

## Disclosure of Overseas Expenditure, Capital Outlay and Overseas Remittance of Funds as Agents – Glossary

S/N	Type	Explanation
<b>Overseas expenditure</b>		
1	Donations to overseas beneficiaries	<p>Donations comprise cash and in-kind donations:</p> <ul style="list-style-type: none"> <li>• Donations in cash are cash donations that include cash, cheques, drafts, postal orders and any monetary instruments received by the organisations without any conferment of benefit in return to the donors.</li> <li>• Donations in-kind are donations or gifts other than cash, where the value can be estimated with sufficient reliability. The amount recorded should be a reasonable estimate of the gross open market rate for an equivalent item. If the in-kind donation is a fixed asset, ownership of the asset must pass to the recipient to qualify as a donation.</li> </ul> <p><u>Examples:</u></p> <p>a) Cash donations should <b>exclude</b> bursaries and scholarships, which should be disclosed under a separate category.</p> <p>b) In-kind donations include non-cash items such as shares, computers, furniture, equipment, gift vouchers etc.</p>
2	Sponsorship	<p>Sponsorships are cash or in-kind support given to third parties, to support an event, activity, person or organisation financially or through the provision of products or services. The sponsorship may be given with conditions attached, or for the purpose of obtaining commercial incentive/benefit.</p> <p>Sponsorship expenses for services consumed or incurred outside Singapore will need to be disclosed.</p>

S/N	Type	Explanation
		<p><u>Examples:</u> Items for charity auction, prizes for lucky draws, cost of charitable programmes/activities/projects</p>
3	Love gifts to affiliated charities or third parties	<p>Love gifts are voluntary monetary payments made to third parties, usually not in return for services rendered. It should be spontaneous in nature and not be solicited.</p> <p>It also includes honorariums made to third parties which are usually payments made in appreciation for services rendered.</p> <p><u>Examples:</u> Honorarium given to an individual/religious leader to conduct an overseas seminar/religious service.</p>
4	Missions expenses	<p>Mission trips are usually undertaken by members of religious charities who travel to a location outside Singapore to volunteer their efforts in completing a helpful community project while spreading their religious beliefs.</p> <p>Mission expenses are expenditure and financial support relating to mission work conducted outside Singapore, such as programme logistics and project costs.</p> <p>These <b>exclude</b> overseas support costs such as salaries, per diem allowances, airfare, accommodation, transport, meals and telecommunication expenses, which should be disclosed under separate categories.</p>
5	Humanitarian relief expenses	<p>Humanitarian aid/assistance/relief is generally accepted to mean the aid and action designed to alleviate suffering and maintain and protect human dignity during and in the aftermath of natural disasters or man-made crises.</p> <p>These <b>exclude</b> overseas support costs such as salaries, per diem allowances, airfare,</p>

S/N	Type	Explanation
		<p>accommodation, transport, meals and telecommunication expenses, which should be disclosed under separate categories.</p> <p><u>Examples:</u></p> <p>a) Infrastructure support such as construction/reconstruction projects.</p> <p>b) Direct assistance such as food/water/relief/medical supplies, job creation programmes.</p> <p>c) Indirect assistance such as sending funds raised through another organisation/charity in support of an overseas humanitarian cause</p>
6	Disaster relief expenses	<p>Disaster relief is the process of responding to a catastrophic situation to save lives, provide assistance/aid to communities who have suffered from some form of natural or man-made disasters, such as earthquakes, floods, typhoons, droughts, civil conflicts/war.</p> <p>These <b>exclude</b> overseas support costs such as salaries, per diem allowances, airfare, accommodation, transport, meals and telecommunication expenses, which should be disclosed under separate categories.</p> <p><u>Examples:</u></p> <p>a) Infrastructure support such as reconstruction projects to build homes/sanitation/community facilities for displaced persons after a disaster.</p> <p>b) Direct assistance such as food/water/relief/medical supplies, search and rescue operations.</p>
7	Overseas community projects	<p>Overseas community projects are programmes/community services/service learning/volunteer work to benefit communities overseas. These include projects to improve occupational skills, sharing/promoting knowledge about health/nutrition/sanitation and provision of services such as improvements/construction/reconstruction projects.</p>

S/N	Type	Explanation
		<p>These <b>exclude</b> overseas support costs such as salaries, per diem allowances, airfare, accommodation, transport, meals and telecommunication expenses, which should be disclosed under separate categories.</p> <p><u>Examples of overseas community projects:</u></p> <p>a) Overseas community projects to improve housing and sanitation facilities.</p> <p>b) Educational institutions' service learning community projects conducted outside Singapore.</p> <p>c) Volunteering initiative/programmes targeted to benefit overseas communities.</p>
8	Overseas staff cost (employees/missionaries stationed overseas)	<p>These include salaries, bonuses, commission, allowances and benefits-in-kind given to staff who carry out any work/services/mission work outside Singapore. These employees/staff are primarily based outside Singapore.</p> <p>Note: The mode of payment is not a relevant consideration, ie whether the salaries are paid to a Singapore or overseas bank account of the paid staff, or through an intermediary.</p>
9	Others	<p>This includes any expenditure items which do not fall within any of the earlier classifications. It may refer to expenditure incurred for the general running of the overseas programmes/charitable activities of Charities/IPC's. Such expenses may include and are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Advertisements</li> <li>• Entertainment</li> <li>• Freight and transportation</li> <li>• Insurance</li> <li>• Legal fees</li> <li>• Maintenance (land and building/equipment/vehicles)</li> <li>• Recruitment</li> </ul>

S/N	Type	Explanation
		<ul style="list-style-type: none"> <li>• Rental (premises/equipment)</li> <li>• Telecommunications</li> <li>• Utilities</li> </ul> <p>The quantum of financial resources applied overseas as well as the list of countries in which the overseas beneficiaries and partners are located need to be separately disclosed.</p>
<b>Overseas expenditure exempted from detailed reporting</b>		
1	Overseas retreats/seminars/courses/conferences/training programmes	This includes retreats organised for staff and volunteers, church camps, seminars, courses, all forms of training, internships, conferences, symposiums, forums, meetings which take place outside Singapore.
2	Overseas pilgrimage tours	Long journey/quest of religious significance to a sacred place, as an act of devotion. This includes pilgrimage tours organised for members, volunteers, beneficiaries and other stakeholders.
3	Overseas performances	This includes performances, concerts, musicals, shows held outside Singapore.
4	Overseas competitions	This includes competitions, matches, tournaments, championships organised at the national, regional or international level held outside Singapore.
5	Overseas exchange programmes/scholarships	Exchange/immersion programs allow beneficiaries/students/volunteers/staff the opportunity to study/volunteer/work in a different country and environment to experience the history, culture, education and unique attributes of the country.
6	Overseas travel/accommodation/allowances	This includes cost of air tickets (includes other modes for sea and land travel which takes a person out of Singapore), visas, travel insurance, accommodation and travel-related allowances (e.g. warm clothing allowance, subsistence allowances and per diem)

S/N	Type	Explanation
<b>Capital Outlay Remitted Overseas</b>		
1	Capital injections into overseas subsidiaries/associated companies	Capital injections into overseas subsidiaries/associated companies refer to cash/equity outflows made into an overseas company, in exchange for an equity stake in the overseas company.
2	Overseas investments	<p>Investments are assets held by Charities/IPC's for the accretion of wealth through distribution (such as interest, dividends and rental) or for capital appreciation.</p> <p>Overseas investments include those where the injection of funds are made outside Singapore.</p> <p>The disclosure should include that of both long-term and current overseas investments. Investment portfolios which are managed by a local fund-manager (which may comprise a basket of local and overseas instruments) are not considered overseas investments for the purpose of disclosure.</p>
3	Purchase of immovable properties located overseas	Immovable properties include land, buildings and other immovable assets held primarily for the use of the operations of Charities/IPC's.
4	Loans to related or third parties located overseas	This refers to long-term and short-term loans extended to related or third parties (individuals or organisations), interest-bearing or otherwise, which are based outside Singapore.
5	Building of overseas infrastructure, property, building etc	This includes building and related costs of assets which are/will be constructed overseas. These include interest costs of loans which are capitalised as part of the construction costs.

S/N	Type	Explanation
<b>Remittance of funds as agents</b>		
1	Remittance of Funds Received as Agents or Trustee of Another Charity	This refers to the remittance of funds received by a charity which do not belong to the charity, for instance, where the charity receives the funds in circumstances where the charity, acting as agent or trustee of another charity, is legally bound to pay them over to a specified third party/the beneficiary charity and has no legal responsibility for ensuring the charitable application of the funds. In these circumstances, the charity that receives the funds as an agent or trustee would not recognise the funds received as income in the Statement of Financial Activities (refer to Charities Accounting Standard paragraph 75).