



# FINANCIAL CONTROLS & RESERVES POLICY

## Priority 1 Governance Document

<b>Organisation</b>	FND Connect
<b>Status</b>	Unincorporated Non-Profit Organisation
<b>Address</b>	133 Fable Lane, Kingswood, Hull, HU7 3PT
<b>Document Code</b>	FND-FIN-001
<b>Version</b>	1.0
<b>Adopted</b>	01/05/2026
<b>Approved By</b>	Matthew Gerdes-Hansen, Chair; Emma Wilder, Secretary
<b>Review Cycle</b>	As stated in this document

Controlled document. This policy should be read together with the FND Connect Constitution v1.0 and any supporting procedures adopted by the Management Committee.

## Document Control

<b>Owner</b>	FND Connect Management Committee
<b>Lead Responsible Person</b>	As specified within this document
<b>Adoption Date</b>	01/05/2026
<b>Review Cycle</b>	Annual - next review 01/05/2027
<b>Linked Constitution</b>	FND Connect Constitution v1.0
<b>Applies To</b>	Committee Members, officers, volunteers, advisers, representatives and anyone acting

This document is drafted for FND Connect's current status as an unincorporated non-profit organisation and should be reviewed when FND Connect incorporates as a Community Interest Company, Charitable Incorporated Organisation or other legal entity.

## 1. Purpose

1.1 This Financial Controls and Reserves Policy establishes the financial governance standards for FND Connect.

1.2 Its purpose is to protect funds, donations, grants, restricted assets and organisational resources; prevent misuse, fraud and error; support transparent reporting; and ensure financial decisions are made in the best interests of the Organisation and its beneficiaries.

1.3 This Policy supports the FND Connect Constitution and shall be interpreted consistently with the non-profit distribution, voluntary asset lock, public benefit and reserved matters provisions of that Constitution.

## 2. Financial Principles

2.1 FND Connect shall apply all income and assets solely towards its objects and public benefit purposes.

2.2 The Management Committee is responsible for ensuring that appropriate controls exist for all income, expenditure, assets, restricted funds, grants, donations, contracts and commitments.

2.3 Financial decisions shall be prudent, transparent, properly authorised and recorded.

2.4 FND Connect shall not knowingly accept funding that would compromise its independence, safeguarding standards, integrity, reputation or ability to act in the interests of people affected by Functional Neurological Disorder.

## 3. Roles and Responsibilities

3.1 The Management Committee has collective responsibility for financial oversight.

3.2 The Chair and Secretary shall initially act as authorised officers for financial control purposes until further officers are appointed.

3.3 A Treasurer may be appointed when the Committee considers this appropriate.

3.4 No person may commit FND Connect to expenditure, borrowing, liabilities or contractual obligations except in accordance with this Policy and the Constitution.

3.5 Volunteers and representatives may not handle money, solicit donations, commit expenditure or enter financial arrangements unless expressly authorised.

## 4. Banking

4.1 FND Connect is awaiting establishment of a dedicated organisational bank account with Lloyds Bank.

4.2 Once opened, the Lloyds Bank account shall be operated in the name of FND Connect as far as the bank's account structure permits.

4.3 Matthew Gerdes-Hansen and Emma Wilder shall be authorised signatories initially.

4.4 Organisational funds must be kept separate from personal funds wherever reasonably practicable.

4.5 Where temporary arrangements are required before the organisational account is active, all funds must be recorded, evidenced and transferred into the organisational account as soon as practicable.

4.6 Online banking access shall be restricted to authorised individuals and protected by appropriate security controls including strong passwords and multi-factor authentication where available.

## 5. Expenditure Approval Limits

- 5.1 Expenditure up to and including GBP100 may be approved by one authorised person, provided it is for an ordinary organisational purpose and is recorded.
- 5.2 Expenditure above GBP100 and up to GBP500 requires approval by two authorised persons.
- 5.3 Expenditure above GBP500 requires full Management Committee approval and the approval must be recorded in Committee minutes.
- 5.4 Any transfer of assets exceeding GBP500 in value is a reserved matter under the Constitution and requires unanimous Committee approval.
- 5.5 Splitting invoices, purchases or transactions to avoid approval limits is prohibited.
- 5.6 Emergency expenditure may be authorised only where delay would create material risk to beneficiaries, safeguarding, legal compliance, financial loss, data protection or operational continuity. Emergency expenditure must be reported to the next Committee meeting.

## 6. Income, Donations and Grants

- 6.1 Income may include donations, grants, sponsorship, fundraising proceeds, merchandise, training income, digital service income, software income, subscriptions, conferences, events and other lawful income.
- 6.2 Donations and grants shall be recorded with the date, amount, source where known, purpose and any restrictions.
- 6.3 Restricted funds must be used only for the purpose for which they were given.
- 6.4 Fundraising materials must not mislead donors about how money will be used.
- 6.5 The Committee may decline or return funding where acceptance would be inappropriate, unlawful, reputationally damaging or inconsistent with FND Connect's objects.
- 6.6 Grant terms, reporting deadlines and restrictions shall be recorded and monitored.

## 7. Cash Handling

- 7.1 Cash handling is permitted for events and fundraisers only where approved by the Committee.
- 7.2 Cash must be recorded using a cash log.
- 7.3 Cash must be counted by two people wherever reasonably practicable.
- 7.4 The cash count must be recorded and signed or confirmed by both counters.
- 7.5 Cash shall be banked as soon as reasonably practicable.
- 7.6 Personal borrowing from cash takings is prohibited.
- 7.7 Cash must not be left unsecured or held by one individual for longer than necessary.

## 8. Expenses and Reimbursement

- 8.1 Reasonable expenses may be reimbursed where incurred wholly, necessarily and properly for FND Connect purposes.
- 8.2 Receipts, invoices or equivalent evidence must be provided wherever possible.
- 8.3 Founders and Committee Members may be reimbursed for legitimate start-up costs already paid personally, provided receipts or evidence exist and the Committee approves the reimbursement.
- 8.4 A person seeking reimbursement must not approve their own claim.

8.5 Expenses shall be recorded clearly and retained with financial records.

## 9. Payments to Committee Members and Connected Persons

9.1 Committee Members, founders and Connected Persons may be paid for goods or services only in accordance with the Constitution and Conflict of Interest Policy.

9.2 Any conflict must be declared before discussion or approval.

9.3 The arrangement must be demonstrably in FND Connect's best interests.

9.4 The price must be reasonable and comparable to market rates.

9.5 The conflicted person must not participate in approval of the arrangement.

9.6 Where both founding Committee Members are conflicted, an independent adviser should be consulted and the decision must be fully documented.

## 10. Reserves

10.1 FND Connect shall aim to maintain unrestricted reserves equal to at least three months of normal operating costs.

10.2 FND Connect shall aim, where possible, to build reserves towards an ideal level of six months of normal operating costs.

10.3 Reserves may be used to protect continuity of core services, respond to emergencies, manage unexpected financial pressures or meet unavoidable liabilities.

10.4 The reserves position shall be reviewed at least annually.

10.5 Temporary inability to meet the target reserve level shall not constitute a breach of this Policy, provided the Committee records the position and takes reasonable steps to rebuild reserves when possible.

## 11. Financial Records and Reporting

11.1 The Committee shall ensure that accurate accounting records are kept.

11.2 Records shall include income, expenditure, receipts, invoices, bank statements, cash logs, grant records, restricted fund records, asset records and approvals.

11.3 Financial records shall be retained for at least six years.

11.4 A financial report shall be provided to the Committee at least quarterly once regular activity begins.

11.5 An annual income and expenditure statement shall be prepared after the end of each financial year.

11.6 Where annual gross income exceeds GBP25,000, the Committee shall arrange an independent examination of accounts by a suitably competent and independent person.

## 12. Fraud, Error and Irregularity

12.1 Suspected fraud, theft, misappropriation, significant error or financial irregularity must be reported promptly to the Chair, Secretary or another appropriate Committee Member.

12.2 The Committee shall investigate concerns proportionately and may suspend access to funds, systems or records while enquiries are made.

12.3 Serious matters may be reported to the bank, police, funder, insurer or relevant regulator where appropriate.

12.4 Retaliation against a person raising a genuine concern is prohibited.

## 13. Review

13.1 This Policy shall be reviewed annually, or sooner where there is a material change in law, banking arrangements, organisational structure, income level, grant requirements or risk profile.

13.2 The next scheduled review date is 01/05/2027.

## Approval and Adoption

This Financial Controls & Reserves Policy was approved and adopted by the Management Committee of FND Connect on 01/05/2026.

The document shall remain in force until amended, replaced or withdrawn by the Management Committee.

Signed by	Role	Signature	Date
Matthew Gerdes-Hansen	Chair		01/05/2026
Emma Wilder	Secretary		01/05/2026