COMMISSIONER OF CHARITIES
ANNUAL REPORT

For the year ended 31 December 2017
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Message from the Commissioner

It is the time of the year when I reflect on the work which my Office has accomplished in nurturing a well-governed and thriving charity sector. 2017 has been an eventful year as my team began to shift from a largely regulatory approach to that of co-regulation, in partnership with all stakeholders in the charity ecosystem.

A thriving charity sector is like a house with a strong foundation. In today’s dynamic environment, with new modes and platforms of giving, we want to enable and empower charities to build strong foundations of good governance and accountability. We do this through initiatives such as the provision of shared services, increasing public education efforts on safer giving, and strengthening our charity regulatory framework. Together, we can continue to uphold public support for charitable causes, and confidence in the good work of our charities.
In 2017, tax-deductible donations bounced back by $186.3 million after a decline in 2016. I am heartened by this as I know it was made possible by growing support from the public for local charitable causes, and confidence in the good work of our charities.

To continue sustaining this confidence, a robust and balanced regulatory framework for the sector is key. Following the review of the Charities Act and the passing of Charities Act (Amendment) Bill, amendments will be progressively brought into effect. The Charities (Institutions of a Public Character) Regulations will be revised to enhance the accountability of the IPCs, and new regulations will be introduced for the electronic filing of annual submissions. These revisions will help to enhance transparency and make more information available to the public, to better safeguard both charities and donors.

At the same time, we understand that some charities, in particular smaller ones, face manpower and resource constraints. My team and I are here to help charities on their journey of good governance. We have collaborated with umbrella bodies and partner agencies to offer shared services for charities in the preparation and submission of their annual returns electronically. These include regular training sessions and walk-in clinics on common areas of concern, as well as toolkits, enablers and various learning initiatives to help in the adoption of the revised Code of Governance, following its launch in April 2017. We recently also introduced the Visibility Guide to aid charities in communicating information to donors more effectively. In addition, we will be streamlining current reporting requirements, to make this process less onerous.

While we are all working hard on strengthening our governance capabilities, these efforts alone would not be sufficient without support from the public. With advancement in technology more donors are turning to online giving, and to create a safe giving space, we have pro-actively reached out to the major crowdfunding platforms to co-develop a Code of Practice. This Code sets out recommended practices to ensure legitimacy, accountability and transparency of online charitable appeals. Public education efforts have also been stepped up to remind fund-raisers of their regulatory obligations, and a nationwide Safer Giving Campaign was launched to educate donors.
to Ask and Check before they Give, so that donations go to legitimate charities and genuine needs, ensuring positive impact in the community.

Through this multi-pronged and shared-ownership approach, we will bring about greater commitment not only to safeguard the charity sector, but to enable it to flourish and thrive.

It will certainly be another busy year ahead as we work hand-in-hand in the pursuit of a well-governed and thriving charity sector with strong public support. I assure you that we will walk this journey with you.

*Dr Ang Hak Seng*

*Commissioner of Charities*

*November 2018*
2017 AT A GLANCE

$16.6 billion
Total annual receipts in FY 2016

$2.9 billion
Total donations in FY 2016

39
Number of newly registered charities

666
Number of approved IPC

$1,051.9 million
Total Tax-deductible donations

$9.3 million
VWO-Charities Capability Fund used to support the charity sector in FY2012 to FY2016.

REGULATORY MILESTONE
Charities (Amendment) Act 2018

143
Reviews & Investigations

KEY OUTREACH INITIATIVE
Code of Practice for Online Charitable Fund-raising
A SHARED VISION

A well-governed and thriving charity sector with strong public support
Shared Vision and Strategies

Our vision is to develop a well-governed and thriving charity sector with strong public support. To achieve our shared vision, we work closely together with the Charity Council\(^1\) and the Sector Administrators from the respective agencies, to implement initiatives based on the three key strategies outlined below.

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\(^1\) The Charity Council was legally appointed on 1 March 2007 after the new Charities Act was brought into operation. The Council comprises 9 members from the people sector and 5 representatives from the Sector Administrators, and aims to fulfill the following roles:

- **Promote and encourage the adoption of good governance and best practices, to help enhance public confidence and promote self-regulation in the charity sector**
- **Build capabilities of charities so that they are able to comply with regulatory requirements and enhance public accountability**
- **Advise the Commissioner of Charities on key regulatory issues which may have broad-ranging impact on the charity sector**
CHARITY STATISTICS
CHARITIES

In 2017, there were 2,263 registered charities in Singapore, a small increase over 2,247\(^2\) in 2016. There were 39 new charities registered and 23 charities de-registered over the year. Organisations established for exclusively charitable purposes and carrying out activities to achieve these purposes are legally required to apply for charity registration with the Commissioner of Charities. All registered charities are eligible for income and property tax exemption on premises used exclusively for charitable purposes. We recognise the following categories of charitable purposes:

a) relief of poverty;

b) advancement of education;

c) advancement of religion; and

d) other purposes beneficial to the community. The following purposes are potentially charitable if they benefit the community:

   i. promotion of health;

   ii. advancement of citizenship or community development;

   iii. advancement of arts, heritage or science;

   iv. advancement of environmental protection or improvement;

   v. relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantages;

   vi. advancement of animal welfare; and

   vii. advancement of sport, where the sport promotes health through physical skill and exertion.

\(^2\) This figure excludes exempt charities.

\(^3\) The figure includes the Institutions of a Public Character (IPCs)
2. Religious and social & welfare organisations continued to comprise the majority of registered charities in Singapore, accounting for about two-thirds (65.1%) of all registered charities in 2017 (Table 1).

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total Registered</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religious</td>
<td>1,074</td>
<td>47.5%</td>
</tr>
<tr>
<td>Social &amp; Welfare</td>
<td>399</td>
<td>17.6%</td>
</tr>
<tr>
<td>Arts &amp; Heritage</td>
<td>146</td>
<td>6.4%</td>
</tr>
<tr>
<td>Health</td>
<td>141</td>
<td>6.2%</td>
</tr>
<tr>
<td>Education</td>
<td>126</td>
<td>5.6%</td>
</tr>
<tr>
<td>Community</td>
<td>90</td>
<td>4.0%</td>
</tr>
<tr>
<td>Sports</td>
<td>70</td>
<td>3.1%</td>
</tr>
<tr>
<td>Others(^5)</td>
<td>217</td>
<td>9.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,263</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

3. While almost half of the registered charities are relatively small – i.e. annual receipts (which included donations, government grants, fees and charges for services rendered) of less than $250,000 - we note that the general trend shows that the annual receipts of registered charities have been steadily growing.

\(^4\) This figure is net of charities deregistered in the year.

\(^5\) Charities under “Others” sector include charities set up for animal welfare, environment conservation and youth development
Annual Receipts

4. In 2016, the charity sector received $16.6 billion in annual receipts, which include government grants, donations as well as fees and charges. This amount rose slightly by $0.2 billion from $16.4 billion in 2015. The education cluster received $9.5 billion in 2016, which accounted for three-fifths (57.0%) of the year’s total receipts.

5. There were 185 large charities with annual receipts above $10 million in 2016, a small increase from the 179 large charities in 2015. These comprised mainly tertiary education institutions, health institutions and the larger religious and voluntary welfare organizations, and accounted for 87.1% of all annual receipts of charities in 2016. Conversely, small charities with annual receipts of less than $500,000 accounted for less than 1.0% of annual receipts despite their significant numbers in the sector (Chart 1).

Chart 1: Annual Receipts by Size of Charities, 2012 – 2016

6 Figures are computed based on the annual returns submitted for financial years ending in 2016. It is a regulatory requirement for charities to submit their annual returns within 6 months of the close of their financial year. The financial periods of charities may vary, depending on the operational needs of the organisations.
6. Charities attracted approximately $2.9 billion (or 17.3% of annual receipts) in
donations (both tax deductible and non-tax deductible) in 2016. Charities in the
religious sector received the highest proportion of their receipts from donations,
while charities in the education sector received the highest proportion of their
receipts from government grants (Chart 2).

**Chart 2: Annual Receipts by Source\(^7\) and Sector\(^8\), 2016**

<table>
<thead>
<tr>
<th>Source</th>
<th>Arts &amp; Heritage</th>
<th>Social &amp; Welfare</th>
<th>Health</th>
<th>Education</th>
<th>Community</th>
<th>Sports</th>
<th>Religious</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>173.0</td>
<td>475.9</td>
<td>350.1</td>
<td>466.4</td>
<td>34.4</td>
<td>48.5</td>
<td>1,108.1</td>
<td>206.0</td>
</tr>
<tr>
<td>Govt Grants</td>
<td>709.1</td>
<td>803.5</td>
<td>686.0</td>
<td>5,633.1</td>
<td>51.9</td>
<td>89.3</td>
<td>11.4</td>
<td>270.8</td>
</tr>
<tr>
<td>Others</td>
<td>299.2</td>
<td>598.4</td>
<td>432.9</td>
<td>3,351.8</td>
<td>3.7</td>
<td>47.3</td>
<td>352.1</td>
<td>376.2</td>
</tr>
</tbody>
</table>

Note: Figures in the table are in S$ millions.

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\(^7\) Other sources of receipts include income from the programmes and services rendered by charitable organizations.

\(^8\) Government grants to the “Religious” and “Others” sectors are mainly provided to non-religious related community and humanitarian programmes.
Total Donations

7. Total donations continued to increase in 2016, from $2,734.9 million in 2015 to $2,862.4 million in 2016. This was partially attributed to the spill-over effect of Singapore’s Golden Jubilee in 2015 for charities whose financial period span both 2015 and 2016. The breakdown of total donations by sector is shown below (Chart 3).

Chart 3: Total Donations by Sector, 2012 – 2016

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Arts &amp; Heritage</td>
<td>37.6</td>
<td>133.2</td>
<td>75.7</td>
<td>103.8</td>
<td>173.0</td>
</tr>
<tr>
<td>Social &amp; Welfare</td>
<td>435.8</td>
<td>388.0</td>
<td>424.8</td>
<td>501.2</td>
<td>475.9</td>
</tr>
<tr>
<td>Health</td>
<td>245.6</td>
<td>251.8</td>
<td>276.7</td>
<td>334.1</td>
<td>350.1</td>
</tr>
<tr>
<td>Education</td>
<td>356.5</td>
<td>414.9</td>
<td>345.9</td>
<td>382.8</td>
<td>466.4</td>
</tr>
<tr>
<td>Community</td>
<td>19.1</td>
<td>25.3</td>
<td>24.9</td>
<td>31.9</td>
<td>34.4</td>
</tr>
<tr>
<td>Sports</td>
<td>102.5</td>
<td>115.6</td>
<td>31.5</td>
<td>33.2</td>
<td>48.5</td>
</tr>
<tr>
<td>Religious &amp; Others</td>
<td>1,115.6</td>
<td>1,177.1</td>
<td>1,344.9</td>
<td>1,347.9</td>
<td>1,314.1</td>
</tr>
<tr>
<td>Whole Sector</td>
<td>2,312.7</td>
<td>2,505.9</td>
<td>2,524.4</td>
<td>2,734.9</td>
<td>2,862.4</td>
</tr>
</tbody>
</table>

Figures on total donations are compiled based on the annual returns submitted by charities for financial years ending in 2016, and the data covers both tax deductible and non-tax deductible donations. Hence, the data may depict a different trend from the tax-deductible donations (TDD) data due to different reporting periods and data coverage.
INSTITUTIONS OF A PUBLIC CHARACTER (IPCs)

8. Some registered charities are conferred the status of an Institution of a Public Character (IPC). This allows them to issue tax-deductible receipts to donors who want to claim tax relief based on the amount of qualifying donations made\(^{10}\). To qualify as an IPC, the charity must be dedicated to serving the needs of the community in Singapore as a whole and not be confined to sectional interests or groups of persons based on race, belief or religion. As at 31 December 2017, there were 666 approved IPCs, and charities from the social and welfare sector continued to form the largest group of IPCs, followed by Health and the Arts and Heritage Sectors. (Chart 4).

**Chart 4: Number of Institutions of a Public Character (IPCs) by Sector, 2017**

9. The total amount of tax-deductible donations bounced back after a steep decline in 2016, where the latter was coming off the back of strong donations in SG50. There was an increase from $865.6 million in 2016 to $1,051.9 million in 2017

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\(^{10}\) Under the Income Tax Act, outright cash donations, donations of shares by individual donors, artefacts donations, donations under the Public Art Tax Incentive Scheme, and land and building donations will qualify for tax deduction. With effect 21 February 2017, a company that donates computers to prescribed educational, research or other institution in Singapore and IPC is no longer eligible for any tax deduction.
(Chart 5), and almost back to the levels in 2014. This reflects the continued support by the public for local charitable causes.

**Chart 5: Tax Deductible Donations, 2013 – 2017**

10. IPCs in the social and welfare, education and health sectors continue to attract the bulk of TDD (84.2%). Corporate donors take up the larger share of TDD compared to individual donors. (Chart 6).

**Chart 6: Tax-Deductible Donations by sector and source, 2017**

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts &amp; Heritage</td>
<td>33.5</td>
<td>125.6</td>
<td>94.2</td>
<td>286.1</td>
<td>13.2</td>
</tr>
<tr>
<td>Social &amp; Welfare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.6</td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>60.6</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10.1</td>
</tr>
<tr>
<td>Community</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>187.5</td>
</tr>
<tr>
<td>Sports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>125.6</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>67.0</td>
</tr>
<tr>
<td></td>
<td>400.0</td>
<td>500.0</td>
<td>600.0</td>
<td>700.0</td>
<td>800.0</td>
</tr>
</tbody>
</table>
FUND-RAISING FOR FOREIGN CHARITABLE CAUSES

11. A total of 54 permits were issued in 2017 for organisations to conduct fund-raising appeals for foreign charitable causes. This is an increase from the 42 permits issued in 2016. Of the 54 permits, eight of the permits were granted for efforts in aid of natural disasters, while nine were given for humanitarian relief work. Some of the disaster and humanitarian relief efforts included Typhoon Nock in the Philippines, Indonesia earthquake in Pidie Jaya, Indonesia, the South West Monsoon in Sri Lanka, Yemen (Syrian refugees) and Bangladesh (Rohingya refugees). The target amount to be raised under these 54 permits amounts to $29.4 million.
OUR WORK IN 2017
PROMOTE
GOOD GOVERNANCE

*We strive to develop the governance capabilities of board members so that they can exercise sound and responsible stewardship of public resources in fulfilling the objects of charities.*
Sharing sessions for refined Code of Governance

Following the launch of the refined Code of Governance in April last year, three sharing sessions were held for charities during the second half of 2017 to support charities in their implementation process. These sessions were co-organised with the National Council of Churches Singapore, the Singapore Buddhist Federation and the Taoist Federation, Singapore and the Cultural Matching Fund for charities in the Arts & Heritage sector, along with the support of the Charity Council. Such sessions provide charities, in particular the smaller ones, with the knowledge of how to adopt and implement the best practices in their organisations. The sharing sessions were well-received, with close to 600 participants from various charities.
Charity Governance Conference

The Office of the COC also works closely with the Charity Council to support the annual Charity Governance Conference organised by the Securities Investors Association (Singapore). Held on 21 September 2017 at Mandarin Orchard, it was a full day conference with workshops attended by more than 300 participants.

Aligned with our efforts to inform charities about the refinements of the Code of Governance, the first topic of the Conference - “A Closer Look on the Refinement of Code of Governance for Charities and IPCs (2017)” focused on the best practices of good governance and key issues such as the disclosure of remuneration and board renewal.

The Conference next focused on “Managing the Most Valuable Resource – People”, which highlighted the importance of implementing sound human resource policies in charities.

Conference participants could also participate in workshops on key capabilities required in the sector, namely:

a. Building an Effective Charity Board

The ability of a charity to fulfil its mission and objectives is largely dependent on the effectiveness of its board in guiding the charity to establish a robust system for management of day-to-day risks and ensure alignment of the charity’s purpose and strategic objectives. The workshop discussed the prevalent board performance challenges and how high performance boards address such challenges.
b. Managing Social Media in the Age of Mobile Computing

The workshop addressed how charities can manage the dissemination of information, the policies which charities can put in place, and how charities can manage their image and reputation online in view of the prevalent use of social media.

c. Why have a Whistle-Blowing Policy?

Whistleblowing is essential for informing those who need to know about potential risks, problems or even criminal activities within charities so that corrective measures can be taken. This workshop touched on the need for a whistleblowing policy and how charities should communicate with employees so that they would feel comfortable raising concerns.

Development of toolkits and guidance

Enterprise Risk Management Toolkit for Charities and IPCs

In addition to the sharing sessions on the refined Code of Governance, the Charity Council and the Office of the COC worked with partner agencies to develop toolkits to provide additional guidance on adoption of the new guidelines. The first in a series of resources which were made available was the Enterprise Risk Management ("ERM") Toolkit for Charities and IPCs.

A survey, jointly conducted by the Charity Council, KPMG and the National University of Singapore, revealed that more than half of the charities in Singapore do not have formally defined policies or approaches for managing risks, or are unsure if such policies exist. The ERM Toolkit for Charities and IPCs was developed in partnership with
KPMG and the NUS Business School to provide charities with a framework for risk management that can be adapted to meet the needs of different charities.

Following the launch of the ERM Toolkit, a series of sector-based Community of Practices (“COPs”) was also rolled out to provide a safe space for charities to share and learn through robust discussions about the risks faced in their respective sectors. These COPs were made possible with the pro-bono assistance from various public accounting firms such as Ernst & Young, KPMG and RSM Chio Lim.

**Whistle Blowing Toolkit**

Under the revised Code of Governance, charities which fall under the enhanced and advanced tiers shall disclose whether they implement a whistle-blowing policy in their annual report with effect from the financial year beginning on or after 1 January 2018. This guideline encourages employees and other stakeholders to report concerns of misconduct or malpractice in good faith, without malice or personal benefit. The Whistle Blowing Toolkit, developed by the Internal Auditors of Singapore, was first introduced to charities during the Charity Governance Conference workshop. This toolkit aims to help the charities to put in place a set of whistle-blowing policies and procedures.
Town Hall Meetings

Since March 2015, the Charity Council co-organised a series of Town Hall meetings with the Centre for Social Development Asia (CSDA), a research centre under the purview of Department of Social Work, National University of Singapore, for the charity sector. These Town Halls serve as a platform for governing board members and senior management of charities to discuss and explore practical solutions to address day-to-day challenges.

The fifth instalment of the Town Hall meeting themed “Accounting for Good” focused on skills-based volunteerism, in particular to encourage accounting professionals to volunteer in charities. The session discussed the accounting needs of the charity sector, the role of accountants in the sector and the steps which charities could take to attract volunteer accountants.

The sixth Town Hall held on 8 November 2017, covered the topic on “Charity Governance in Singapore”. The session included a sharing of the research findings from the “Exploratory Studies on Charity Governance in Singapore” conducted by CSDA, followed by a panel discussion that revolved around governance such as good disclosure practices and succession planning.
Charity Transparency and Governance Awards

Each year, awards are presented to charities which demonstrate laudable capabilities in governance and implementation of exemplary disclosure and transparency practices.

The Charity Transparency and Governance Awards Ceremony was held on 15 November 2017. Supported by the Charity Council, and with our partners, namely Singapore Management University School of Accountancy and EY which assessed the respective nominees for the transparency awards and governance awards, the event saw 41 charities being awarded the Charity Transparency Awards for commendable disclosure and transparency practices. New Hope Community Services and Gardens by the Bay went on to receive the Charity Governance Awards (CGA) – a recognition conferred to charities for achieving the highest standards in governance.

Additionally, Special Commendation Awards were given to Assisi Hospice for its achievement in Operational Efficiency, Care Corner Singapore Ltd was recognised for its efforts in Risk Management and TOUCH Community Services was recognised for its Clarity of Strategy.
ENSURE REGULATORY RELEVANCE AND COMPLIANCE

We review our regulatory framework regularly to ensure it is relevant and meets the evolving needs of the charity sector. Rules and regulations are also tiered according to the size of the charities, with larger charities subjected to more stringent rules as compared to the smaller players.
Charities (Amendment) Act 2018

The Charities (Amendment) Act 2018 was enacted in April 2018 to enhance the protection of charities and donors by strengthening governance, accountability and transparency of charities and fund-raisers in Singapore; and to enhance the regulatory powers of the COC to safeguard public trust and confidence in the charity sector.

The key amendments to the Act include updating and strengthening the disqualification and removal regimes in the Charities Act. For example, a person will be disqualified if he is convicted of an offence involving terrorism, terrorism financing or money laundering. A disqualified person would not be able to hold a key position in an entity, where such an entity is a governing board member or member of a charity. The COC will now be able to suspend unfit individuals from a charity with the consent of the Attorney-General, for up to two years. To protect the public from being exposed to questionable fund-raising activities, the COC will be empowered to order the suspension of a fund-raising appeal for a period not exceeding two years. As part of our efforts to enhance transparency by making information of more charities available online, regulations will be made to require charities to file annual submissions and applications via the Charity Portal.

Governance Reviews

The Office of the COC works with the five Sector Administrators to conduct various reviews to enhance the governance of the sector. These reviews serve to help identify and rectify gaps and weaknesses in the governance processes and internal controls of charities.

In 2017, 38 such reviews were conducted. The reviews begin with identifying lapses in the governance processes, internal controls of the charities as well as the measures implemented for the prevention of abuse in relation to money laundering and terrorist financing. Together with professional consultants, the Office of the COC works with the charities to implement measures to plug the gaps identified during these reviews, through recommendations that are tailored to the distinct needs of the charities.
The reviews provide charities and IPCs with the opportunity to tap on the expertise of professionals, to strengthen their governance capabilities and internal controls.
BE A PROACTIVE CHARITY ADVISORY

We strive to be a transparent and responsive regulator who actively advises the public and charities on issues affecting the charity sector, and also improve the accessibility of information to facilitate the work of charities, and informed giving by the public.
TO FOSTER STRONG PUBLIC AND SECTOR SUPPORT

Safer Giving

It is important for the members of the public to be able to identify red flags which may indicate illegitimate appeals for charitable funds, so as to ensure that their donations are channelled to improve the lives of those who are genuinely in need. In 2017, the Office of the COC launched a series of initiatives aimed at educating members of the public on safer giving.

Our Office collaborated with the National Crime Prevention Council to produce a CrimeWatch episode which was broadcasted and also made available online. The episode encouraged the public to practise safer giving and be discerning when responding to online fund-raising appeals, by highlighting the key information that should be obtained before donating. The Office has also leveraged social media to engage the public on the importance of safer giving.

Scan the QR Code to learn about the potential pitfalls of online fund-raising to avoid.
Online charitable fund-raising appeals have become more prevalent in recent years. While it is key for the public to be discerning when giving to online appeals, we have also implemented initiatives to create a safer environment for charitable giving.

The “Code of Practice for Online Fund-raising Appeals” (“Code of Practice”) was co-developed by the Office of the COC and four major crowdfunding platforms to ensure that online fund-raising appeals are genuine and that fund-raisers are accountable for public donations received. Officially launched by the Minister for Culture, Community and Youth, Ms Grace Fu at the National Volunteer Philanthropy Centre’s Giving Matters Forum in January 2018, the Code of Practice lays out a set of best practices for crowdfunding platforms. It serves to assure the legitimacy, accountability and transparency of charitable appeals hosted on these crowdfunding platforms. The crowdfunding platforms which have subscribed to the Code of Practice include GIVE.asia, Giving.sg, SimplyGiving and Ray of Hope Initiative Limited. This shared ownership of an emerging trend is a good example of how the regulator can work with stakeholders in the sector to uplift capability and improve transparency.
Our Plans in 2018
Charities play an influential role in nurturing a culture of giving in Singapore. Hence, it is essential to ensure that the charity sector is well-governed so as to maintain strong public support and confidence. Nonetheless, the Office of the COC is mindful that smaller charities face various challenges in their governance and compliance efforts, which may be largely due to resource constraints. In 2018, we have embarked on work to provide shared services that can better equip charities with knowledge of regulatory and governance matters, the use of information technology solutions and guidance on recruiting the right personnel to key positions.

We will continue to collaborate with our partners to provide the platforms and channels for charities to learn and share. We strongly encourage charities to actively participate in these initiatives. In addition, charities can also tap on the VWOs-Charities Capability Fund, which has been a valuable source of funding to support charities and IPCs in strengthening key governance and management areas.

Our Office will look into streamlining the annual submission requirements and developing legislative guidance to help charities understand and meet their regulatory obligations. We will be putting together an information pack which consolidates the relevant guidance for easy reference by the charities. This information pack would contain simplified templates and useful resources which charities can tap on to make the preparation of annual submissions easier and the presentation of key information clearer to members of the public.
Mitigating the risk of abuse related to Terrorist Financing

It is imperative for charities to be mindful of their vulnerabilities linked to abuse related to Terrorist Financing and actively take steps to mitigate the risks which arise from such threats. In order to increase the sector’s awareness of the risks of such abuse, the Office of the COC shares resources relating to Anti-Money Laundering and Countering the Financing of Terrorism, with the sector.

In 2018, we engaged charities through a survey and focus group discussions conducted in collaboration with the National University of Singapore to study the risk and awareness of Terrorist Financing in the charity sector. The findings from the survey and focus group discussions will inform the design of the NPO Terrorist Financing Risk Mitigation Toolkit for the charity sector. The Toolkit aims to provide guidance for charities to assess the organisation’s level of risk for exploitation for Terrorist Financing and to recommend mitigating measures which charities could adopt.

Fostering an environment of safer giving

Following the launch of the “Code of Practice for Online Fund-raising Appeals”, our Office will be conducting periodic audits and reviews to ensure that the systems and processes of crowdfunding platforms align to the Code of Practice. From time to time, we will refine the Code of Practice to also ensure that the guidelines are up-to-date. We also encourage crowdfunding platform with an office in Singapore to subscribe to the Code of Practice.

Educating the public about safer giving has always been a key priority for the Office of the COC, and complements our efforts towards co-regulation. We will continue to employ various ways of engaging different target audiences to promote safer giving.
Additionally, our Office will be rolling out initiatives to guide charities in good reporting practices that will be beneficial in the preparation of their annual reports. The intention is to enable charities to be more transparent by having the ability to clearly communicate their organizations’ vision, mission and impact which the organizations have created through the activities they conduct. By doing so, it helps donors to make informed decisions when it comes to giving to charitable causes.

**Concluding Note**

We will continue in our efforts to develop a well-governed and thriving charity sector, adopting a multi-pronged approach that is built on successful collaborations with various partners.