

**Expenses
guidelines**
Don't miss out!

You've earned your money – claim it!



Not claiming your expenses...
...is like **throwing money away.**

It's really easy! Complete our simple Gabem Expenses form and send it along with the relevant receipts. We do the tax calculations, and you see more money in your bank account – often **hundreds** of pounds over the year.

Make sure you get what's yours

Reclaiming legitimate expenses connected with your work can make a real difference to your finances – saving you the equivalent of hours of work. Every £10 you claim in expenses can add around £4 to your take home pay.

This leaflet relates **only** to claiming expenses when you're operating through **Gabem Umbrella**. We provide a simple expense form for you to complete, sign, and send to us attaching all original VAT receipts (not credit or debit card docketts). If we receive it by Thursday, we can process it by Friday, and you'll see the extra in your bank account for the weekend.

Keep it legitimate

HM Revenue & Customs (HMRC) states that expenses claimed must be incurred **wholly, exclusively and necessarily** in the performance of your duties, and tax laws define very strictly what you may claim for. This leaflet explains which expenses are legitimate for you to claim.

Gabem is required by HMRC to validate (as far as possible) that only legitimate expenses are processed, so please **only** send us claims for legitimate expenses.

Gabem **Umbrella**

gabem

Freedom to work the way you want

Reclaim

.....

your expenses



What can you claim for?

Mileage: You may claim a mileage allowance if you use your own vehicle for travelling to and from work.

Write the dates of travel, journey details, car details and number of miles travelled on each form. You must also provide VAT receipts for the fuel used. All petrol stations provide VAT receipts if you ask for them. These receipts should be sufficient to cover the number of miles you claim. As a guide, you'll need receipts for about £15 for every 100 miles claimed. The receipt should be dated no more than a month before the date travelled (If your agency or company provides you with a fuel card you are not able to claim mileage through Gabem as you are not incurring any cost).

- Mileage allowance for cars and vans is paid at 45p per mile. For miles in excess of 10,000 in the tax year 20p of the 45p is subject to tax but not NI.
- The mileage allowance for motorcycles is 24p per mile.
- Mileage allowance covers the cost of your licence, insurance, servicing, tyres, spare parts etc., as well as fuel and any reduction in the value of the vehicle.
- When you claim mileage we may ask for a copy of your registration document as proof of ownership.
- Please note that if you drive a company vehicle and you pay for the fuel, the mileage allowance is variable. Please contact us for further details.

Travel: Other travel costs by road, rail, air and sea can also be claimed if supported by receipts.

Minor business travel expenditure such as parking, road and bridge tolls and tube fares for which receipts may not be available can be reimbursed if you provide other documentation to show that the expenses were necessarily incurred.

Food: Where you are not required to stay away from home overnight, the costs of your daily food and drink in connection with a business journey can be reimbursed. You can claim:

- £5 a day unreceipted food expenses when away home for 5 hours
- £10 a day unreceipted food expenses when away from home for 10 hours

You must retain at least one receipt for each day that you are claiming food. The value of the receipts is immaterial in relation to the claim (you will always receive either £5 or £10 for each day that you claim food).

We are obliged by HMRC to audit a percentage of food claims. If your claim is randomly selected for audit, we will ask you to produce receipts for the days that you claimed food.

Staying away from home: Reimbursement of the reasonable and necessary cost of accommodation is allowable if you are required to stay away from home overnight in connection with a business journey. The expenditure must be verified by receipts related to the night of the stay and the amount reimbursed must not exceed £100 per night. You must provide a receipt which includes the B&B or hotel's name, address and telephone number (preferably a VAT-registered business with the receipt supplied on headed paper).

Also when staying away over night, the reasonable cost of an evening meal connected with the journey can be reimbursed. The expenditure must be verified by receipts and must not exceed £15.

An unreceipted daily allowance of £5 for incidentals and toiletries can be reimbursed for every night that you are staying away.



Tools/Clothing: You may be able to claim for tools, equipment and stationery that is solely for your use at work and also for clothing that relates to safety wear. VAT receipts must be included for these claims. You may also claim for the cost of laundering protective clothing (receipts will need to be provided).

Telephone (fixed line or mobile): You can only claim for business calls, not private calls or rental. Highlight each business call on your itemised bill and include the original bill (NOT a photocopy) when you send us your expense claim. If you use a pay-as-you-go mobile phone and pay top-ups, you must still provide an itemised bill if you wish to claim for business calls. This can be obtained from your mobile network provider.

Professional associations: If you belong to a professional body, you may be able to claim your fees and subscriptions as allowable expenses. Check if yours is allowable on HMRC's website: www.hmrc.gov.uk/list3/list3.htm

Other expenses?: If there are expenses not shown in these guidelines to which you think you may be entitled please either talk to us or contact HMRC direct at www.hmrc.gov.uk. Tel: 0300 200 3300.

Please note: if your expenses are reimbursed through your agency, you cannot also claim them through Gabem.



Is your 'workplace' permanent or temporary?

In order for you to be able to claim the cost of business travel your workplace must be classed as temporary. It can be defined as a temporary workplace if it is a place where you go in the course of your employment to carry out a short-term assignment.

However, your workplace will be classed as **permanent** if:

- You work there continuously for a period that lasts, or is likely to last, more than 24 months. The 24-month test is applied from the start date of the contract. For example, an assignment at a workplace that began on 1 January 2014 will fail the 24-month rule if it is expected to run on until after 31 December 2016. Please note that even if, when the assignment commences, you do not expect to be at the same workplace for 24 months, it becomes a permanent workplace if circumstances change so that your total time at the workplace is expected to exceed 24 months;
- You expect to work at the same workplace throughout your employment with Gabem Management Limited. For example, if you join

Gabem expecting to work at a single site for six months and then leave Gabem, that site will be treated as a permanent workplace. A workplace will also be treated as permanent if you have decided it is the last workplace at which you will work through Gabem Management Limited.

If neither of these points applies, your workplace should be treated as a **temporary** workplace and you may claim the cost of business travel.

Help us process your claim quickly

- Include all details on the mileage sheet. Car details, destination, reason for journey, dates of journey and worksite are all mandatory.
- Include original receipts for all items / accommodation as explained in this guide. You do not need to submit receipts for your daily food claims but you do need to retain these as you may be asked to produce them for audit purposes.
- Ensure all details are completed and sign the claim form, an ink signature is required.
- Send the form to Gabem.

Get more money in your bank

Expenses will be reimbursed to you after the payment of your contracted pay and before your profit-related pay is calculated. This enables you to obtain tax and NI relief for these expenses up front and means that you will see more money in your bank account.

Every pound you claim in legitimate expenses can increase the amount you take home by around 40p. If your expense form covers several weeks it may not all be reimbursed in the same week and will be carried forward until all the expenses have been allocated.



How we do the calculation

	Without Expenses	With £100 Expenses
50 hours in the week worked		
Agency pays £13.00 per hour	£650.00	£650.00
Less: Direct costs and provisions* Expenses	£79.60	£67.48
	£0.00	£100.00
Contracted and Profit related pay	£570.40	£482.52
Less Tax	£75.60	£58.00
Less Employee NIC	£50.09	£39.54
Net Pay	£444.71	£384.98
Expenses reimbursed	£0.00	£100.00
Take home	£444.71	£484.98

* these are employment costs

What could happen if a claim is incorrect

It is possible for HMRC to review individual cases and decide that some of the expenses claimed should instead be taxable as a 'benefit in kind'. If this happened to you, it would be your responsibility to pay tax on these particular expenses.

Questions?

Talk to our Operations Team on **01798 861100** or you can visit our website at www.gabem.com. You can also contact us by text **07937985389**, email enquiries@gabem.com or fax **01798 861101**.

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Freedom to work the way you want