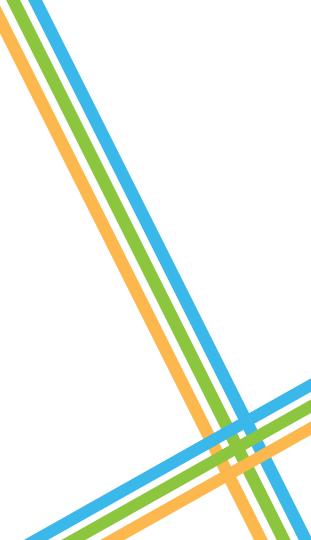


# CHARITY GOVERNANCE REPORT 2021

Together, we can achieve a well-governed and thriving charity sector.



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# 01

## CHARITY COUNCIL



Gerard Ee Chairman, Charity Council

#### **CHAIRMAN'S MESSAGE**

It has been my honour to be the Chairman and to lead the 7th Charity Council who are committed to build a charity sector that is well-governed and trusted by members of the public. Over these two years, while we have encountered new challenges, such as COVID-19, I am heartened to observe charities have continued to strive to achieve good governance and transparency, and adapted to the new normal.

Good governance is central to gaining and retaining the public's trust. Since 2016, we have recognised 24 Governance Award and Special Commendation Award winners who have established the highest standards of governance. In 2019, we have also noted a significant increase in the number of charities receiving the Charity Transparency Awards, with 67 small, medium and large charities demonstrating good disclosure practices that help them to achieve transparency and good governance. I hope more charities are inspired by these winners and are motivated to achieve the same level of governance standards.

With the changing landscape of the charity sector and feedback from charities, the Council recognised the need to review the Charity Transparency Framework which charities have been referring to as a guide to improve their disclosure practices. Our Sub-Committee worked together with charities and relevant stakeholders to obtain your feedback and the framework has been refreshed and simplified to make it easier for charities to understand and apply. It has also been tiered into three categories based on charities' financial size and IPC status. It has also been aligned to the refined Code of Governance for Charities and IPCs issued in 2017. This revision serves towards our common goal to building a self-governing and self-sustaining charity sector. I urge charities to use the revised framework as a tool to assess themselves against identified good disclosures standards. Collectively, we can improve charities' transparency and accountability to their partners, donors, beneficiaries and the public.

When 2020 started, we have no idea of the journey which lay ahead. It has not been easy for charities, but I am encouraged to see the determination that charities have in continuing to serve and care for their beneficiaries. Thank you to all who have stepped up despite these challenges. The circumstances have also brought us opportunities to collaborate and develop new and creative programmes using digital tools to reach out to our stakeholders, donors and beneficiaries. On our end, we also took the opportunity to roll out webinars which have been well-received and had reached a wider audience than our previous physical meetings.

Lastly, I would like to extend my heartfelt appreciation to our partners and stakeholders who have helped in our events and codeveloped various toolkits for the charities. Their support and contribution have benefitted many and helped to strengthened governance and transparency in the sector. In particular, I would like to express my gratitude to Mrs Mildred Tan, Mr Sim Gim Guan and Dr Lee Tung Jean who have retired from the Council.

Together with the Commissioner of Charities, the Charity Council will continue to support charities along this meaningful journey to build a thriving and trusted charity sector.

### BACKGROUND

The Charity Council was first appointed on 1 March 2007 after the Charities Act was brought into operation. Each Council term has a duration of two years. The Council includes representatives from the people sector who are chosen for their expertise in accounting, corporate governance, management and law. They also volunteer and serve in various charity sectors. All members of the Charity Council do not receive remuneration.

The Charity Council aims to fulfil the following roles:

PROMOTER	Promote good governance standards and best practices, to enhance public confidence in the charity sector.
ENABLER	Build the governance capabilities of charities and IPCs to enable them to comply with regulatory requirements and be more accountable to the public.
ADVISOR	Advise the Commissioner of Charities (COC) on any question which he may refer to the Council in connection with the administration of the Charities Act ("the Act") and the objectives and functions of the COC under the Act.

A conflict of interest policy is in place to provide guidance to the Charity Council. All members of the Charity Council are required to complete a conflict of interest declaration form at the start of the Council term and to inform the Office of the Commissioner of Charities (via the Charity Council Secretariat) as and when there are changes to their interests. The declaration includes involvement and dealings with other corporates and charities. Members will abstain from participating in discussions or decision making where they have a conflicting interest.

### **7<sup>TH</sup> CHARITY COUNCIL**

(1 March 2019 - 28 February 2021)



Dr Gerard Ee Chairman Advisor Institute of Singapore Chartered Accountants

Representatives

Sector

eople

n.



Mr Han Fook Kwang Member Editor-At-Large The Straits Times



**Mr Rajan Krishnan** Member Chairman Hindu Advisory Board



Mr Seah Chin Siong<sup>1</sup> Member Chairperson National Volunteer & Philanthropy Centre



Ms Tan Li San<sup>2</sup> Member Chief Executive Officer National Council of Social Service



Dr Tan Wee Liang Member

Associate Professor Strategic Management, Singapore Management University



Mr David Wong Member Chairman Republic Polytechnic

Ms Peggy Yee Member Director PY Legal LLC



Mr Suhaimi Zainul Abidin Member Chief Executive Officer Quantedge Capital Pte Ltd

Sector Administrators



Dr Benjamin Koh Member

Deputy Secretary (Development) Ministry of Health



Mr Lim Boon Wee Member

Deputy Secretary (Services) Ministry of Education



Mr John Lim<sup>3</sup> Member

Second Deputy Secretary Ministry of Social and Family Development

1 Mr Seah Chin Siong was appointed as a Council member from 1 January 2021. Prior to Mr Seah, Mrs Mildred Tan served in the Charity Council from 1 April 2014 - 31 December 2020. 2 Ms Tan Li San was appointed as a Council member from 1 June 2020. Prior to Ms Tan, Mr Sim Gim Guan served in the Charity Council from 15 November 2013 - 31 May 2020. 3 Mr John Lim was appointed as a Sector Administrator Representative from 1 April 2019. Prior to Mr Lim, Dr Lee Tung Jean served in the Charity Council from 1 September 2015 to 31 March 2019.

### ATTENDANCE

SN	Charity Council Member	Date of Appointment	Attendance
1	Dr Gerard Ee	1 March 2015	7 out of 7
2	Mr Han Fook Kwang⁵	1 March 2017	4 out of 7
3	Mr Rajan Krishnan	1 March 2017	6 out of 7
4	Mr Seah Chin Siong <sup>1</sup>	1 January 2021	5 out of 7
5	Ms Tan Li San²	1 June 2020	4 out of 7
6	Dr Tan Wee Liang <sup>4</sup>	1 March 2015	4 out of 7
7	Mr David Wong	1 March 2015	5 out of 7
8	Ms Peggy Yee	1 March 2019	6 out of 7
9	Mr Suhaimi Zainul Abidin	1 March 2015	7 out of 7
10	Dr Benjamin Koh	1 August 2018	7 out of 7*
11	Mr Lim Boon Wee	1 May 2014	7 out of 7*
12	Mr John Lim <sup>3</sup>	1 April 2019	7 out of 7*

1 Mr Seah Chin Siong was appointed as a Council member from 1 January 2021. Prior to Mr Seah, Mrs Mildred Tan served in the Charity Council from 1 April 2014 – 31 December 2020.

2 Ms Tan Li San was appointed as a Council member from 1 June 2020. Prior to Ms Tan, Mr Sim Gim Guan served in the Charity Council from 15 November 2013 - 31 May 2020. While Mr Sim was unable to attend some meetings due to conflicting schedules, he has actively provided inputs to the Council's initiatives and served as a contributor and panellist for the CSDA's Book (Doing Good in Singapore).

3 Mr John Lim was appointed as a Sector Administrator Representative from 1 April 2019. Prior to Mr Lim, Dr Lee Tung Jean served in the Charity Council from 1 September 2015 to 31 March 2019.

4 While Dr Tan was unable to attend some meetings due to conflicting schedules, he has actively provided inputs to the Council's initiatives, contributed to the development of guides and served as a speaker at several learning events.

5 Although Mr Han was unable to attend some meetings due to conflicting schedules, he has contributed to the Council's blog and served as a panellist at the Charity Governance Conference 2020.

\*This includes attendance by a representative.

**66** Charities play a key role in our **civil society.** Together with your staff and volunteers, the work that you do benefits the most vulnerable segments of our society. Much of your work is critical to our national drive to build a more caring and inclusive Singapore. One that we will be proud to call home, and one where you want your children and their children to continue living in. **99** 

MR EDWIN TONG Minister For Culture, Community And Youth & Second Minister For Law



# $\mathbf{02}$

## OUR WORK & STATISTICS

### CALENDAR OF EVENTS

2019 - Q1 March		2019 - Q2 April - June		2019 - Q3 July - September		2019 - Q4 October – December
Start of 7th Charity Council ∞ IT Community Of Practice for Social	x	In Conversation with COC: Board Culture, Ethics and Governance	8	In Conversation with COC	8	Charity Governance Conference 2019
and Welfare Sector	x	Book Launch Event: Doing Good Better in Singapore			œ	Charity Transparency Awards And Governance Awards 2019
	8	Engagement session for Arts and Heritage charities				

### **CALENDAR OF EVENTS**

2020 - Q1 January - April - June March	2020 - Q3 July - September	2020 - Q4 October – December	2021 - Q1 January - February
<ul> <li>∞ In Conversation with C</li> <li>∞ IT Community Of Pract for Sports Sector</li> <li>∞ Charities Lean Forward Webinar - How to Conduct Virtual Genera Meeting</li> </ul>	on Digitalisation and Capabilities Building ∞ Charity Governance Conference 2020 ∞ Launch of Revised Charity Transparency Framework	<ul> <li>Emerging Stronger Conversation With Charities</li> <li>Charity Council &amp; Hindu Endowment Board Webinar On The Revised Charity Transparency Framework</li> </ul>	∞ Charities Lean Forward Webinar - Future Forward: Continuing the Work of your Charity



**66** Putting in place best practices in governance and transparency helps to secure public trust and confidence. Our leaders cannot afford to lose focus on good governance, proper accountability and transparency as these are critical foundations for building a sustainable and resilient organisation. By getting our governance right, we preserve our ability to continue the good work for the community and fulfil our mission over the long term. 99

> DR GERARD EE Chairman, Charity Council

### REVISED CHARITY TRANSPARENCY FRAMEWORK

The Charity Transparency Framework (CTF) with its Charity Disclosure Scorecard serve as a guide for charities to define their policy and approach to transparency, and to take active steps to improve charity transparency. Charities should use the CTF in conjunction with the Code of Governance for Charities and IPCs (Code of Governance).

### **REVISED CTF**

### THE CHARITY TRANSPARENCY FRAMEWORK



Launched in 2015, the Charity Transparency Framework (CTF) aims to improve transparency and accountability in the charity sector. In 2016, the inaugural Charity Transparency Awards was held to recognise charities with good disclosure practices based on the CTF.

In 2019, the Charity Council recognised the need to review the framework and to assess its relevance to charities' and donors' changing needs. The revised framework is refreshed and simplified to make it easier for charities to understand and apply. The CTF with its Charity Disclosure Scorecard is tiered into three categories, in accordance to the financial sizes and IPC status of charities. This is to align to the 2017 refined Code of Governance. The review was done in consultation with charities, grant-makers, and Sector Administrators.

#### The revised CTF was issued in November 2020.

For charities to assess themselves against identified good disclosure standards. For charities and the public to understand the key areas of disclosure that will aid in safer giving. Boost public confidence in the charity sector by setting standards of transparency for charities.

Public (

### **CTF Review Sub-Committee**

A Sub-Committee was formed under the purview of the 7th Charity Council in January 2019. Headed by Mr Suhaimi Zainul-Abidin, the Sub-Committee comprised of 6 members.













**Prof Foo See Liang** 

Advisor

Mr Suhaimi Zainul- Abidin	Ms Goh Puay Cheh	Ms May Loh	Dr Shawn Lum	Ms Yap Su-Yin
Sub-committee Chairperson	Member	Member	Member	Member
Charity Council Member	Executive Director, The Institute of Internal Auditors Singapore	Committee Member, Securities Investors Association (Singapore)	President, Nature Society (Singapore)	CEO, The Tan Chin Tuan Foundation

Associate Professor of Accounting (Practice), Singapore Management University

### **REVISED CTF**



#### **KEY AREAS OF DISCLOSURE**

In alignment with the Code of Governance, the Charity Disclosure Scorecard covers 9 key areas of disclosure as shown in diagram here.

These 9 areas of disclosure will give the public a meaningful understanding of a charity's work and how well it is managed and governed, so that they can make informed decisions on which charities to support. More details on each area can be found in the Charity Disclosure Scorecard.

#### **TIERED CHARITY DISCLOSURE SCORECARD**

Recognising that our charities differ greatly in size and needs, the CTF with its Charity Disclosure Scorecard was re-designed as a more intuitive framework for charities of different tiers. The Charity Disclosure Scorecard was tiered into three categories, similar to the Code of Governance, in accordance to the financial sizes and IPC status of charities. The three categories are, 'Basic', 'Intermediate', and 'Enhanced + Advanced'. With this change, the Charity Disclosure Scorecard will be less onerous for small charities whilst holding larger charities and IPCs to higher disclosure and governance standards.

Details of the categorisation are detailed in Table 1 as follows:

APPLICABLE TIER	CHARITIES	IPCS
Basic (Small Category)	√ Gross annual receipts or total expenditure from \$50,000 to less than \$500,000	√ Not applicable
Intermediate (Medium Category)	√ Gross annual receipts or total expenditure from \$500,000 to less than \$10 million	√ IPCs with gross annual receipts or total expenditure of less than \$500,000
Enhanced + Advanced (Large Category)	√ Gross annual receipts or total expenditure from \$10 million or more	√ IPCs with gross annual receipts or total expenditure from \$500,000 to \$10 million or more

Table 1

### **CHARITY GOVERNANCE CONFERENCES**

The annual Charity Council's Charity Governance Conference, jointly organised with Securities Investors Association (Singapore) (SIAS), aspires to bring charities and corporates together to uplift their governance practices.

### **CHARITY GOVERNANCE CONFERENCE 2019**

#### 1 October 2019, Furama Riverfront | Theme: "Future Proofing Charities"

The Conference was graced by Ms Grace Fu, former Minister for Culture, Community and Youth and had received a good attendance of 320 participants, of which 253 participants are representatives from 128 charity organisations, the other 67 are guests and corporate organisations.



(L-R): Mr David Gerald, Founder, President & CEO, SIAS; Dr Gerard Ee, Chairman, Charity Council; Ms Grace Fu, former Minister for Culture, Community and Youth

The first topic, "Building Trust", was shared by Dr Gerard Ee, Chairman of Charity Council. He highlighted that good governance practices should be part of a charity's DNA and the three pillars of good governance are – transparency, accountability and sustainability. After his sharing, the panel discussed on the challenges that charities might face and shared on the various measures for mitigation and solutioning as a charity sector.



The second topic, "Capability Building in Charities" was presented by Dr Fermin Diez, Deputy CEO & Group Director, Human Capital and Organisation Development, National Council for Social Service. He shared his insights on the commitment of in-service professionals in the social service sector, linking to top three factors such as Growth and Learning, Job-related factors and Passion. The panel agreed with Dr Diez and encouraged the charities to take a step forward to building their capabilities as it is correlated to sustainability of the charity.

The conference concluded with two Governance workshops.

Workshop 1: Technology and Cybersecurity Workshop 2: Internal Auditors – Eyes and Ears for the Board

### **CHARITY GOVERNANCE CONFERENCE 2020**

#### 23 - 24 September 2020, Webinar | Theme: "Governance for Leadership - Sustainability for a Resilient Future"



(L-R): Mr Edwin Tong, Minister for Culture, Community and Youth & Second Minister For Law; Mr David Gerald, Founder, President & CEO, SIAS; Dr Ang Hak Seng, former Commissioner of Charities; Dr Gerard Ee, Chairman, Charity Council

The conference was held virtually for the first time and was graced by Mr Edwin Tong, Minister for Culture, Community and Youth & Second Minister For Law. It attracted an overwhelming attendance of 559 participants, of which 491 participants are representatives from 282 charity organisations. The other 68 are guests and corporate organisations.

A Memorandum of Understanding (MOU) was also signed between the Commissioner of Charities with four new shared services partners<sup>6</sup> who are committed to aid and support charities at low to no cost. These partners offer finance, legal and compliance expertise to guide charities in achieving good governance.



The first topic, "Non-Profit Organisation (NPO) Sustainability in Times of Crisis", was shared by Ms Melissa Kwee, CEO, NVPC. Ms Kwee shared that NPOs should consider the following 4Rs – Relationships, Risk Management as part of Resilience, Reflection & Review and Renewal of the Board, to be sustainable in times of crisis. A panel discussion followed which deep dived into the challenges that charities may face in achieving a strategic Board during a crisis.

The second topic, "Setting Good Transparency and Disclosure Practices in Charities", was presented by Mr Suhaimi Zainul Abidin, Member, Charity Council. Mr Suhaimi emphasized the importance of charities being transparent and accountable in their operations, and shared on the Revised Charity Transparency Framework which charities can refer to as a guide and/or use as a toolkit to improve their disclosure practices. The framework was reviewed on its relevance and applicability for charities and aligned to the refined Code of Governance for Charities and IPCs issued in 2017. A panel discussion followed, encouraging charities to focus on adopting the best transparency and accountability practices.

The conference concluded with three Governance workshops.

Workshop 1: Remote Management to Secure Business Continuity Workshop 2: The Ethics and Regulations of Fund-Raising Workshop 3: Managing Conflicts of Interest

### CHARITY TRANSPARENCY AWARDS AND GOVERNANCE AWARDS

The Charity Transparency Awards (CTA) was introduced in 2016 to recognise charities with good disclosure practices, with reference to the Charity Transparency Framework (CTF).

The Charity Governance Awards (CGA) was first launched in 2012. The CGA acknowledges charities with the highest standards of governance and aims to inspire other charities to emulate their best practices. The awards also confer charities with exemplary practices in selected areas of governance with the Special Commendation Awards (SCA). With effect from 2015, only CTA winners will be eligible to compete for the CGA.

Note: The Charity Transparency and Governance Awards is taking a hiatus in 2020 due to the revision of the Charity Transparency Framework and COVID-19 pandemic. Charities will be informed on how they can participate once it is resumed.

### CHARITY TRANSPARENCY AWARDS AND GOVERNANCE AWARDS 2019

#### 3 December 2019, One Farrer Hotel

67 charities from the small, medium and large categories received the CTA for their good disclosure practices. The number of charities recognised for the CTA saw an increase of 20 compared to the previous year, and the highest since the awards were introduced in 2016. Amongst them, 3 charities received CGA for governance excellence and 4 charities were awarded the SCA for their exemplary performance in areas of governance.



Dr Ang Hak Seng, former Commissioner of Charities

The awards ceremony was graced by Ms Grace Fu, former Minister for Culture, Community and Youth at One Farrer Hotel. 300 guests from both charitable and noncharitable organisations attended the night of celebrations.

The Charity Council partnered Singapore Management University's School of Accountancy to conduct an independent assessment for the awards. For 2019's assessment, it was subsequently validated by the Institute of Internal Auditors (Singapore). Shortlisted winners of the CTA were invited to participate in the CGA assessment, co-developed with Ernst & Young, followed by an interview session with a panel of judges.



#### **CTA and CGA Judging Panel**

(L-R): Mr Robson Lee, Partner, Gibson, Dunn & Crutcher LLP; Mr Tay Woon Teck, Managing Director, RSM Risk Advisory; Dr Gerard Ee, Charity Council Chairman; Mr R. Dhinakaran, Managing Director, Jay Gee Melwani Group of Companies; Ms Angeline Chin, Head of Global Community Impact Asia Pacific, Johnson and Johnson; Mr Neo Sing Hwee, Managing Director, Head of Operations System & Control, Mapletree Investment Pte Ltd).

### **CHARITY TRANSPARENCY AWARDS 2019**

#### **CHARITY TRANSPARENCY AWARDS (CTA) 2019 WINNERS**

Small Charities	Medium Charities	Large Charities	
<ol> <li>Art Outreach Singapore Limited</li> <li>Children's Wishing Well</li> <li>Clarity Singapore Limited</li> <li>Filos Community Services Ltd</li> <li>Haemophilia Society of Singapore</li> <li>Lycee Francais Development Fund</li> <li>Mindset Care Limited</li> <li>Nature Society (Singapore)</li> <li>O'Joy Care Services</li> <li>Silver Ribbon (Singapore)</li> <li>Touch International Ltd.</li> <li>Triathlon Association of Singapore</li> <li>Volleyball Association of Singapore</li> <li>Wildlife Reserves Singapore Conservation Fund</li> <li>Woodbridge Hospital Charity Fund</li> </ol>	<ol> <li>ARC Children's Centre Co Limited</li> <li>Bright Hill Evergreen Home</li> <li>Caregivers Alliance Limited</li> <li>Club Rainbow (Singapore)</li> <li>Home Nursing Foundation</li> <li>New Hope Community Services</li> <li>Riding for the Disabled Association of Singapore</li> <li>RSVP Singapore The Organisation of Senior Volunteers</li> <li>Shared Services for Charities Limited</li> <li>Singapore Association for Mental Health</li> <li>Singapore Sailing Federation</li> <li>Singapore Swimming Association</li> <li>St. John's Home For Elderly Persons</li> <li>The Substation Ltd</li> <li>Touch Family Services</li> <li>Yellow Ribbon Fund</li> </ol>	<ol> <li>AMKFSC Community Services Ltd</li> <li>Asian Women's Welfare Association</li> <li>Assisi Hospice</li> <li>Association of Muslim Professionals</li> <li>Care Corner Singapore Ltd</li> <li>Caritas Singapore Community Council Limited</li> <li>Catholic Welfare Services, Singapore</li> <li>CRU Asia Limited</li> <li>Dover Park Hospice</li> <li>Dyslexia Association of Singapore</li> <li>Gardens by the Bay</li> <li>HCA Hospice Care</li> <li>Lions Home for the Elders</li> <li>Methodist Welfare Services</li> <li>Metta Welfare Association</li> <li>Movement for the Intellectually Disabled of Singapore (MINDS)</li> <li>Nanyang Academy of Fine Arts</li> <li>National Volunteer and Philanthropy Centre</li> <li>NTUC-U Care Fund</li> </ol>	<ol> <li>Ren Ci Hospital</li> <li>SATA CommHealth</li> <li>Singapore Anglican Community Services</li> <li>Singapore Cancer Society</li> <li>Singapore Children's Society</li> <li>Singapore Institute of Technology</li> <li>SPD</li> <li>Sree Narayana Mission (Singapore)</li> <li>The Community Foundation of Singapore</li> <li>The Esplanade Co Limited</li> <li>The National Kidney Foundation</li> <li>Touch Community Services Limited</li> <li>Young Men's Christian Association of Singapore</li> <li>Young Women's Christian Association of Singapore</li> </ol>

### **CHARITY GOVERNANCE AWARDS 2019**

#### **CHARITY GOVERNANCE AWARDS (CGA) 2019 WINNERS**

Mr Robson Lee, Mr Ang Hao Yao and the Chartered Institute of Management Accountants (CIMA) have kindly contributed to the prize money of CGA winners. Each of the three CGA winners received a plaque and cash prize of \$10,000.



Small Charity Winner -Silver Ribbon (Singapore)

Singaporeans, by and large, are very compassionate people as shown by the increasingly huge amounts of money donated to charities each year. Singaporeans instinctively trust our charities because they know that the Singapore Government demands strict compliance of charity laws, ensure incorruptibility, honesty and integrity of all charitable organizations, their board and staff. Donations received will usually be used for the needy and are properly accounted for through robust and regular auditing.

Hence, it is critical for small charities like us with limited resources to self-regulate, to maintain high integrity and competence while we carry out our mission to benefit our targeted group. We will always stay vigilant, relevant and transparent as a trusted charity.



Medium Charity Winner -Caregivers Alliance Limited

Caregiving is a long journey, but we want to walk every step of the way alongside caregivers. Together with a compassionate Board of Directors, committed staff and volunteers, and caring partners, we can build a community that makes a difference.



### Large Charity Winner – **Assisi Hospice**

Good governance is the foundation for Assisi Hospice to achieve excellent standards in how we deliver palliative care to our community. This can only be done if there is full alignment between board and management in understanding our mission, as well as our strengths and weaknesses.

Underscoring this is the deep sense of mutual respect which the board and management has for each other and the recognition of each other's roles.

- Ms Ellen Lee, JP, PBM, President

### **CHARITY GOVERNANCE AWARDS 2019**

#### **SPECIAL COMMENDATION AWARDS (SCA) 2019 WINNERS**

The four SCA winners also each received a plaque to recognise their good performance in specific areas of governance.



#### Operational Efficiency -O'Joy Care Services

#### Operational Efficiency -ARC Children's Centre Co Limited

Mr Choo Jin Kiat, Executive Director, O'Joy Care Services/O'Joy Limited Dr Rita Yeoh, Chairman, ARC Children's Centre Co Limited

#### Clarity of Strategy -Viriya Community Services

Ms Evelyn Lai, Executive Director, Viriya Community Services Governance & Management -The Community Foundation of Singapore

Ms Catherine Loh, Chief Executive Officer, The Community Foundation of Singapore

### **OTHER LEARNING EVENTS**

### **COMMUNITY OF PRACTICE**

The Community of Practice (COP) is a platform for charities to come together to learn from one another on the implementation of various management practices. It is a safe space to encourage discussion about the challenges faced in the charity sub-sectors, as well as to co-create solutions for common challenges.

In 2019, the Charity Council partnered with RSM Singapore to organise IT COP to help charities to understand the digital transformation process and to better utilise the different digital tools that charities may adopt to improve their cybersecurity and to protect their stakeholders' data.





**Organised 2 sessions** 



Outreached to 27 Social & Welfare organisations Outreached to 17 Sports organisations



### **WEBINARS**

#### **CHARITIES LEAN FORWARD WEBINAR SERIES**

The Commissioner of Charities (COC) and Charity Council, along with partners, organise regular webinars on topics relevant to our charities. These webinars are designed to help our charities to gain new tips and latest insights to strengthen their capabilities and enable them to operate more effectively. Council Member Dr Tan Wee Liang presented on how to conduct a virtual Annual General Meetings, and Council Chairman Dr Gerard Ee and Council Member Mr David Wong being panelists for the webinar on Future Forward: Continuing the work of your charity.

The webinar recordings are uploaded to the <u>Charity Council's</u> <u>YouTube Channel</u> for charities to watch again and share with their stakeholders.





### VWOS-CHARITIES CAPABILITY FUND (VCF)

The VWOs-Charities Capability Fund (VCF) was introduced since April 2007, and it aims to enhance the governance and management capabilities of charities through 4 grants, as outlined in the table below. In 2017, it was renewed with \$9.65 million for another 5 years till 31 March 2022. To further support charities due to COVID-19, an additional sum of \$3.85 million was topped up to VCF. The scope of VCF has been widened to make its grants more comprehensive in coverage. Support is also prioritised for small and medium charities that have less resources.

TRAINING GRANT	<ul> <li>\$3.61 million utilised</li> <li>Provides co-funding for local training courses to help charities comply with regulatory requirements and build good governance standards.</li> </ul>	
CONSULTANCY GRANT	<ul> <li>\$2.23 million utilised</li> <li>Provides co-funding for the engagement of external consultants for governance and management consultancy projects.</li> </ul>	
SHARED SERVICES GRANT	<ul> <li>\$281,000 utilised</li> <li>Provides co-funding for charities which outsource their payroll, finance &amp; accounting functions to a third-party service provider.</li> </ul>	
INFO-COMMUNICATIONS TECHNOLOGY GRANT	<ul> <li>\$947,000 utilised</li> <li>Provides co-funding for Small and Medium charities to harness ICT to facilitate the submission of returns and transactions on the Charity Portal.</li> </ul>	

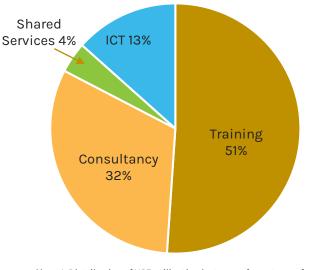


Chart 1: Distribution of VCF utilisation by types of grants as of November 2020

Between 1 April 2017 to November 2020, more than 500 charities/IPCs have tapped on VCF and more than \$7 million of the funds were utilised, with training grant being the most heavily utilised.

### **COMPLIANCE WITH GEC** - CODE OF GOVERNANCE

The Governance Evaluation Checklist (GEC) is designed to help charities and Institutions of a Public Character (IPCs) self-evaluate the extent they have complied with essential guidelines in the Code of Governance for Charities and IPCs (Code) launched by the Charity Council. It is also a platform for charities and IPCs to demonstrate their accountability and transparency to stakeholders and the general public.

Charities with gross annual receipts or total expenditure less than \$50,000, or exempt charity/self-funded grantmaker which is not an IPC, are excluded from the submission of the GEC. However, these charities are still strongly encouraged to refer to the Code and apply the principles.

#### BASIC

• Charities with gross annual receipts or total expenditure from \$50,000 to less than \$500,000

#### INTERMEDIATE

- Charities with gross annual receipts or total expenditure from \$500,000 to less than \$10 million
- IPCs with gross annual receipts or total expenditure of less than \$500,000

#### **ENHANCED**

- Large charities with gross annual receipts or total expenditure of \$10 million or more
- IPCs with gross annual receipts or total expenditure from \$500,000 to less than \$10 million

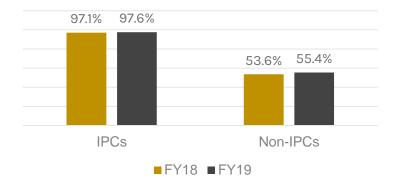
#### ADVANCED

• Large IPCs with gross annual receipts or total expenditure of \$10 million or more

IPCs are exempt or registered charities which are able to issue tax deductible receipts for qualifying donations to donors. Hence, IPCs are generally more appealing to donors in attracting donations and they are rightfully held to a higher standard in terms of regulatory compliance and governance.

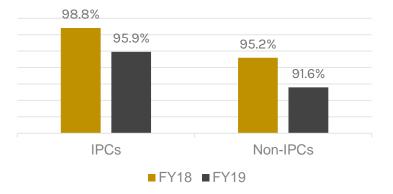
### COMPLIANCE WITH CODE OF GOVERNANCE

### Chart 1: Percentage of IPCs and Non- IPCs which submitted their GEC in FY2018 and FY2019



There is an overall improvement in the percentage of IPCs and Non-IPCs that have submitted their GECs in FY2019 as compared to FY2018. A higher percentage of IPCs submitted their GECs as compared to Non-IPCs. The Charity Council is heartened by the charity sector's progress towards better disclosure and will work together with the Commissioner of Charities to encourage more Non-IPCs to submit their GECs.

### Chart 2: Percentage of IPCs and Non- IPCs which met the minimum 80% benchmark for GEC in FY2018 and FY2019



Amongst the IPCs and Non-IPCs which have submitted their GECs, more than 98% of IPCs and 95% of Non-IPCs met at least 80% of the GEC requirements in FY2018, with a slight decrease in FY2019. The Charity Council urges all charities to continue to apply the principles in the refined Code and will continue to support all charities towards achieving governance excellence.

Charities are not alone on this journey. The Commissioner of Charities & the Charity Council will continue to support & promote growth of the charity sector. Together, we can achieve a well-governed and thriving charity sector. 99





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