



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01



ST. JOHN AMBULANS MALAYSIA

(NATIONAL HEADQUARTERS FINANCE MANUAL)

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Prepared by,


KONG MING MING

(AUTHOR)

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Approved by,


DATO' LAI SEE MING

(COMMANDER-IN-CHIEF)

Date: 01 June 2018



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SOP TITLE:

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SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

CONTENTS

CONTENTS.....	2
LIST OF ABBREVIATIONS	3
OBJECTIVE.....	4
SCOPE	4
REFERENCES.....	4
RESPONSIBILITY	4
1.0 Honorary Treasurer	5
1.0 Responsibilities	5
2.0 State/Area/Division/Corps Account	6
2.1 Division account	6
2.2 State/Area account.....	7
3.0 Tax Exemption Receipt.....	9
3.1 Standard Procedures	9
4.0 Flag Day Collection	10
4.1 Standard Procedures	10
APPENDIX 1	12

Definitions:

- Any phrase that contains the word “*State*” is with reference to the State and Region.
- Any phrase that contains the word “*Division*” is with reference to the Division and Corps.
- Any **St. John unit** mentioned in this Guideline refers to all uniform units of the *St. John Ambulance of Malaysia* which include National, State or Region, Area, Corps and Division.



STANDARD OPERATING PROCEDURES

SOP TITLE:	NATIONAL HQ FINANCE MANUAL		
SOP NUMBER:	SJAM-FNC-SOP-14	REVISION	01

LIST OF ABBREVIATIONS

AFA	Advanced First Aid
ASO	Area Staff Officer
DO	Divisional Officer
HQ	Headquarters
NCO	Non-commissioned Officer
OTC	Officers' Training Course
SSO	State Staff Officer
Supt.	Superintendent
TtT	Training the Trainers



STANDARD OPERATING PROCEDURES

SOP TITLE: NATIONAL HQ FINANCE MANUAL

SOP NUMBER: SJAM-FNC-SOP-14 REVISION 01

OBJECTIVE

To serve as guide to manage the finance of various SJAM units.

SCOPE

This document covers processes related to all financial transactions and their documenting procedures.

REFERENCES

1. ISO 9001 Clause 7.5 (Documented Information)
- 2.

RESPONSIBILITY

State/Regional/Area Commander

State/Regional/Area Honorary Treasurer

Division Treasurer



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

1.0 HONORARY TREASURER

1.0 RESPONSIBILITIES

- 1.1.1. The State/Area/Divisional/Corps Treasurer is an elected post. This post is elected in the AGM every three (3) years.
- 1.1.2. Divisional/Corps Treasurer is responsible to the Divisional/Corps Superintendent and Area Commander whereas Area Treasurer is responsible to Area Commander and State Treasurer is responsible to State Commander for accurate and timely management of all financial matters of the unit.
- 1.1.3. The responsibilities of the State/Area/Corps/Divisional Treasurer are as below:
 - 1.1.3.1. Day-to-day administrative of the finance portfolio purposes, communicates with the Honorary State/Area Treasurer.
 - 1.1.3.2. Communicate and advises the respective Divisional/Corps Superintendent (or Divisional officer) / Area Commander and State Commander for any financial matters relating to the unit.
 - 1.1.3.3. Monitors the finance management of the unit.
 - 1.1.3.4. Assists in the preparation of the annual unit budget.



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

2.0 STATE/AREA/DIVISION/CORPS ACCOUNT

2.1 DIVISION ACCOUNT

- 2.1.1. All school division accounts shall be centralized at Area level and Adult Divisions are not allowed to open bank account at division level without approval from State Commander.
- 2.1.2. The divisions' funds shall be kept by their respective Area. The funds shall be segregated and maintained as per individual division account at Area level. The funds are to be kept in bank as trust monies (separate from Area account).
- 2.1.3. Area HQ (Area Honorary Treasurer) shall keep proper account of their respective divisions and the account shall be up-to-date and be available to divisions or any interested parties at any time.
- 2.1.4. Area Commander shall approve any request of funds withdrawal from division monies for their activities or purchase of first aid equipment or disposals for First Aid kits.
- 2.1.5. A working paper and costing for the planned activity/ad-hoc project shall be submitted to the Area Treasurer through PCRq-FORM¹ for any request of funds withdrawal. Upon checking and confirmation, the request withdrawal will be submitted to Area Commander for approval.
- 2.1.6. Upon completion of the activity/ad-hoc, the division treasurer shall submit a ledger account with all expenses receipts. The surplus of funds allocated for the activity/ad-hoc project shall be handed to Area for updating into respective division account.
- 2.1.7. Only petty cash amounting to RM100.00 is allowed at division level. The custodian of the petty cash is the Treasurer or any other officer approved by the Area Commander. A ledger book for petty cash shall be maintained by Division Treasurer.
- 2.1.8. Original supporting vouchers/receipts must be submitted to Area Treasurer using PCRp-FORM² each time the division treasurer requests to replenish petty cash monies.
- 2.1.9. All records are to be kept in the Division/Corps Account Book/Ledger. The Area HQ shall provide all divisions with yearly division account statement for re-conciliation purpose. The division will be asked to confirm if amount retained for their division account is correct.

¹ Petty Cash Requisition (SJAM-FNC-01-PCRq)

² Petty Cash Report (SJAM-FNC-01-PCRp)



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

2.2 STATE/AREA ACCOUNT

- 2.3.1. State/Area Treasurer is responsible for all financial matters of the respective State/Area.
- 2.3.2. All State/Area monies shall be kept in bank under current account/savings account or even as fixed deposits (to generate interests).
- 2.3.3. State/Area can maintain a petty cash account not more than RM500.00 at any point of time. The State/Area Treasurer or any other officer approved by the respective Commander will be deemed responsible for the petty cash monies.
- 2.3.4. All transaction records must be kept in safe custody in a ledger maintain by the Hon. Treasurer.
- 2.3.5. The authorized signatories for State/Area bank account are as below.
 - 2.3.5.1. State Commander / Area Commander
 - 2.3.5.2. Hon. State Secretary / Hon. Area Secretary
 - 2.3.5.3. Hon. State Treasurer / Hon. Area Treasurer
- Note: Compulsory for ALL of the above to be authorized signatories.**
- 2.3.6. Online banking and ATM access are strictly NOT permitted for any banking transactions.
- 2.3.7. Under no circumstances may the authorized signatories authorize a payment to themselves, a relative or business associate or partner.
- 2.3.8. Any purchases valued more than RM1,000.00, at least two (2) quotations shall be obtained before approval to purchase is granted by respective Commander.
- 2.3.9. The original invoice/debit note must be attached to the payment voucher (with relevant supporting documents) for issuance of payment. Payments shall be made only against original invoices with original signature.
- 2.3.10. Treasurer shall be responsible to ensure goods/services received are in good order and payment is made correctly.
- 2.3.11. All purchases and engagement in service must be well documented, accompanied with quotations, invoices and goods received.
- 2.3.12. Any income/donations received from services rendered i.e. first aid training, public duties, ambulance service etc. must be made in the form of either cheque or bank transfer. Official receipts are to be issued for the donation received or service(s) rendered.
- 2.3.13. If an event is organised to raise money for specific purpose i.e. charity dinner, charity run etc., Area/State must first informed State/NHQ to ensure compliance with the General Regulations and legal requirements for controlling and reporting such restricted income.



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

- 2.3.14. All other income such as rental income shall be properly documented in the accounts statement.
- 2.3.15. Claims for expenses incurred on behalf of SJAM State/Area must be submitted with all relevant supporting receipts and explanation.
- 2.3.16. The expenses claim must be approved by Hon. Treasurer and respective Commander OR by respective Commander only. Claimants must not approve their own expenses.
- 2.3.17. State/Area will reimburse the expenses no later than four (4) weeks following receipt of the form.
- 2.3.18. Cash advances are not permitted unless subject to the approval of respective Commander.
- 2.3.19. Area HQ shall conduct yearly stock take of inventory held by the Area i.e. SJAM uniform supplies, medical supplies, camping gears etc.
- 2.3.20. Records of asset/property/insurance policy must also be maintained and kept in safe custody.
- 2.3.21. The annual audited account shall be presented during Annual General Meeting annually and should be readily available at the respective headquarters for inspection by anyone interested and concerned.
- 2.3.22. All Areas are required to submit its Area audited account (format as per Appendix 1) to respective State HQ not later than **28th of February** yearly.
- 2.3.23. All States are required to submit its State audited account (format as per Appendix 1) to National HQ not later than **31st of March** yearly.
- 2.3.24. Proper record keeping of yearly audited accounts, all invoices, receipts for purchases and goods received shall be maintained and kept for record of seven (7) years.



STANDARD OPERATING PROCEDURES

SOP TITLE: NATIONAL HQ FINANCE MANUAL

SOP NUMBER: SJAM-FNC-SOP-14 REVISION 01

3.0 TAX EXEMPTION RECEIPT

3.1 STANDARD PROCEDURES

3.1.

- 3.1.1. All Tax Exemption Receipt will be issued from National Headquarters.
- 3.1.2. All cheques issued by donors should be made payable to "St. John Ambulans Malaysia".
- 3.1.3. State Headquarters will only be allowed to issue Donation Acknowledgement Receipt with one (1) carbon copy to the Donor and one (1) carbon copy to the Area concerned, with the cheque and the National HQ copy to be couriered to the National Headquarters within fifteen (15) working days from the date of the acknowledgement receipt.
- 3.1.4. National HQ will then issue the Tax Exemption Receipt upon receipt from the state concern within fifteen (15) days.
- 3.1.5. Upon issuance of the tax receipt, the original Tax Exemption Receipt will be issued and sent to respective State. State will be responsible to sort and distribute to respective area if necessary. The donation (reimburse) will be issued to the State or the Area concern if the donation is for the Area through respective State HQ.
- 3.1.6. A minimum charge of 2% or maximum of RM 5,000, against the donation amount will be deducted for the administration, auditing and submission to the **Inland Revenue Board of Malaysia**.
- 3.1.7. Donation less than RM 100.00 will not be entitled for a Tax Exemption Receipt, unless upon special request. For any such request, it has to be made via State and the amount must be deposited into National Account as per normal procedure.



STANDARD OPERATING PROCEDURES

SOP TITLE:	NATIONAL HQ FINANCE MANUAL		
SOP NUMBER:	SJAM-FNC-SOP-14	REVISION	01

4.0 FLAG DAY COLLECTION

4.1 STANDARD PROCEDURES

- 4.1.1. It is mandatory for all units of the SJAM to support the Annual Flag Day organized by the National Headquarters. State/Regional Commanders shall encourage all levels to participate actively in the Flag Day.
- 4.1.2. Units are allowed to conduct Flag Day collections on condition that an audited account is completed for each collection.
- 4.1.3. The participants list and parents' consent must be completed and signed by the Divisional/Corps Superintendent/Officer and submitted to the National Headquarters through their respective States/ Regional **by 28 Feb on each calendar year**.
- 4.1.4. Police permit indicating dates of the collection and Education Ministry approval letter will be circulated by Chief of Staff (Operations) to all States and Areas before collection begins.
- 4.1.5. Collection tins are sealed and provided by Area Headquarters. Collectors must sign for tins issued to them.
- 4.1.6. Following collection, the tins must be kept in a safe place until counting of the contents takes place.
- 4.1.7. The tins must be opened and counted in the presence of responsible people, who are the Divisional/Corps Treasurer, Divisional/Corps Chairperson and Hon. Area Treasurer.
- 4.1.8. The total Flag Day collection shall be recorded by Hon. Area Treasurer. Details of unused or empty tins must be recorded. Any unsold stickers must be returned to State HQ for auditor verification. All these information must be recorded through the FDCRp-FORM³.
- 4.1.9. After the counting procedure, division representative must confirm and acknowledge on the amount collected.
- 4.1.10. The total nett collection are divided among headquarters, 10% to the National Headquarters, 20% to the State Headquarters, 30% to Area Headquarters and 40% to the Division/Corps.
- 4.1.11. Expenses incurred during the collections must be accurately recorded, described and substantiated by supporting documentation. Expenses are not to exceed 1/12 of the total collections.
- 4.1.12. Expenses must be approved by the Area Commander.

³ Flag Day Collection Report (SJAM-FNC-03-FDRp)



STANDARD OPERATING PROCEDURES

SOP TITLE:	NATIONAL HQ FINANCE MANUAL		
SOP NUMBER:	SJAM-FNC-SOP-14	REVISION	01

- 4.1.13. Area yearly Flag Day account must be submitted to respective State HQ **Thirty (30) days** after the last day of Flag Day Collection with relevant listing and documents for onwards submission to external auditors engaged by the State headquarters.
- 4.1.14. Confirmation of Flag Day Collection by Area HQ to State HQ shall consist of the following documents:
- FDRp-FORM⁴
 - FDCL-FORM⁵
 - FDAA-FORM⁶ Original (Bank in Slip, Bills, payment voucher, receipts)
 - Copy of Bank Statement (showing the transaction of Flag Day Collection)
 - Purchase Order (*Borang Pesanan Peralatan Hari Bendera*)
 - 30% of nett collection (20% for Area's Contribution to State, and 10% for State's contribution to NHQ)
- 4.1.15. State yearly Flag Day **audited** account with relevant documents (as per item 4.1.14) and payment of 10% of nett collection must be submitted to NHQ within **sixty (60) days** after receiving the accounts from the Area.

⁴ Flag Day Collection Report (SJAM-FNC-03-FDRp)

⁵ Flag Day Collection Cover Letter (SJAM-FNC-04-FDCL)

⁶ Flag Day Auditor Acknowledgement (SJAM-FNC-05-FDAA)



STANDARD OPERATING PROCEDURES

SOP TITLE:

NATIONAL HQ FINANCE MANUAL

SOP NUMBER:

SJAM-FNC-SOP-14

REVISION

01

APPENDIX 1

St. John Ambulans Malaysia

(Incorporated under St. John Ambulance in Malaysia (Incorporation) Act 1972)

St. John Ambulans Malaysia
Accounting General Purpose Financial Reporting
Framework