



## 1. Purpose

Vital Anaesthesia Simulation Training (VAST) Ltd is a not for profit company limited by guarantee. The purpose of the Financial Control Framework is to ensure that funds are managed in a transparent fashion and in advancement of the objectives stated in VAST's Constitution.

## 2. Objective

To establish the procedures for managing VAST's finances and assets.

## 3. Guiding principles

Core to VAST's operation is that as an organisation it:

- understands its charitable purpose and direct funding towards these goals
- operates with financial transparency and good governance
- raises awareness about the risk of financial abuse, and its roles and responsibilities in preventing, detecting and acting on potential abuse
- undertakes a financial abuse risk assessment on all projects
- has an operational Code of Conduct
- has mechanisms for reporting and acting on suspected financial abuse

## 4. Scope

This document applies to all activities funded by VAST, including its office bearers, staff and volunteers associated with VAST. This framework and procedures contained within it do not apply where finances are derived and controlled by an organisation other than VAST. When VAST activities are being delivered on a third-party basis at the request of another organisation, the overall project oversight, management of risk and control of finances will be the responsibility of the external organisation.

## 5. Dictionary

Term	Meaning
<b>Project</b>	Any activity that VAST will allocate resources to. Resources include but are not limited to money, equipment and personnel.
<b>Gift fund</b>	A separate management bank account that identifies and records any money received by the Company because of Gifts and Deductible Contributions.
<b>Third-party</b>	An arrangement between VAST and an external organisation whereby VAST projects will be delivered but the sourcing, oversight and control of finances will be managed by the external organisation.

## 6. Policy

n/a

## 7. Procedure

### 7.1 Approval of projects:

- 7.1.1 Potential projects must be presented and discussed at a meeting of the Board.
- 7.1.2 All proposed projects must include an indicative budget, VAST Risk Assessment and mechanism for reporting of activities delivered.
- 7.1.3 The conduct of meetings, voting, and approval of projects must be in adherence with the steps detailed in VAST's Constitution.
- 7.1.4 All financial decisions will be noted in Board minutes.

### 7.2 Record keeping and banking systems:

- 7.2.1 VAST currently adopts the cash basis for accounting.
- 7.2.2 A separate gift fund will be established and maintained in accordance with VAST's Constitution.
- 7.2.3 Accounting will be overseen by an accountant providing day to day bookkeeping services and annual reporting.
- 7.2.4 VAST will use Xero Software TM for its record keeping.
- 7.2.5 As and when required, VAST will undertake external yearly auditing, BAS submission and income tax submission.
- 7.2.6 All electronic records will be backed up on a cloud-based backup system.
- 7.2.7 VAST will only print records when required.

### 7.3 Banking systems:

- 7.3.1 VAST will comply with clause 9 of its Constitution in regards to provisions making it eligible for deductible gift recipient status.
- 7.3.2 Assets and liabilities will be recorded on an ongoing balance sheet.
- 7.3.3 Income will be recorded.
- 7.3.4 Receipts will be matched to outgoing expenses.
- 7.3.5 Records will be kept for 7 years.
- 7.3.6 Cash withdrawals will require a purchase order signed by 2 directors.
- 7.3.7 A cash reimbursement system matching expenses will be used.
- 7.3.8 A reimbursement form with requirement for attachment of digital receipts for reconciliation will be used.
- 7.3.9 Passwords will be kept in a secure encrypted fashion and made only available to directors with authority to access accounts.

### 7.4 Transfer of funds:

Three main methods of funds transfer exist namely direct spending, reimbursement and cash transfer. The details and mechanisms for control of each method of funds transfer are detailed below:

#### 7.4.1 Direct spending:

- Funds transferred directly from VAST's nominated bank account
- Where practical, funds will be transferred via online banking

- Example items include recurring expenses for membership and registrations
- 7.4.2 Reimbursement:
- A reimbursement form must be submitted to the bookkeeper who generates the reimbursement transfer order
  - Electronic copies of invoices must be submitted substantiating the expense
  - Two directors must confirm the invoices are business expenses and approve the reimbursement order
  - The accountant will then execute the funds transfer via online banking
- 7.4.3 Cash transfer:
- To be used as a last resort whereby the use of private funds and claiming of a reimbursement is not practical
  - Requires the generation of a purchase order, approved by 2 directors
  - Must be associated with a specific project that has been approved by the Board
  - Has in-built additional compliance requirements; funds are transferred upon a pre-determined project duration. At the end of which time, remaining funds that have not had supporting documentation reconciling their expenditure should be either returned or additional approval sought from the Board
- 7.4.4 Multifactor authentication will be required prior to funds transfer.
- 7.5 Financial reporting:
- 7.5.1 The board will be provided information as to VAST's financial position and accounts regularly, at least twice per year.
- 7.5.2 VAST will generate annual financial reports within 2 months of the end of each financial year ending 30 June
- 7.5.3 The annual financial report will detail VAST's operations, itemised per country.
- 7.5.4 Operational and financial records for each of VAST's activities will be maintained.
- 7.5.5 A list of third parties engaged will be included in annual reports.
- 7.5.6 All claims of inappropriate behaviour or misconduct by employees or representatives of VAST will be detailed, including how they were responded to. This will be in accordance with VAST's Whistleblower and Complaints Policies.
- 7.6 Management of assets
- 7.6.1 All of VAST's assets will be recorded in an asset register.
- 7.6.2 The assets register will be categorised by country and have an identified person responsible for safekeeping.

## 8. Related and supporting documents

- Vital Anaesthesia Simulation Training (VAST) Ltd Constitution
- VAST Anti-Bribery, Fraud and Corruption Policy
- VAST Whistleblower Policy
- VAST Counter Terrorism Financing Policy
- VAST Code of Conduct

### FINANCIAL CONTROL PLAN

Approved by the Board: October 2020

Scheduled for review: October 2023

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9. Document revisions

Version	Date approved	Summary of changes
v1.0	24 October 2020	