming genuine business expenses you might incur that may be offset against tax, if eligible.

Tax law can be complicated but we aim to keep this guide simple and clear. Ultimately, we want to ensure compliance with HMRC.

## Contents:

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# Important rules about business expenses

**Following the changes to legislation relating to temporary workers in April 2016, we consider all our workers to be subject to either supervision, direction or control. All assignments are therefore classed as being based at permanent workplaces, meaning travel and subsistence to that place of work are not permitted to be paid as non-taxable.**

However, in certain circumstances travel and subsistence may be permitted when agreed or advised by EdenGroup. All other expenses may be logged with the potential for an end of year HMRC tax rebate.

All expenses are subject to the following rules:

1. Ensure all expenses incurred are wholly and exclusively necessary in the performance of your duties.
2. You must always retain documentary evidence in respect of all expenses such as receipts and mileage records to support your claims. With the exception of some receipts relating to subsistence, these must be submitted to EdenGroup with all expense claims.
3. Only expenses incurred whilst engaged by EdenGroup are allowable.
4. Remember never to submit claims for expenses not actually incurred or try to claim items more than once.
5. You will be personally liable for any underpayment of tax or National Insurance (NI) resulting from an invalid claim. Reimbursement to EdenGroup of any underpayments are due immediately and will be collected at the first opportunity.
6. HMRC require that we audit a selection of expenses each week/month. If your claim is selected for audit, we will require that you submit receipts to substantiate your entire claim. Should you not be able to do this we would be required to forward the details to the HMRC for further investigation and all future claims will need full receipts. In accordance with 5) any tax and NI relief on unsubstantiated expenses will be reversed.



We recommend that **all** business expenses claimed are substantiated with a receipt.

With our mobile-friendly online portal you can snap photos of receipts to be automatically attached to each claimed item.  
**It's that easy!**

# Multi-site workers



## Multiple sites

To qualify for being paid genuine business expenses, including travel and subsistence, free from deductions for tax and NI, the assignment would need to be considered as working at multiple sites.

The primary assignment location would be the permanent place of work, for example a depot or office from where you are then expected to carry out visits from.

An assignment only qualifies as multiple sites if:

- On each assignment you are required to visit multiple sites
- You are able to evidence your travel from a 'base' to various and multiple sites.

Genuine business expenses allowed:

- Travel and subsistence can only be claimed whilst travelling to and between the multiple sites, they are not permitted when travelling to and from the permanent place of work
- Other genuine business expenses in accordance with page 9 of this document.

# Overview of business expenses

This section sets out what HMRC allows as business expenses and the rules governing this.

## Business expenses guidelines

This quick checklist of business expenses are set out in full detail on the following pages of this guide:

Pages 6 to 8 - Travel and Subsistence (only permitted if eligible)

- Subsistence (cost of food and drink)
- Accommodation
- Incidental Overnight Expenses (IOE's)
- Travelling Expenses
  - Business Mileage
  - Parking, Tolls, etc.
  - Taxis, Trains & Bus Fares, Flights & Oyster Cards
  - Car Hire



Page 9 - Other business expenses

- Personal Subscriptions
- Use of Home or Mobile Telephones
- Work Related Training & Tuition
- Clothing
- Eyesight Tests



# Travel and subsistence

**IMPORTANT - Due to legislation travel and subsistence expenses are not permitted when the worker is subject to supervision, direction or control, or the right thereof by the client.**



ALL RECEIPTS MUST BE RETAINED FOR EDENGROUP SPOT AUDIT OR HMRC AUDIT REQUIREMENTS.

## Subsistence

Cost of food and drink if permitted can be claimed in the following bands:

### Breakfast rate

If leaving home before 6.00am and a cost is incurred for breakfast taken away from home, up to £5 per day (please note if it is usual to leave before 6.00am the breakfast rate does not apply).

### One meal rate

Working more than 5 hours a day, not including travel and excluding breaks, up to £5 per day.

### Two meal rate

Working more than 10 hours a day, including travel and excluding breaks, up to £10 per day.

### Late evening meal rate

If working later than 8.00pm and having to buy a meal usually taken at home, up to £15 a day please note if it is usual to finish work after 8.00pm the evening meal rate does not apply).

### Staying away overnight

If it is necessary to stay away from home on business, a combination of the above rates may be claimed per day as applicable.



Food and drink must be purchased and consumed either on your way to or from work, or whilst at work and the food must be "pre-prepared". Buying food and drink in the supermarket the day before and consuming it whilst at work does not qualify. Nor does buying bread and cheese to make a cheese sandwich yourself. Please refer to the following link: <http://www.hmrc.gov.uk/manuals/eimanual/EIM31818.htm>

# Travel and subsistence continued

**IMPORTANT - Due to legislation travel and subsistence expenses are not permitted when the worker is subject to supervision, direction or control, or the right thereof by the client.**

## Accommodation



If claiming rental accommodation costs your rental agreement should meet HMRC dual purposes rules, stating that you are only claiming for the working week, weekends not included.

EdenGroup will also require proof that the accommodation is a secondary business related cost and that primary accommodation is being maintained elsewhere. If staying with friends and family during the working week then you can claim the cost of an evening meal, if incurred.

## Incidental Overnight Expenses (IOE's)

EdenGroup will allow a round sum allowance in respect of incidental expenditure for employees away from home overnight for business purposes of £5 per night for UK travel, and £10 per night for overseas travel. The purpose of this expense is to cover the cost of toiletries, newspapers, phone calls home and incidental beverages that may be required.

All accommodation claimed must be accompanied by receipts.

# Travel and subsistence continued

**IMPORTANT - Due to legislation travel and subsistence expenses are not permitted when the worker is subject to supervision, direction or control, or the right thereof by the client.**

## Travelling expenses



### Business Mileage

All claims for Business mileage should be submitted showing the starting point, destination, purpose and mileage of the journey. Please use postcodes wherever available. The current claimable mileage rates are:

Vehicle	First 10,000 miles/tax year	10,001+ miles/tax year
Car or Van	45p per mile	25p per mile
Motorbike	24p per mile	24p per mile
Bicycle	20p per mile	20p per mile

Business mileage can be claimed where you use your own car, van, motorcycle or bicycle. To claim this you must ensure that you have the correct insurance cover which allows you to use your vehicle for business. You also need to submit a valid VAT receipt for fuel with your weekly/monthly expenses to substantiate your claim. As a guideline a £12 fuel receipt supports a claim of 100 miles.



### Parking, Tolls, etc.

Parking fees, tolls, congestion, bridge and tunnel charges incurred in connection with business trips can be claimed. Receipts must be provided.

### Taxis, Trains & Bus Fares, Flights & Oyster Cards

Public transport costs including taxis to and from the place of work or whilst on business related travel can be claimed where receipts are provided. Flights including low cost airfares and ferry/tunnel crossings can also be claimed for where they are for business related travel only or where a flight is necessary to get to or from a place of work.



### Car Hire

Reasonable car hire charges can be claimed when the car is used solely for business purposes and where receipts are provided. No mileage allowances can be claimed. Instead, petrol costs for the business use can be claimed on production of VAT receipts.



Please note that any speeding, clamping or parking fines are NOT claimable whether they be incurred whilst in a hire car or in a personal vehicle. Should a hire car be used for more than 30 days, there is a risk HMRC will treat this as a company car and you will suffer onerous benefit-in-kind charges.

# Other business expenses

These expenses can be claimed using our portal and will be logged with the potential for an end of year HMRC tax rebate. All claims will need to be accompanied by receipts.



## Personal Subscriptions

Annual subscriptions made to professional bodies are allowable, provided the cost is incurred while in Eden's employment. For a full list of allowable subscriptions visit [www.hmrc.gov.uk/list3/list3.htm](http://www.hmrc.gov.uk/list3/list3.htm).



## Use of Home or Mobile Telephones

Itemised business calls from home, a private mobile or from a public call box are claimable. Line rental, private calls, internet/ ADSL subscriptions cannot be claimed. The itemised telephone calls list, which accompanies the bill, must be attached to the claim to support the business telephone calls costs.



## Work Related Training & Tuition

Work related training costs can be claimed where you are able to supply a receipt for the full amount for the training and tuition. The training must be to provide an extension of existing knowledge relating to your assignment and not a completely new skill.



## Clothing (protective wear and uniforms only)

Receipts are required for all expenditure and would normally be from industry related suppliers.



## Eyesight Tests

Up to £15 towards the cost of an eye test may be claimed (as long as a receipt is provided).



If at any time you have any additional questions or need clarification on which business expenses can be claimed, please just give us a call:

**01276 688032**

or email us at

**[customercare@edenoutsource.co.uk](mailto:customercare@edenoutsource.co.uk)**



## Recommending new colleagues pays!

We'll give you £50 for every person you recommend to us who joins EdenGroup Umbrella when they've been with us for 12 weeks.

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