

Company Finance Policy Handbook *(For Internal Use Only)*

1. Introduction

This Finance & Expense Policy outlines the principles and procedures that govern the financial operations of ABC Solutions Pte Ltd. The purpose of this document is to ensure proper management of company funds, promote transparency and accountability, and provide clear guidelines for employees when incurring expenses on behalf of the organization. The policy applies to all employees, contractors, and authorized representatives of the company who engage in financial transactions, submit expense claims, or have access to company funds. Compliance with this policy is mandatory, and violations may result in disciplinary action or legal proceedings.

2. Expense Management Principles

2.1 Business Purpose

All expenses incurred must have a legitimate business purpose directly related to company operations, client engagements, or professional development. Employees are expected to exercise sound judgment when spending company funds and to avoid unnecessary or excessive costs. For example, when traveling, employees should choose reasonably priced hotels and economy airfare unless otherwise approved.

2.2 Reasonableness & Prudence

Employees must adhere to the principle of prudence when submitting expenses. The company defines a “reasonable expense” as one that a typical person would consider necessary and appropriate under the circumstances. Extravagant purchases, luxury services, or entertainment unrelated to work activities will not be reimbursed. Managers reviewing expense claims are expected to apply consistent standards of fairness and cost control.

3. Categories of Reimbursable Expenses

3.1 Travel Expenses

Employees traveling for business purposes may claim reimbursement for transportation, accommodation, meals, and incidentals. Air travel should be booked in economy class unless approved for business class due to medical conditions, extended travel hours, or client requirements. Accommodation should be in mid-range hotels that balance comfort with cost efficiency. Receipts must be submitted for all claims, and per diem allowances may be provided in certain regions to simplify meal reimbursements.

3.2 Meals & Entertainment

Meals incurred during client meetings, team events, or official company functions are reimbursable provided they are modest and reasonable. Employees must record the names of attendees and the purpose of the meal on their expense report. Alcohol purchases will only be reimbursed when consumed in moderation at client dinners or approved company functions. Excessive or personal alcohol expenses will be rejected.

3.3 Training & Professional Development

The company encourages employees to pursue training, certifications, and courses that enhance professional growth and benefit organizational goals. Fees for conferences, workshops, and certification exams may be reimbursed with prior approval from the employee's manager and HR. Travel and accommodation related to training events are subject to the same guidelines as business travel.

3.4 Office Supplies & Equipment

Employees requiring office supplies or equipment must first check with the Office Administration team before making purchases. Any personal purchases of equipment intended for reimbursement must be pre-approved in writing by the finance department. Items purchased without prior approval may not be reimbursed.

4. Non-Reimbursable Expenses

Certain categories of expenses are explicitly excluded from reimbursement. These include:

- Personal entertainment unrelated to company activities (movies, concerts, sporting events).
- Family or companion travel costs during business trips.
- Luxury goods or services, such as spa treatments or premium room upgrades.
- Traffic fines, parking tickets, or penalties incurred while driving on company business.
- Unauthorized software or equipment purchases made without finance approval.

Employees are expected to separate personal expenses from business expenses at all times.

5. Expense Submission Process

5.1 Documentation Requirements

All expense claims must be supported with original receipts or valid electronic invoices. Receipts must clearly display the vendor's name, date of transaction, and itemized charges. In cases where receipts are unavailable, employees must complete a missing receipt affidavit explaining the nature of the expense. Repeated submission of expenses without receipts may result in denial of reimbursement.

5.2 Submission Timelines

Employees must submit expenses within 30 days of the transaction date. Expense reports submitted after the deadline may be rejected unless there are extenuating circumstances, which must be approved by the finance department. Timely submission ensures accurate financial reporting and compliance with tax requirements.

5.3 Approval Workflow

All expense reports must be reviewed and approved by the employee's immediate manager before submission to finance. Managers are responsible for verifying that expenses are reasonable, compliant with policy, and aligned with departmental budgets. The finance department will conduct a final review before processing reimbursement.

6. Corporate Credit Cards

Employees issued a corporate credit card are expected to use it exclusively for business-related expenses. Cardholders are responsible for maintaining proper records, reconciling statements, and submitting supporting receipts with their monthly expense reports. Misuse of corporate cards, such as personal purchases or cash advances, is strictly prohibited and may result in revocation of card privileges and disciplinary action. In the event of loss or theft of the card, employees must notify both the issuing bank and the finance department immediately.

7. Budgeting & Financial Controls

7.1 Departmental Budgets

Each department within the company is allocated an annual budget that must be adhered to throughout the fiscal year. Department heads are responsible for monitoring expenditures, approving departmental expenses, and ensuring compliance with company financial policies. Any anticipated budget overruns must be reported in advance to the finance department and approved by senior management.

7.2 Internal Controls

The company employs strict internal controls to prevent fraud, waste, and abuse of financial resources. This includes segregation of duties, periodic audits, and system-based approvals. Employees are required to cooperate fully with internal and external auditors and provide accurate information when requested. Fraudulent expense claims or financial misrepresentation will result in immediate disciplinary action and potential legal proceedings.

8. Cash Advances & Petty Cash

Employees who require cash advances for business purposes must submit a formal request to finance at least five business days in advance. Advances will only be granted for legitimate business needs such as international travel or fieldwork in cash-based environments. Employees must provide receipts and reconcile advances within 10 business days of completing the activity. Petty cash funds may be used for small, incidental expenses such as local transportation or minor office supplies, but detailed records must be maintained for all withdrawals.

9. Compliance & Enforcement

Compliance with this Finance & Expense Policy is mandatory for all employees. Violations, including falsified receipts, misrepresentation of expenses, or repeated submission of unauthorized costs, will result in disciplinary action, up to and including termination of employment. The company reserves the right to recover any improperly reimbursed funds through payroll deductions or legal action. All employees are expected to uphold the highest standards of honesty and integrity when dealing with company financial resources.

10. Policy Review

The finance department will review this policy annually in collaboration with HR and senior management. Changes may be implemented to reflect updates in tax regulations, business priorities, or financial systems. Employees will be notified of any revisions, and updated versions of the policy will be posted on the company intranet. Employees are responsible for familiarizing themselves with the most current version of the policy at all times.