



Ministry Of Culture, Community and Youth

COMMISSIONER OF CHARITIES ANNUAL REPORT 2019

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Ministry of Culture, Community and Youth

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For enquiries, please contact us at email:
mccy_charities@mccy.gov.sg

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COMMISSIONER'S MESSAGE

2019 has been a busy year with many key initiatives rolled out to achieve our vision of a thriving and trusted charity sector. I am happy to announce that in the year 2018, the charity sector recorded \$2.9 billion in total donations, which is an 8.2% increase from the prior year.

This is a reflection of the trust that the public places on the charity sector, which is made possible because of the shift from regulation to co-regulation with key stakeholders of the charity sector - charities, donors, and intermediaries, from 2017 to 2019.



On the regulatory front, we have progressively introduced amendments to the Charities Act and the Charities (Institutions of a Public Character) (IPC) Regulations. We have streamlined reporting requirements for smaller non-IPC charities and developed templates and guides to help charities prepare their annual submissions, such as the Commissioner of Charities (COC) Annual Report Illustrative Template Guide. The COC also kept abreast of developments relating to money laundering and terrorist financing to protect the charity sector against potential risk of abuse through necessary safeguards.

As the COC, we not only focus on regulatory matters, but also place strong emphasis on enhancing capabilities and skillsets of our charities. In recent years, we have rolled out several initiatives to continue to guide our charities towards good governance - *'Doing the right thing, Doing things right, Nothing to hide'*.

Charities

To raise the professionalism and capability of charities, we launched the inaugural *"In Conversation with the COC"* in April 2019 which attracted more than 500 charity participants. The event focused on 'Productivity for Charities'. In July 2019, we had a second run of the *"In Conversation with the COC"* series, touching on the *"7 disciplines of high-performing charities"* to increase operational effectiveness and efficiency. These events are important platforms for charities to provide honest feedback and seek guidance from the COC.

The COC also recognises charities that have shown exemplary practices in governance and transparency through the Charity Council's annual Charity Transparency and Governance Awards. Held on 3rd December 2019, 67 charities were lauded for their exemplary transparency and governance practices - the largest number since the awards were first introduced in 2016. We hope that their accomplishments will spur more to follow suit.

Donors

Our people trust charities to use resources efficiently to impact the lives of beneficiaries. Safer Giving remains a key priority for the COC to uphold good public trust. As part of the Safer Giving initiative, the COC has been actively engaging the four online fund-raising platforms that subscribed to the Code of Practice for Online Charitable Fund-raising Appeals in January 2018 and conducted audits on them in 2019.

Intermediaries

Our intermediaries have a role to play in the charity eco-system. The COC commits to continuously engage the Apex bodies, such as the Hindu Endowment Board (HEB), Yayasan Mendaki, National Council of Churches Singapore, Singapore Buddhist Federation (SBF), and Taoist Federation of Singapore. We will continue to grow these partnerships and develop win-win solutions to help charities improve their governance and management capabilities.

To assist smaller charities in capability building, the COC has set up a suite of shared services in 2018 and continuously strived to grow the pool of shared services partners. In 2019, the COC signed Memorandum of Understanding (MOU) with three agencies:

- Temasek Trust Ltd to co-locate the shared services at Temasek Shophouse, helping charities to consult shared services partners;
- HEB to share best practices and resources and join efforts in uplifting the Hindu community; and
- Singapore University of Social Sciences (SUSS) to raise capabilities of charities through the “Certification in High Performing Charities” course.

The COC also works closely with the Centre for Non-Profit Leadership (CNPL) (part of the National Volunteer & Philanthropy Centre), Chartered Secretaries Institute of Singapore (CSIS), iShine Cloud Limited (iShine) and SBF. In addition to increasing shared services partners, the COC will also be expanding more shared services to include legal, accounting and internal control functions.

Beginning of Year 2020

2020 began with an unpredictable storm - the COVID-19 global pandemic. Many charities' operations were affected and there was a decline in donations amidst economic uncertainty. In addition, many fund-raising events were postponed or cancelled. Despite the challenges, COVID-19 also highlighted the caring spirit of Singaporeans as we saw an outpouring of support from many who stepped forward to help the underprivileged. The government rolled out assistance schemes and grants and those relevant to charities are made available on the Charity Portal. The COC also granted extension to the deadlines for regulatory submissions.

The COC rolled out the *'Support for Charities'* series and the *'Charities Lean Forward - a Webinar Series'* between the months of March to June 2020. These included webinars held jointly with partners such as CSIS, Law Society Pro Bono Services (LSPBS), SUSS and RSM Singapore, covering a range of topics such as online fund-raising, financial resilience, virtual annual general meetings and legislations. Each webinar attracted about 200 participants. I am heartened that our charities took the time to upskill so that, together, we can emerge stronger.

Looking Ahead, Beyond COVID-19

As a sector, we will emerge stronger from COVID-19. Leveraging on what we have built, we will focus on three key areas - Professionalism, Digitalisation and Collaboration.

Professionalism

Learning never stops. The COC's *'Charities Lean Forward - a Webinar Series'* will continue to engage charities on a regular basis. The COC held the third run of the *"In Conversation with the COC"* on 23 June 2020. Due to safe distancing measures, this learning session was conducted online, bearing testament that the COC values raising the professionalism of the charity sector through continuous capability development. The COC and partners will continue to share knowledge and industry expert insights on pertinent topics such as risk management, cybersecurity and strategic donor engagement.

Digitalisation

Digitalisation will continue to be the way forward for charities with more digital fund-raising and virtual volunteering. To help charities embrace technology and digital tools, the VWO-Capabilities Fund (VCF) Info-Communications Technology Grant was first expanded to include subsidies to purchase audio and video conferencing tools. In June 2020, it was announced that this grant will be further enhanced to fund charities up to 80% of costs, capped at \$30,000 per charity, for digital solutions such as volunteer management, donor management and remote working. Charities can start applying for this fund in the third quarter of 2020. In addition to funding, the COC will increase outreach through webinars to bridge the digital knowledge gap. Deliberate efforts will be made to hear charities' feedback and co-develop a Charities GoDigital Kit. Charities that are more advanced in their digitalisation journey may be invited as champions and act as a mentor to other charities.

Collaboration

The COVID-19 pandemic highlighted the need for better coordination and collaboration to improve last mile delivery. Through collaborations, there will be a reduction of duplicate work and an improvement in service delivery. With the value chain as a framework, it is important for charities to start thinking of vertical and horizontal collaboration. One way to do this is by encouraging charities to work with the Singapore Cares (SG Cares) Volunteer Centers (VCs). The VCs are piloting small group volunteerism and digital volunteerism to engage with vulnerable groups. By building an ecosystem of collaboration, charities can serve the public better and ensure that no one gets left behind.

Conclusion

Charities play a critical role in ensuring that services are provided, and social gaps are plugged in the communities. This complements the SG Cares movement, which fosters a society of care and consideration to ensure that no one gets left behind. The spirit of Singapore Cares, couple with resilience and positivity, will enable us to overcome all adversities and emerge stronger as one united Singapore.

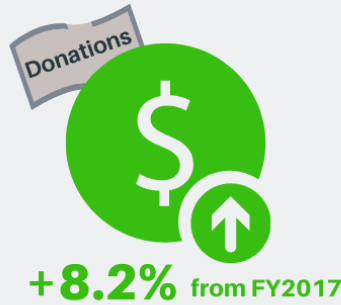
Stay strong, stay united and stay healthy.

DR ANG HAK SENG
COMMISSIONER OF CHARITIES
SEPTEMBER 2020

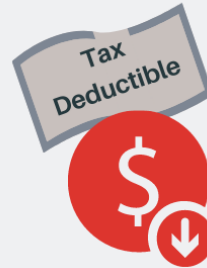
COMMISSIONER OF CHARITIES

KEY STATISTICS OF 2019

\$2.9 billion
Total donations in FY2018



\$1.0 billion
Total tax deductible donations in 2019
(-5.0% from 2018)

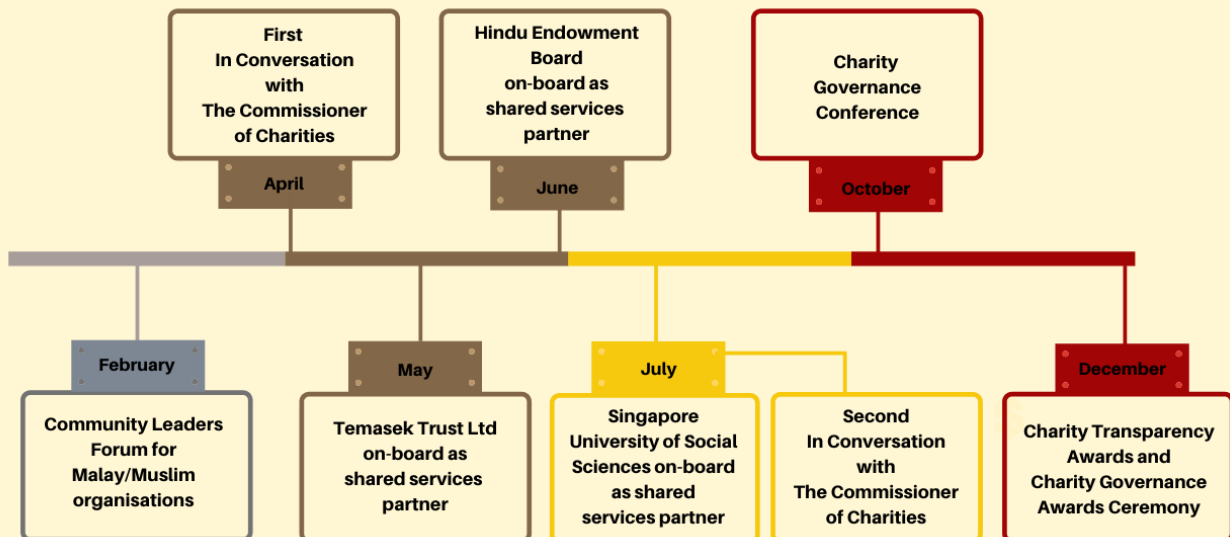
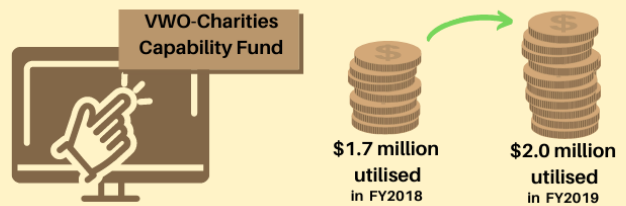
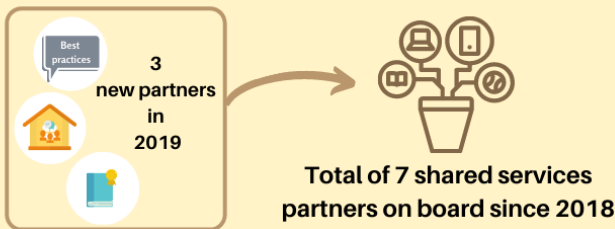


21 Newly registered charities
626 Approved IPCs



217
Reviews & Investigations

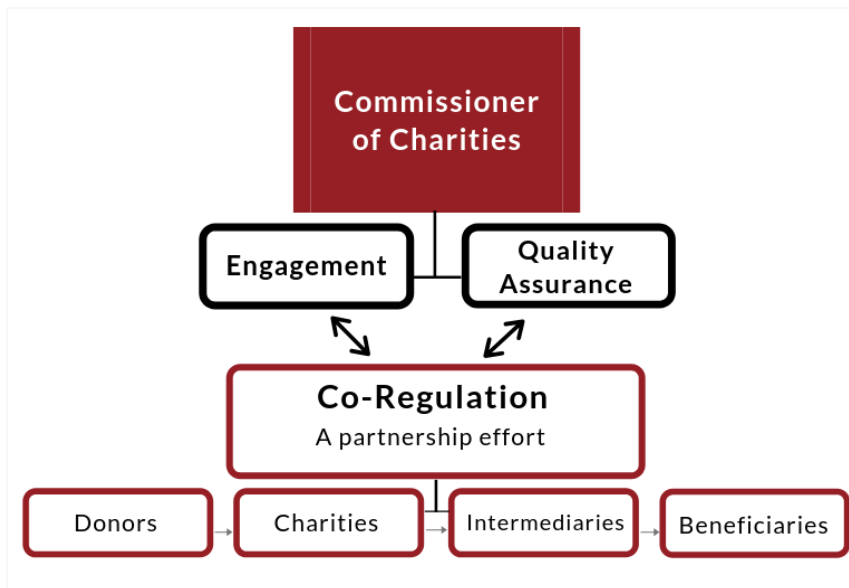
KEY OUTREACH INITIATIVES AND EVENTS IN 2019



SHARED VISION AND STRATEGIES

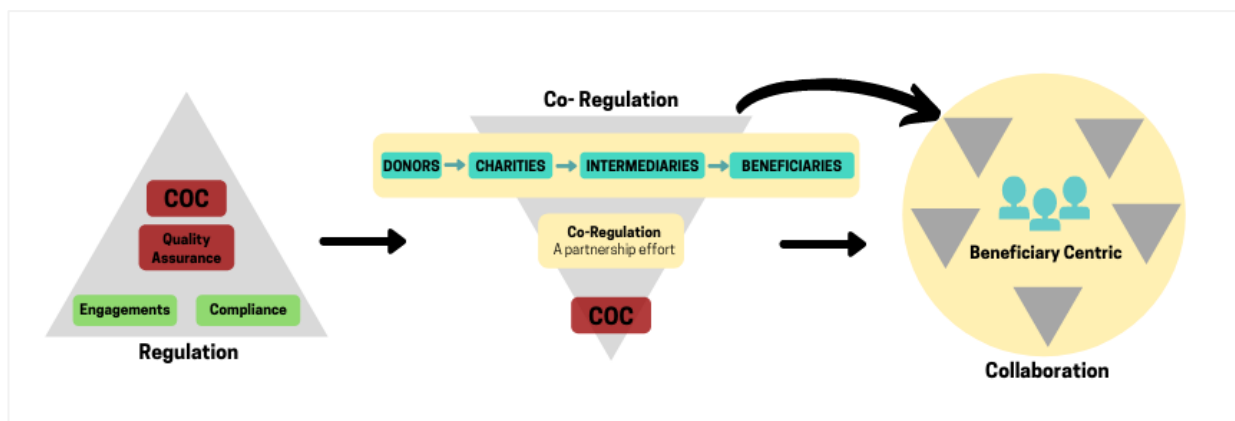
Our vision is to develop a well-governed and thriving charity sector with strong public support. To achieve this, we will adopt an eco-system approach.

The COC will engage the sector through outreach initiatives as well as provide quality assurance through the Charities Act and legislations. The core stakeholders of the charity sector, comprising the donors, charities, intermediaries and beneficiaries also have an important role to play in ensuring that they do their part.



Donors are involved in Safer Giving when they conduct basic due diligence using “Ask, Check, Give”. The charities must ensure that their organisations are well governed, well run, and accountable and transparent in their reporting to stakeholders. The intermediaries can provide services to charities at a cost-effective rate which helps in improving efficiency in charities. And finally, the beneficiaries can give back and contribute to the charity sector too.

This is known as co-regulation, a “many helping hands” approach, between the COC and the stakeholders in achieving the vision of a thriving and trusted charity sector.



That is not the end of the journey. The next step is going to be even more crucial as the sector moves from “co-regulation” to “collaboration”, which is working as One Family, One Community.

The charity sector should be one big family, bound by our shared purpose to serve the community so that no one is left behind. As the saying goes, *“It takes a village to raise a child”*. In the same vein, *“It takes a concerted community to help those in need”*.

With the social tapestry becoming more complex, including challenges such as Singapore’s aging population and other issues, we need to collaborate more. If charities work in silos, there will be a disparity between the underserved and overserved segments. Therefore, charities will need to collaborate with each other.



The COC also works closely with the Charity Council¹ and the Sector Administrators from the respective agencies, to implement initiatives based on the three key strategies outlined.

¹ The Charity Council was first appointed on 1 March 2007 after the new Charities Act was brought into operation. The current Council comprises nine members from the people sector and three representatives from the Sector Administrators, and aims to fulfil 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

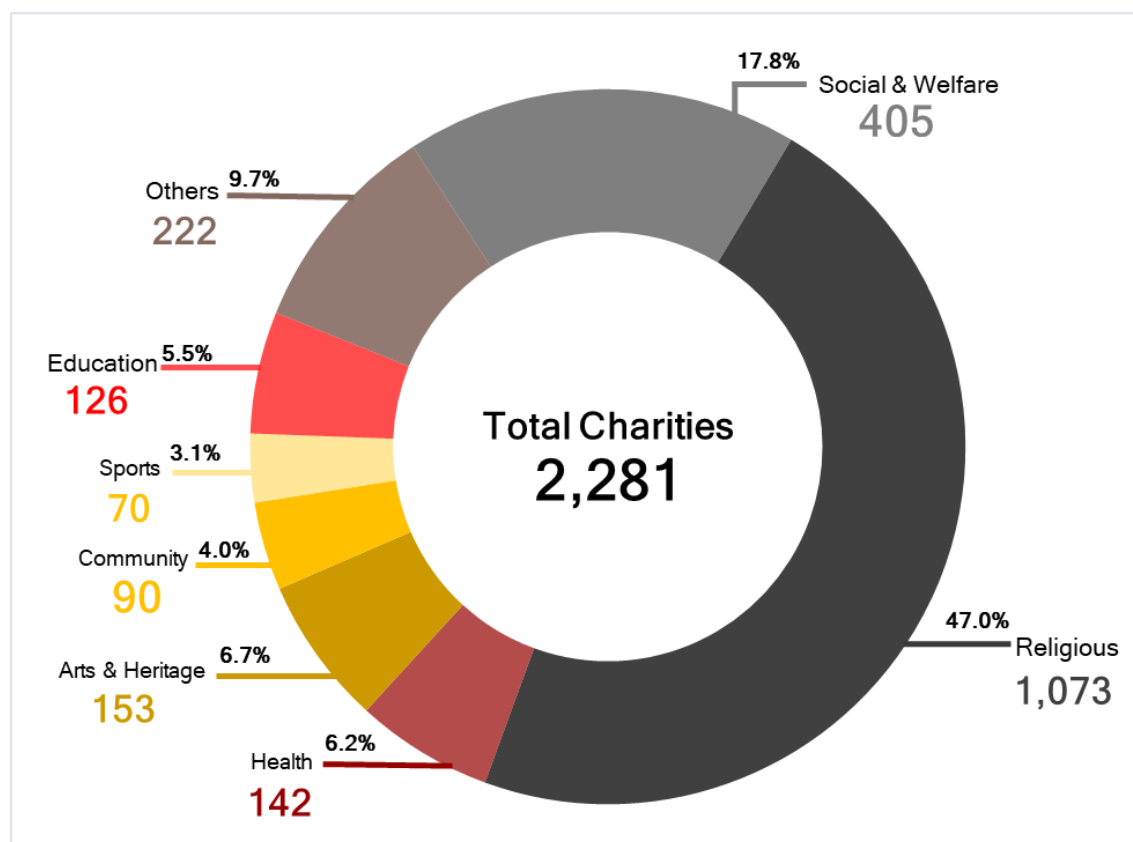
Charity statistics

Analysis of the key data of the
Singapore charity sector

CHARITIES

1. As at 31 December 2019, there were 2,281 registered charities in Singapore, a small increase from 2,277 as at 31 December 2018. Organisations established for exclusively charitable purposes and carrying out activities to achieve these purposes are legally required to apply for charity registration with the COC. 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:
 - b) relief of poverty;
 - c) advancement of education;
 - d) advancement of religion; and
 - e) 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. Religious and social & welfare organisations continued to comprise the majority of registered charities in Singapore, accounting for about two-thirds (64.8%) of all registered charities in 2019 ([Chart 1](#)).

Chart 1: Distribution of Charities by Sector
(As at 31 December 2019)

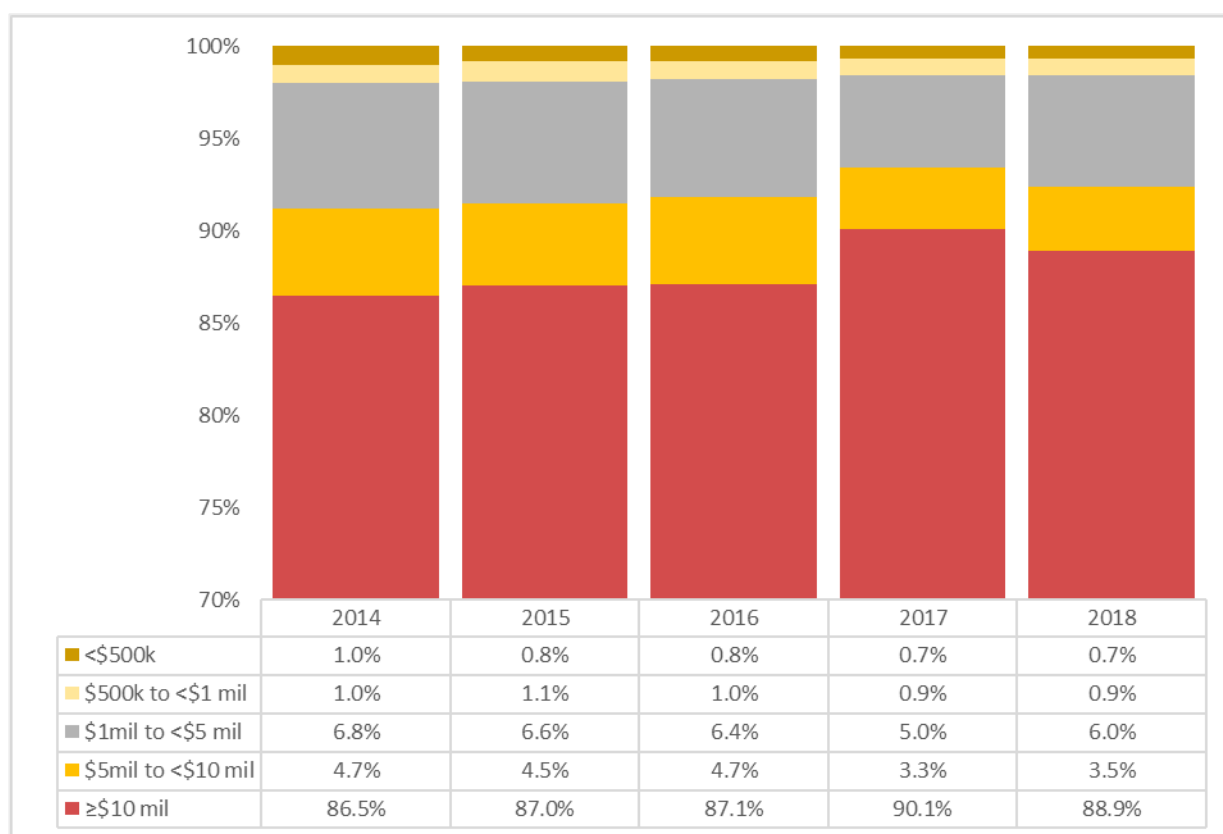


3. While almost half of the registered charities are relatively smaller - i.e. annual receipts (which included donations, government grants, fees and charges for services rendered) of less than \$250,000 - we note that the general trend in recent years shows that registered charities have been steadily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

Annual Receipts

4. The charity sector received \$18.9 billion in annual receipts, which include government grants, donations as well as fees and charges, in 2018. This amount represents a 7.8% decrease from \$20.5 billion in the year before². The education cluster received \$11.0 billion in 2018, which accounted for a significant proportion (58.1%) of the year's total receipts.

Chart 2: Annual receipts by size of charities, 2014 to 2018

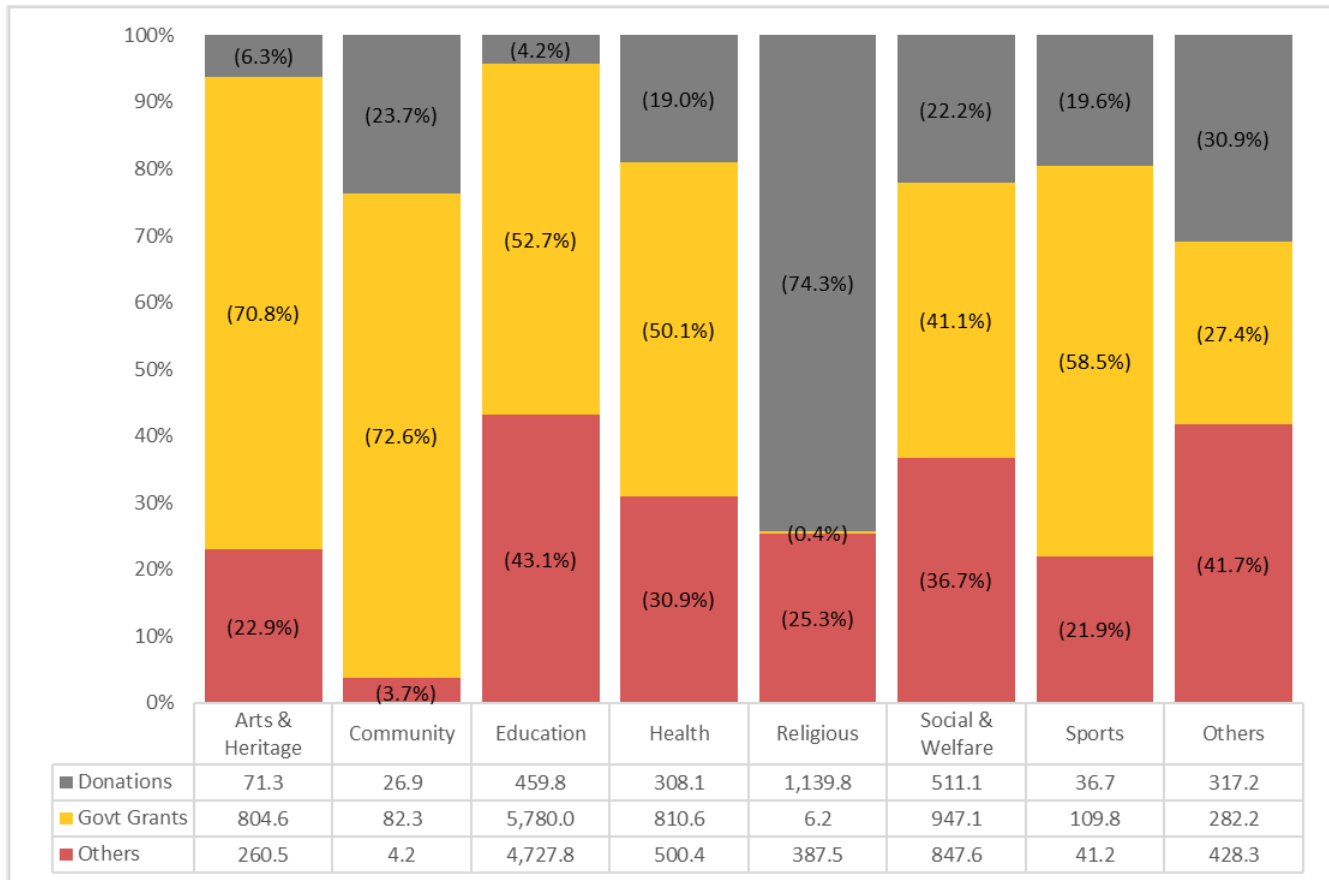


5. There were 191 large charities with annual receipts above \$10.0 million in 2018. This is a marginal decrease from the 193 large charities in 2017. These comprised mainly tertiary education institutions, voluntary welfare organisations, health institutions and the larger religious organisations, and accounted for 88.9% of all annual receipts of charities in 2018. Conversely, smaller charities with annual receipts of less than \$500,000 accounted for less than 1.0% of annual receipts despite these charities forming the largest share of the total number of charities ([Chart 2](#)).

² Figures are computed based on the annual returns submitted for financial years ended 2018. 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 15.2% of annual receipts) in donations (both tax deductible and non tax deductible) in 2018. As with last year, charities in the religious sector were most reliant on donations while charities in the education, social and welfare as well as the health sectors were most dependent on government grants (Chart 3).

Chart 3: Annual Receipts by Source and Sector, 2018

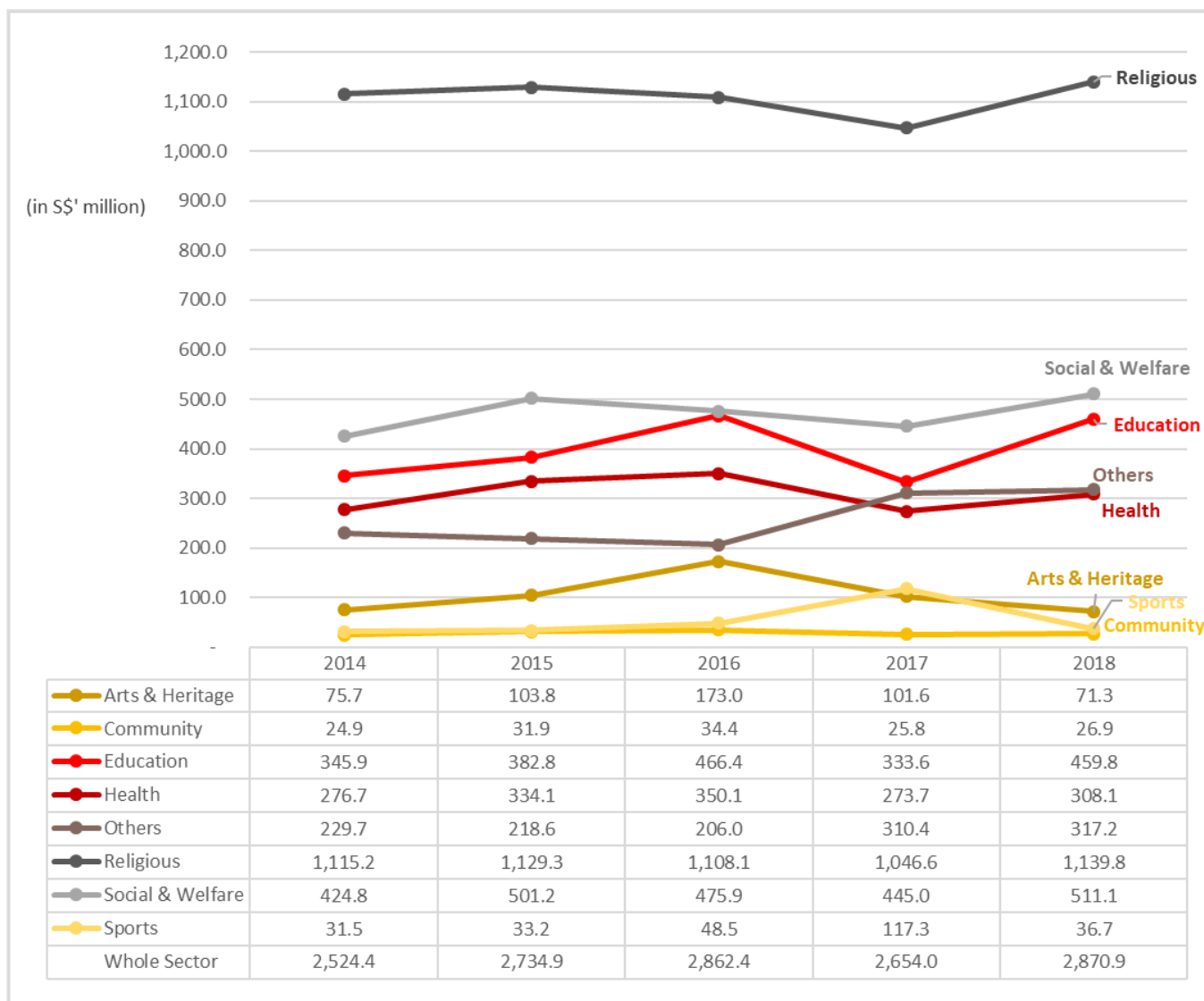


Note: Figures in the table are in S\$ millions.

Total Donations³

7. Total donations increased slightly by 8.2% from \$2.65 billion in 2017 to \$2.87 billion in 2018. The breakdown of total donations by sector is shown below (Chart 4).

Chart 4: Total Donations by Sector, 2014 - 2018

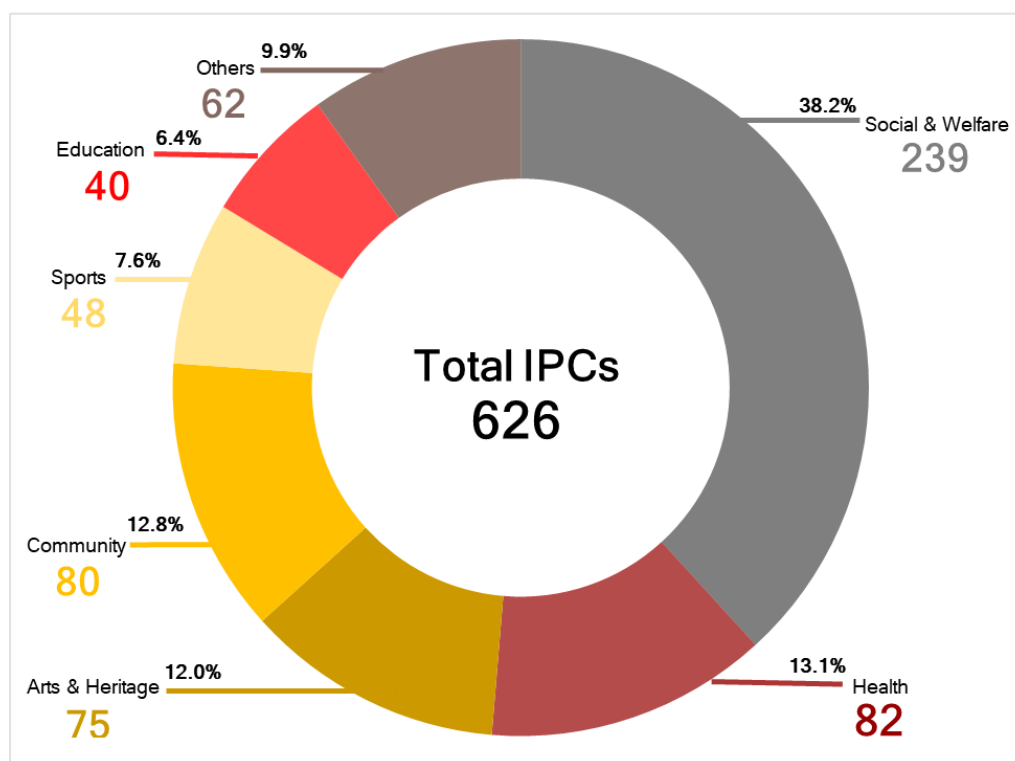


³ Figures on total donations are compiled based on the annual returns submitted by charities for financial years ended 2018, and the data covers both tax deductible and non tax deductible donations. Hence, the data may depict a different trend from the TDD data due to different reporting periods and data coverage.

INSTITUTIONS OF A PUBLIC CHARACTER

8. Some registered charities are conferred the status of an IPC. This allows them to issue tax deductible receipts to donors who want to claim tax relief based on the amount of qualifying donations made⁴. 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 2019, there were 626 approved IPCs. Charities from the social and welfare sector continued to form the largest group of IPCs, followed by health, and the community sectors (Chart 5).

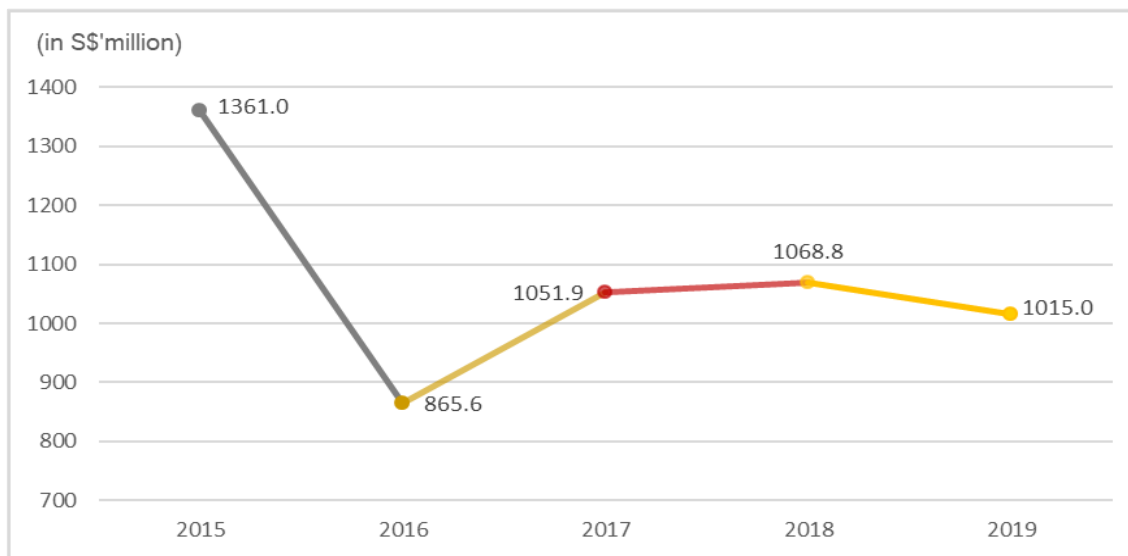
Chart 5: Number of IPCs by Sector
(As at 31 December 2019)



⁴ 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.

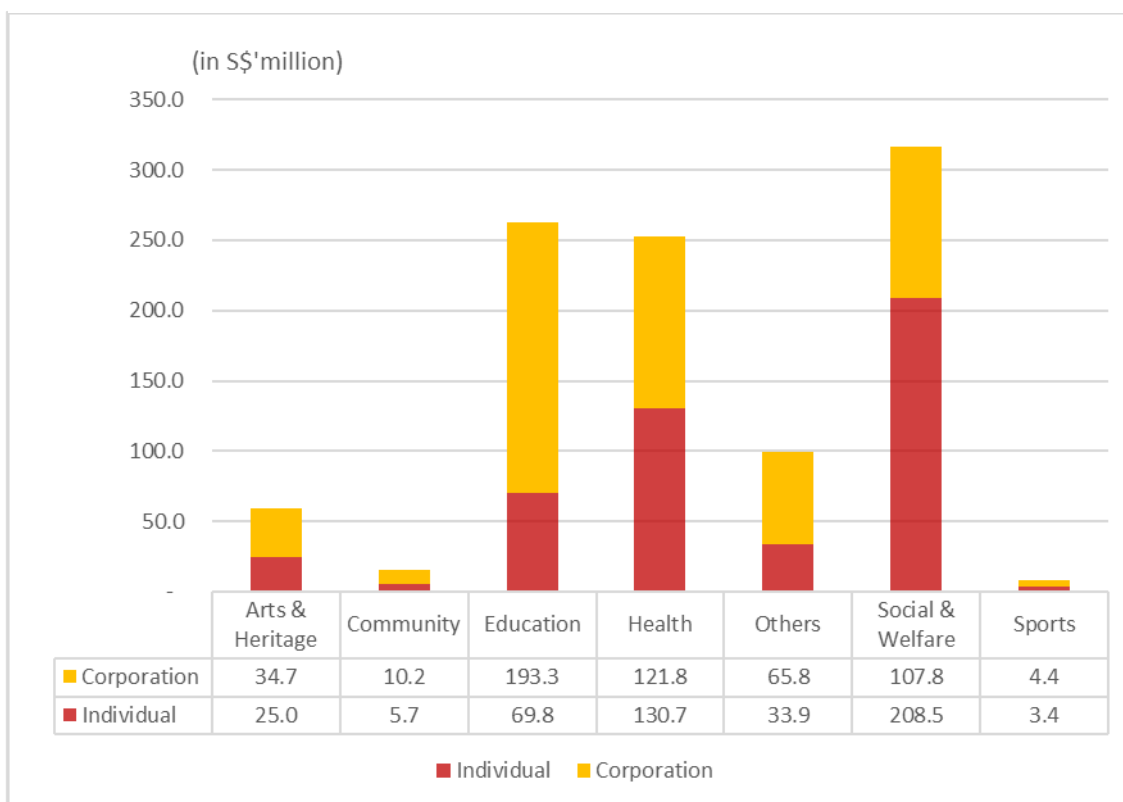
9. The total amount of tax deductible donations (TDD) registered a marginal decrease from \$1.07 billion in 2018 to \$1.02 billion in 2019 (Chart 6). This shows the public's continued support for local charitable causes remained fairly constant.

Chart 6: Tax Deductible Donations, 2015 to 2019



10. IPCs in the social and welfare, education as well as the health sectors continue to attract the bulk of TDD (82.0%). Corporate donors take up the larger share of TDD compared to individual donors. (Chart 7).

Chart 7: Tax Deductible Donations by Sector and Source, 2019



FUND-RAISING FOR FOREIGN CHARITABLE CAUSES

11. A total of 74 permits were issued in 2019 for organisations to conduct fund-raising appeals for foreign charitable causes. This is almost similar to the 75 permits issued in 2018. Some of the permits were issued for efforts in aid of disaster and humanitarian relief efforts included Typhoon Idai in Africa and Typhoon Hagibis in Japan.

Our Work in 2019

An overview of events and initiatives during the year

Be a proactive charity advisory

Actively advises public and charities about issues affecting the charity sector and improve accessibility of information to facilitate charities' work and safer giving.

IN CONVERSATION WITH THE COMMISSIONER OF CHARITIES



In April 2019, the COC and the Singapore Institute of Directors, supported by the Charity Council, held the inaugural *"In Conversation with the COC: Board Culture, Ethics and Governance"*. The session saw a good turnout of 491 charity representatives from 292 charities.

Prof Mak Yuen Teen, Associate Professor of the National University of Singapore, Business School spoke about *"Why Good Boards Fail?"*. He shared the core factors that form a good board, illustrated what constitutes a good board using several case studies and how charities can select board members with the right attributes for the benefit of the organisation. Three past winners of the Charity Governance Award also shared their journey towards good governance.

Mr Tay Yong Seng, Partner of Allen and Gledhill LLP took charities through the recent amendments to the Charities Act. He highlighted that the objective of the amendments serves to provide greater protection for charities and donors by strengthening governance, accountability and transparency in local charities and fund-raisers; as well as to maintain a high level of public trust and confidence in the charity sector with the enhancement of the regulatory powers of the COC.

Dr Ang Hak Seng, the COC, touched on *“Productivity for Charities”* and shared that the uplifting of skills and abilities is key to achieve improvement in process productivity. To support such skills upgrade, Dr Ang announced the collaboration with SUSS to roll out a pilot certification program for management personnel of charities.



The session concluded with a *“Conversation with the Commissioner”* where charities representatives can raise feedback and clarify their doubts with the COC face-to-face.

The second run of *“In Conversation with the COC”*, co-organised by the COC and CSIS, returned on 17 July 2019 at the Singapore Chinese Cultural Centre.



The Guest-of-Honor, Ms Grace Fu, Minister for Culture, Community and Youth welcomed 491 representatives with her opening address about building a trusted and thriving charity sector. She thanked the charity sector in contributing to a more caring and compassionate society in Singapore and emphasised that trust is key in encouraging people to volunteer or donate. She also welcomed partners to uplift capabilities of charities through provision of shared services and introduced SUSS as a new shared services partner.



During the event, the COC signed a MOU with SUSS, and introduced a new course titled “*The Certificate in High Performing Charities*” developed by SUSS. The course aims to impart knowledge and skills to key management personnel of charities to strengthen capabilities of the charity sector, so that they can become high-performing organisations.

The attendees also had the opportunity to hear from Dr Ang regarding the “*7 Disciplines of High Performing Charities*”. The session demonstrates how charities can incorporate these seven disciplines to meet the expectations of their stakeholders and achieve their charitable purposes at the same time.



In the second half of the session, Mr John Ho Chi, Partner of Advisory Service of Ernst and Young, shared about the Personal Data Protection Act and its relevance to the charity sector. Following which, both Dr Tan Wee Liang, Chairman of Charities Compliance and Governance Advocacy Taskforce and Ms Chiang Chai Foong, Honorary Secretary of CSIS brought the audience through the process of filing annual returns.

DEVELOPING CAPABILITIES THROUGH TRAINING AND SHARING PLATFORMS

Community Leaders Forum for Malay/Muslim Organisations



In February 2019, the COC, the Charity Council and Yayasan Mendaki co-organised the *Community Leaders Forum for the Malay Muslim Organisations*. 56 participants from 24 organisations attended the session held at Wisma Geylang Serai to gain knowledge of the best practices for fund-raising and the management of conflict of interest.

Charity Council member, Mr Suhaimi Bin Zainul Abidin shared best practices in fund-raising and managing conflict of interest as outlined in the *Code of Governance for Charities and Institutions of a Public Character*. Mr Sajit Singh, Executive Chairman of Ardent Associates LLP also engaged the attendees with illustration of case studies about conflict of interest and a quiz segment to test the governance knowledge of participants. Ms Khalijah Masud, Director of Advancement Office of SUSS then elaborated on the fund-raising cycle and imparted knowledge to participants about retaining and attracting donors, as well as increase donations.

During the panel discussion, the speakers addressed questions which included the computation of the 30/70 fund-raising efficiency ratio and how to manage sticky situations such as when charities transact with related parties.

Community of Practice - IT Playbook for Charities

Like any other organisation, it is important for charities to keep abreast of new technologies and associated cybersecurity risks. These developments are likely to impact how volunteers perform their functions and how charities communicate with their donors moving forward.



We worked with RSM Singapore to co-organise the first two runs of IT Community of Practice in 2019 to help charities understand how they can adopt a digital transformation journey and to identify core digital capabilities to help the organisation keep up with donors' changing expectations. During these sessions, charities had the opportunity to learn ways to leverage on technologies to personalise communications with donors while being compliant with the Personal Data Protection Act. In addition, charities were informed of the evolution of cyberattacks and ransomware, and its impact on the organisation. More importantly, through the sessions, charities also gained knowledge of best practices for maintenance of a safe cybersecurity ecosystem.

MAXIMISING RESOURCES THROUGH SHARED SERVICES

Since 2018, the COC has been developing partnerships with various partner organisations to provide shared services for charities. Following the four partnerships established in 2018, the COC has continue to grow the number of organisations which have committed to providing their services for the charity sector.

Consultation Clinics at Co-Sharing Meeting Space

In May 2019, the COC partnered Temasek Trust Ltd to co-locate the shared services at Temasek Shophouse, offering a physical co-sharing meeting space for organisations that wish to make a social impact. The CSIS, CNPL, LSPBS and The Institute of Internal Auditors (Singapore) (IIA) have conducted free consultation clinics at Temasek Shophouse for charities on various topics of interest.

Resource-Pooling

Following in June 2019, the COC and the HEB established a MOU for the latter to promulgate best practices and address queries from Hindu charities on governance and regulations. In addition, HEB will pool resources among Hindu charities and consolidate a list of common services for them.

Ensure regulatory relevance & compliance

Regular review of the regulatory framework to ensure its relevance to evolving needs of the charity sector

STREAMLINING REPORTING REQUIREMENTS

The COC has streamlined reporting requirements for smaller non-IPC charities. Non-IPC charities whose gross income or total expenditure (whichever the higher) in the financial year do not exceed \$500,000 are no longer required to submit the Online Financial Summary. This change takes effect in respect of charities' submissions for financial years beginning on or after 1 January 2020.

The COC has also developed templates and guides for charities to provide greater ease in their preparation of annual submissions. The *Annual Report Illustrative Template Guide for Charities* and the *Guide on Preparing Annual Submissions* were published in 2019.

PROTECTING CHARITIES AGAINST TERRORIST FINANCING

To protect the charity sector against the risk of terrorist financing (TF), the COC is kept informed of the developments in the anti-money laundering and countering the financing of terrorism sphere through participating in regional events and gaining insights from sharing best practices with regional authorities.



In October 2019, the COC was invited by the Ministry of Home Affairs to attend the “*No Money for Terror*” Conference hosted by The Australian Department of Home Affairs in Melbourne, Australia. Built around four themes, the Conference analysed the current global and Indo-Pacific threat environment, discussed about enhancing public-private partnerships, examined risks of developments in technologies and payment systems, and addressed the transparency of finances and governance of non-profit organisations (NPOs).

The COC delivered an intervention during a session which discussed how NPOs can be exploited for terror acts and how authorities can strengthen the sector to prevent such occurrence. The COC shared Singapore's effort to prevent the abuse of the charity sector for terror acts, including helping smaller charities manage the cost of implementing due diligence measures through shared services and working with Apex organisations to co-regulate the sector.

The COC has begun work on developing a TF risk mitigation toolkit for the charity sector and will look at conducting small group consultations to obtain inputs in making the toolkit a valuable resource for charities.

Promote good governance

Developing governance capabilities of board members so that they can exercise sound and responsible stewardship of public resources in fulfilling the objects of charities

CHARITY GOVERNANCE CONFERENCE

Supported by the COC, the Charity Council partnered Securities Investors Association (Singapore) to present the Charity Governance Conference 2019 themed *“Future Proofing Charities”*. The Conference was graced by Minister for Culture, Community and Youth and saw a good attendance of 320 participants.



The Conference aspires to uplift charities’ governance practices through the sharing of insights and best practices by experts from the sector. Dr Gerard Ee kick-started the conference with the topic regarding *“Building Trust”* and shared how it contributes to the sustainability of a charity. He also emphasised that good governance helps to build trust towards the charity.

Dr Fermin Diez, Deputy CEO of National Council for Social Service presented the second topic about *“Capability Building in Charities”*. He highlighted that charities need to take steps forward to build capabilities as it correlates to the sustainability of the charity sector and shared the core competencies that charities should look at for growth.



Two concurrent governance workshops, *“Technology and Cybersecurity”* and *“Internal Auditors - Eyes and Ears for the Board”* were conducted in the second half of the conference.

CHARITY TRANSPARENCY AND GOVERNANCE AWARDS

Every year, charities are recognised for their exemplary disclosure and transparency practices at the Charity Transparency Awards and Charity Governance Awards Ceremony.

The Charity Council, supported by the COC, held the 4th Charity Transparency Awards and the 7th Charity Governance Awards at One Farrer Hotel on 3 December 2019. Graced by Guest-of-Honor, Minister for Culture, Community and Youth, 300 guests attended the event in celebration of the charities' achievements.



Silver Ribbon (Singapore), Caregivers Alliance Limited and Assisi Hospice were conferred top honors for achieving the highest standard of governance in the small, medium and large charity categories respectively. In addition, four Special Commendation Award were presented to O'Joy Care Services and ARC Children's Centre Co Limited for

Operational Efficiency, Viriya Community Services for Clarity of Strategy as well as to The Community Foundation of Singapore for Governance and Management.

The Award Ceremony was also made possible by our strategic partners - Singapore Management University, School of Accountancy, IIA and Ernst and Young, for providing support during the assessment process, leading up to the event.

Our Plans Looking Ahead

An overview of initiatives in the pipeline

2020 has brought about unprecedented challenges for all of us. It has also brought additional demand for charities and social services. The COC is committed to walking this journey with all charities, to emerge stronger together.

Many initiatives were kickstarted in 2019 and 2020, and we will continue to grow and expand these initiatives to uplift the charity sector to be sustainable for the future. The focus of the COC will be in the following three areas - Professionalism, Digitalisation and Collaboration.

Professionalism

The COVID-19 crisis had given fresh impetus for charities to review programmes and activities to adapt to the changing environment and needs. COVID-19 also provided the opportunity to innovate and develop new skills which allows for you to continue your operations. Therefore, the continuous pursuit for professionalism of the governing board, management team and staff in charities is important for all to be kept abreast of the latest updates and to have the relevant skills and capabilities to deliver services effectively.

To ensure sustainability of your charity, we urge you to have open and honest conversations with your governing board and prioritise the programmes that can deliver the greatest impact to the community.

To enable people in charities to have the opportunity to the above, we strongly encourage charities to send representatives to the COC-SUSS *“Certificate in High Performing Charities”* course. The fifth course run will be starting in February 2021, spanning over five Saturday mornings. The course will cover key areas that are highly important for charities, such as non-profit leadership, governance & risk management, volunteer management and fund-raising. Together with SUSS, we target to engage 500 participants.

The COC will continue to work closely with SUSS to expand the curriculum and develop other training courses for both our charities and the people sector.

Digitalisation

The COVID-19 pandemic accelerated digitalisation for many organisations, and this is also true for our charities. To guide our charities, the COC has shared a Charity Digitalisation Plan at the recent *“In Conversation with the COC”* and can be summed up as:

- 4 Whats - Shared strategies
- 3 Hows - Implementation to address the gaps of people, process and structure
- 2 Whos - Partnership between COC and the charity sector
- 1 When - One charity digitalisation roadmap

It is important to leverage on technology and use it as a tool to achieve a multiplier-effect by sharing. For example, there are four categories of sharing that the charity sector will strive to have. First, shared resources, this can be sharing of volunteer resources and logistical resources so that the mileage of such resources can be stretched and maximised. An example is the SG Cares application. Charities should leverage on this application to tell your story, to recruit volunteers and to raise funds online.

Second, shared packages for commonly required administrative matters such as accounting, procurement, human resources and payroll. A ready shared package is offered by iShine and could be adapted by many charities. The COC will continue to forge partnerships with more agencies that are able to provide a suite of digital productivity tools suitable for charities.

Third, it is important to have shared data as this will enable the sector to understand underserved and overserved segments, to better achieve market efficiency. COVID-19 shown us that data sharing was important in ensuring the efficient and effective delivery of care packs to beneficiaries. This should be improved and continued.

Lastly, the highest level of sharing is shared solutions. This nudges charities to shift towards a mindset that is beneficiary centric, so that the services and solutions provided to the beneficiary are convenient, assured and personalised.

The above is a tall order but can be worked towards to by focusing on the people, process and structure. First, the COC will work on closing the expertise gap through educating the sector on digitalisation. Next, in terms of the process, there will be continued resources and funding available to the sector to make use of digital tools. Most importantly, the COC will work together with the charities to co-create quick and agile solutions customised for the charity sector. The COC will be using an agile model and will work with 10 digitalisation champions from the charity sector to do a pilot run. From the pilot, we will extract the best practices and aim to scale up for all charities. Partnerships will also be forged with organisations from the people, private and public sectors to collaborate as an ecosystem.

Collaboration

As the saying goes *“It takes a village to raise a child”*. In the same vein, *“It takes a concerted community to help those in need”*. With the social tapestry becoming more complex, we need to collaborate more. If charities work in silos, our society will have a disparity between the underserved and overserved segments. Therefore, collaborating is no longer a good-to-have but a must-have. I posit that collaboration will not only benefit the community at large, it is also beneficial to the charities.

First, it will improve service delivery. When charities collaborate, service delivery will improve, and organisations will be able to effectively address complex issues. This can be done by tapping on the strengths of other community partners through close partnerships.

Second, collaboration will also help to drive costs down and increase efficiency. One of the common challenges faced by charities is resource constraint. Hence, one solution to explore is the pooling of resources through collaboration while tapping on the pervasive nature of technology.

Third, with collaboration, charities can also increase access to funds. Philanthropists and investors are increasingly investing in causes that have a positive and significant impact on society. When collaboration occurs, programmes could be better developed to meet a greater need in the community. This will result in stronger service delivery with better and more sustained impact.

To deepen and facilitate collaboration in the charity sector, the COC will be pairing charities with SG Cares VCs so that efforts will be coordinated and effective in meeting the needs of the community. In addition, the COC will be expanding our Committee of Practices to facilitate sharing of best practices among charities that face similar challenges. As a charity sector, we are all part of one community and hence the mentoring system will be expanded to have bigger charities mentor smaller charities that are in the same value chain.

CONCLUDING NOTE

As always, the COC is committed to be here for you, and we will walk this journey together with all of you. The charity sector has come a long way from regulation to co-regulation and now to collaboration. As we venture on this journey, we may face some uncertainty and challenges, but we will face them together as a family. We hope that you will join us in this shared endeavor. Together, we can achieve a thriving and trusted charity sector.