



COMMISSIONER OF CHARITIES
◇ **ANNUAL REPORT 2022** ◇

CONTENTS

3 Shared Vision and Strategies

4 Commissioner's Foreword

6 Key Statistics of 2022

7 Highlights of the Year

8 | Regulatory Compliance and Enforcement

9 | Enhancing Governance Capabilities of Charities

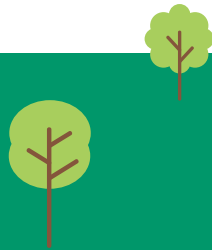
13 Our Plans in the Year Ahead

14 | Promoting Good Governance and Best Practices

15 | Maintaining a Relevant Charity Regulatory Framework

21 Charity Statistics

27 Resources



SHARED VISION AND STRATEGIES

Our vision is to develop a well-governed and thriving charity sector with strong support from the public. To achieve this shared vision, we work closely with the Charity Council¹ and Sector Administrators from the respective agencies, to regulate the charity sector and develop initiatives based on three strategies – promote good governance and best practices, ensure regulatory relevance and compliance and be a proactive charity advisory.

Ensure Regulatory Relevance and Compliance

In our continuous bid to meet the evolving needs of the charity sector, we review our regulatory framework regularly to ensure its relevance. We adopt a tiered approach towards regulating the sector, with Institutions of a Public Character (IPCs) and larger charities subject to more stringent requirements and higher standards of governance.



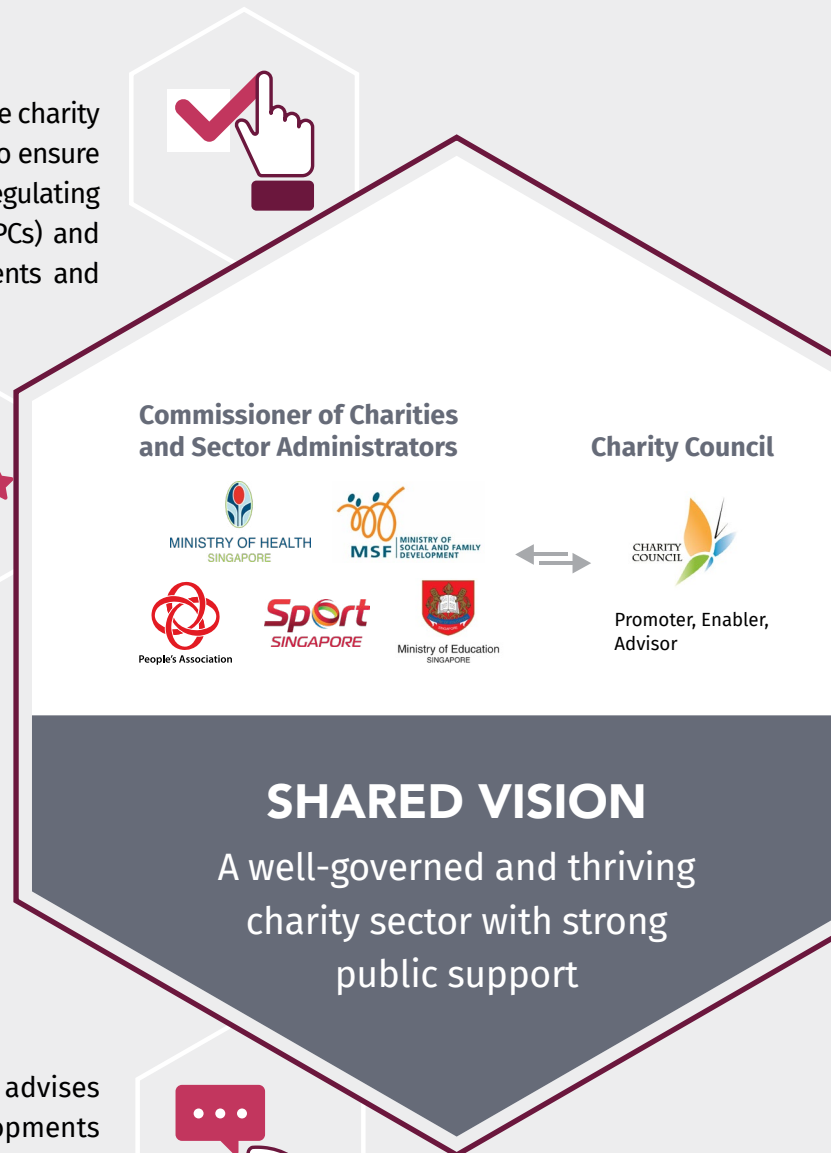
Promote Good Governance and Best Practices

We recognise the importance of developing governance capabilities of charity board members. This is so that they can exercise sound and responsible stewardship of public resources which charities receive and apply them towards fulfilling the charitable objectives of their organisations.



Be a Proactive Charity Advisory

We strive to be a proactive charity regulator which advises charities and members of the public about developments and issues that impact the charity sector. We aim to enhance the accessibility of information which is useful to facilitate charitable work and to promote safer giving in the charity sector.



¹ The Charity Council was first established in 2007. The current Council, appointed on 1 March 2023 for a three-year term, comprises twelve 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 and significant cases, so that the Commissioner can make more informed and robust decisions.

COMMISSIONER'S FOREWORD



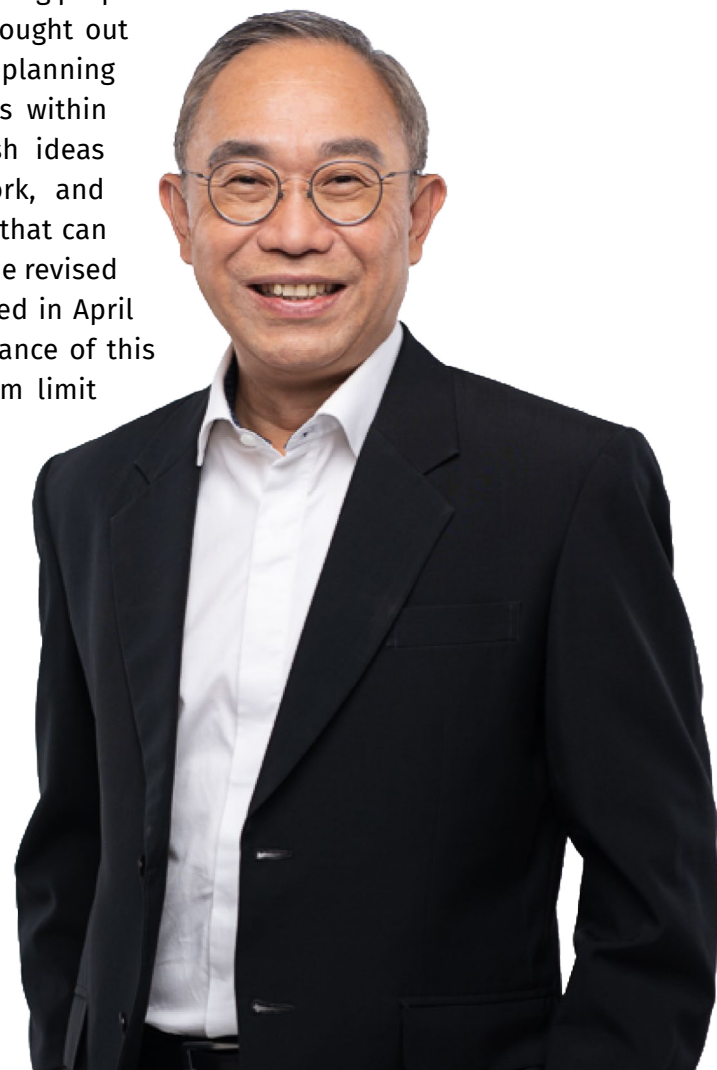
2022 saw the lifting of most COVID-19 restrictions and charities have been able to resume more in-person events and activities as well as embrace renewed connections with their volunteers and donors. As charities ramp up their activities, maintaining continued strong governance and controls is paramount.

Good Governance is Fundamental

Good governance is akin to the strong foundation of a building. It comes in the form of having not only clear and well-established policies and controls to manage your charity, but also an effective and accountable leadership. It is not a good to have but a must have. Charities' stakeholders, such as members, volunteers, donors, sponsors and the public, also expect and demand good governance. In some ways, these expectations can be even higher because charities enjoy public support and goodwill in pursuit of their charitable objectives. Trust, once broken, will take a long time to repair. Charities must therefore ensure that good governance is the bedrock upon which they sit if they wish to uphold continued public trust and confidence.

Board Renewal & Succession Planning are Necessary

Good governance includes having proper board renewal and a well thought out succession plan in place. Such planning ensures smoother transitions within the charity, encourages fresh ideas and perspectives in its work, and mitigates detrimental issues that can arise from over-familiarity. The revised Code of Governance, published in April 2023, emphasizes the importance of this by introducing a 10-year term limit for board members.





All charities should, if they have not already done so, begin this process. For some, it will take some time as it would be the charity's first time doing so. But it is important to start this process to ensure that the charity continues to fulfil its vision and mission.

Proper & Timely Regulatory Submissions are Mandatory

The Charities Act requires all charities to prepare and submit their Annual Reports, Financial Statements and Governance Evaluation Checklists to the Commissioner of Charities on an annual basis. These are then made available on the Charity Portal for the public to view. Charity boards have a duty of care to ensure that these submissions are done correctly and submitted on time. Other than complying with legislative requirements, these annual submissions are a means to showcase a charity's programmes and its impact, and to be transparent to donors and stakeholders on how their funds have been used. We will be paying close attention in the coming year to ensure that charities comply with this mandatory requirement.

Conclusion

The charity sector plays a crucial role in society by providing essential services, addressing gaps and championing purposeful causes. The Office of the Commissioner of Charities is committed to supporting the good work of our charities. Over the next few years, we will strengthen the governance capabilities and regulatory compliance of charities and provide help and support to promote a well-governed and thriving charity sector that enjoys strong public trust.

Desmond Chin
Commissioner of Charities
December 2023

KEY STATISTICS OF 2022

REGISTERED CHARITIES

49 charities were newly registered



2,379 charities as at 31 December 2022

INSTITUTIONS OF A PUBLIC CHARACTER

IPC status was newly granted to **32** charities

668 IPCs as at 31 December 2022



FOREIGN FUND-RAISING PERMITS

75 FRFCP permits were issued



Permits were granted for various private appeals and efforts in aid of disasters and humanitarian relief overseas such as in Bangladesh, India, Indonesia, Pakistan, Philippines, Sri Lanka and Ukraine

REVIEWS AND INVESTIGATIONS

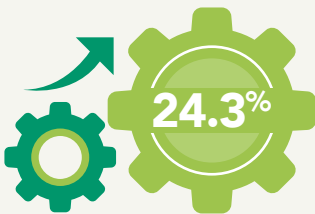
122 reviews and investigations conducted during the year

This included reviews on feedback received on charities and fund-raisers as well as governance, focus and special reviews on charities



FUNDING FOR CHARITIES

\$3.68 million was utilised out of the Charities Capability Fund during the period from April 2022 to March 2023



\$0.72 million more than prior period's utilisation

CHARITY INCOME OVERVIEW

\$24.44 billion in total receipts comprising Donations, Government Grants and Other Income were received by charities in FY2021

TOTAL DONATIONS

\$2.95 billion

donations were raised in FY2021

5.4% less than in FY2020



TAX DEDUCTIBLE DONATIONS (TDD)

\$1.08 billion

tax deductible donations were raised in 2022

4.9% more than in 2021



TRAINING AND ENGAGEMENT

12 webinars, conferences and other events organised for charities



HIGHLIGHTS OF THE YEAR

The Commissioner of Charities carried out the shared vision and strategies of the Charities Unit through the following initiatives during the year:

Regulatory Compliance and Enforcement



Work of the Charities Unit

Enhancing Governance Capabilities of Charities



In Conversation with the Commissioner of Charities and Charity Council



Charity Governance Conference



Charity Transparency and Governance Awards 2022



Charities Lean Forward Webinar Series

REGULATORY COMPLIANCE AND ENFORCEMENT

Work of the Charities Unit

The Charities Unit, also known as the Office of the Commissioner of Charities, was set up on 1 July 2006. Together with our five Sector Administrators, namely the Ministry of Education, Ministry of Health, Ministry of Social and Family Development, People's Association and Sport Singapore, we register and regulate charities and Institutions of a Public Character (IPCs) in Singapore to ensure that the public can support charities with confidence.

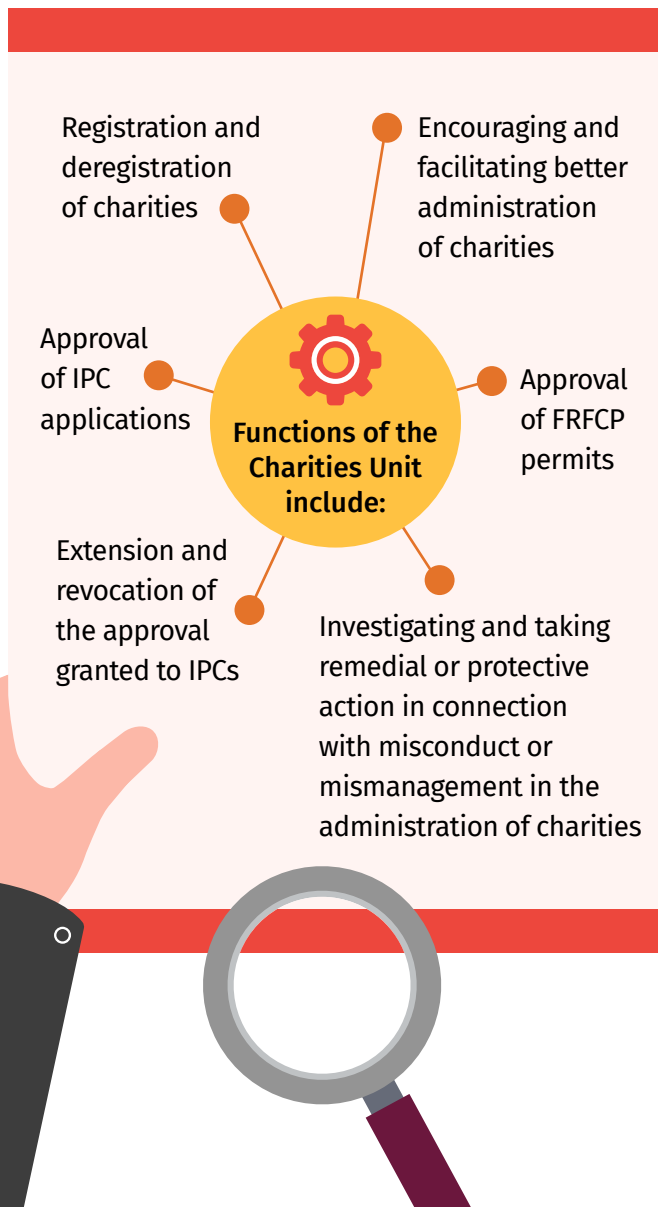
The vision of the Commissioner is to nurture a well-governed and thriving charity sector with strong

public support. To achieve this, the Charities Unit regulates charities by advising them on how to operate in compliance with the requirements of the Charities Act and subsidiary legislation and how to maintain high standards of governance and internal controls. It also regulates all private and public fund-raising appeals in Singapore, be it for local or foreign charitable purposes, with a view to promote transparency and accountability in the appeals administered. The Commissioner issues Fund-raising for Foreign Charitable Purposes (FRFCP) permits to organisations that wish to conduct fund-raising appeals for foreign charitable purposes.

During the year, we registered 49 new charities with the majority coming from the health and social and welfare sectors. We de-registered 29 charities over the same period. More statistics on the charity sector can be found in the Charity Statistics section in pages 21 to 26 at the end of this report.

We also issued 75 FRFCP permits for various private appeals and efforts in aid of disasters and humanitarian relief overseas, among other causes. These were mainly in relation to assistance provided arising from the conflict in Ukraine, economic crisis in Sri Lanka, and natural disasters (e.g. earthquakes and floods) in Bangladesh, India, Indonesia, Pakistan, and the Philippines.

The Commissioner carries out other regulatory roles including compliance monitoring through conducting governance and focus reviews on charities, investigating complaints received and taking enforcement action when there is any misconduct by charities or fund-raisers. During the year, there were 122 reviews and investigations conducted. This included the conduct of reviews on feedback received on charities and fund-raisers, and commencement of governance, focus and special reviews on charities.



ENHANCING GOVERNANCE CAPABILITIES OF CHARITIES

In Conversation with the Commissioner of Charities and Charity Council

Together with Pro Bono SG and the Centre for Non-Profit Leadership (CNPL), the Commissioner and the Charity Council co-organised the fifth run of the “*In Conversation with the COC*” series for charities to learn about good governance and management practices from industry experts and fellow charities. This includes topics on the importance of planning for board succession, board renewal and diversifying board members.

The event was held at National Volunteer & Philanthropy Centre on 13 April 2022 and was also live streamed for participants to watch online. More than 800 charity representatives participated in the event.



Moderator and attendees of the In Conversation event

During the event, the Commissioner conveyed the following key reminders to charities:



For good governance, charities should have proper frameworks, clear policies and established processes in managing their overall direction, effectiveness and accountability.



Charities can achieve good governance and maintain public trust by improving their regulatory compliance and ensuring that annual submissions are submitted timely and accurately.



Charities should perform due diligence checks on their governing board members and key officers to ensure they are not disqualified under the Charities Act.



The governing board of the charity must be clear of its roles and responsibilities in order to lead the charity effectively. One of these responsibilities include ensuring that the charity has a succession plan in place and timely board renewals to help seed new ideas and thinking.



Charities should elect board members based on their core skills and competencies, the roles they can undertake in the charity and whether they have the right motivations.



Panel discussion at the In Conversation event
From left: Mr Kitson Lee, Former Head for CNPL at National Volunteer & Philanthropy Centre (NVPC); Mr Desmond Chin, Commissioner of Charities; Dr Gerard Ee, Chairman of the 8th Charity Council; and Mr Gregory Vijayendran, SC, Chairman of Pro Bono SG

Charity Governance Conference

Together with the Charity Council, the Commissioner supported the annual Charity Governance Conference organised by the Securities Investors Association (Singapore) in partnership with the Singapore University of Social Sciences (SUSS). The 2022 Conference, themed “*Governance Beyond Adversity*”, discussed current and emerging topics that were relevant to driving effective charity governance. The Conference was graced by Mr Edwin Tong, Minister for Culture, Community and Youth and Second Minister for Law. It was held at the Stephen Riady Auditorium @ NTUC and via Zoom and was attended by almost 800 charity representatives and partners from various sectors.



Minister Edwin Tong giving his opening speech at the Charity Governance Conference

In the first half of the Conference, topics on Stewardship and Environmental, Social and Governance (ESG) were covered:

“*Looking Beyond – Defining Great Stewardship*”

This topic discussed the meaning of stewardship leadership and how charities could be aligned with their Steward Leadership Compass. Charities were encouraged to be proactive in setting values, purpose and strategies to achieve good stewardship.

“*ESG and its Relevance to Charities*”

This topic discussed the five Ws (i.e. Who, What, When, Where, Why) of ESG, as well as how charities can start their ESG journey and achieve their ESG goals. Charities were inspired to take a 3-pronged approach towards ESG and continue to share their good work done on ESG with their stakeholders.

In the second half of the Conference, attendees participated in workshops which covered topics on building an effective and diverse board, enabling and disabling technology and the significance of non-fungible tokens to charities.



Dr Gerard Ee shared that charities should try to bridge the rules and their values to achieve good stewardship. From left: Mr Mark Laudi, CEO of Hong Bao Media; Mr Rajeev Peshawaria, CEO of Stewardship Asia; Dr Gerard Ee, Chairman of the 8th Charity Council; and Mr Samuel Tan, CEO of All Saints Home during the panel discussion at the Charity Governance Conference

Charity Transparency and Governance Awards 2022

The Charity Transparency and Governance Awards returned after a two-year hiatus during the COVID-19 period. The Charity Council, supported by the Commissioner, held the 5th Charity Transparency Awards and the 8th Charity Governance Awards at the Singapore Chinese Cultural Centre on 9 November 2022. The Award Ceremony aims to recognise charities for their efforts in upholding governance and building public trust in the sector, and for displaying exemplary disclosure and transparency practices.

The National Kidney Foundation, Prison Fellowship

Singapore Limited and Mindset Care Limited were conferred the prestigious Charity Governance Award for achieving the highest standard of governance. In addition, a total of 85 charities received the Charity Transparency Awards this year. This is the highest number of charities recognised since the award category was introduced in 2016. Of the 85 recipients, three also received the Special Commendation Award for good governance practices in specific areas.

The Award Ceremony was made possible by our strategic partners, Singapore Management University, Institute of Internal Auditors (Singapore) and Ernst & Young Singapore, who provided support during the assessment process leading up to the event.



Winners of the Charity Governance Award receiving their award from Minister Edwin Tong
From left: Mr Arthur Lang, Chairman of The National Kidney Foundation; Mr Gregory Vijayendran, Chairman of Prison Fellowship Singapore Limited; and Mr Jeffery Tan, Chief Executive Officer of MINDSET Care Limited



Minister Edwin Tong with the Charity Governance Awards Judging Panel
From left: Mr Tay Woon Teck, Managing Director, Business Consulting & Head of Private Client Services of RSM Singapore; Mr Neo Sing Hwee, Partner of Ernst & Young Singapore; Minister Edwin Tong; Ms Lan Luh Luh, Associate Professor of Law of NUS Law School; Mr Suhaimi Zainul Abidin, CEO of Quantedge Capital Pte Ltd; and Mr Dickson Lim, Head of Philanthropy and Community Impact for Singapore of UBS AG

Charities Lean Forward Webinar Series

With the support of our Shared Services partners, the Commissioner continued to organise the Charities Lean Forward webinars for charities. In 2022, five webinar sessions were conducted which covered a range of topics to help charities gain insights and learn best practices to strengthen their governance capabilities and enable them to operate effectively. The link to these webinars can be found in the Resources for Charities section on page 27 of this report.

Charities learnt about best governance and management practices, and how to operate effectively as they embark on their post COVID-19 journey during the webinars



2022

26
JAN

"Legal Liabilities of Board Members and Management"



Jointly organised with Pro Bono SG, this webinar aimed to help board members of charities understand their rights and responsibilities throughout their journey from appointment to resignation.

23
MAR

"Institutionalise Fund-raising to Do Good Well"



Jointly organised with SUSS, this webinar drew insights from the investment sector to explore how charities could adopt successful fund-raising initiatives with similar strategic intent and financial discipline as the for-profit sector.

21
JUN

"Transitioning of Legal Entity – Incorporating into a Company Limited by Guarantee"



Jointly organised with Pro Bono SG, this webinar discussed the considerations, as well as pros and cons of transitioning from being a society to a company limited by guarantee.

27
OCT

"Integrate Social Impact into Strategy"



Jointly organised with SUSS, this webinar shared and discussed the strategies that charities might adopt to measure their impact.

29
NOV

"Be CyberSafe! For Charities"



Jointly organised with Pro Bono SG and the Singapore Police Force, this webinar highlighted common scams and how charities could protect themselves and minimise cybersecurity risks especially with new work patterns resulting from the COVID-19 pandemic.

OUR PLANS IN THE YEAR AHEAD

The Commissioner of Charities remains committed to raising the capabilities of charities, and promoting transparency and accountability in the charity sector through the following initiatives in the year ahead:

Promoting Good Governance and Best Practices



Revised Code
of Governance

Maintaining a Relevant Charity Regulatory Framework



Guidance on
Regulation of
Grantmakers



Terrorist
Financing Risk
Mitigation Toolkit
for Charities



Disclosure
Regime for Public
Fund-raising
Appeals

PROMOTING GOOD GOVERNANCE AND BEST PRACTICES

Revised Code of Governance

The Commissioner and the Charity Council published the revised “Code of Governance for Charities and Institutions of a Public Character (IPCs) 2023” (Code) on 4 April 2023.

A robust Code will raise the standards of governance in the charity sector and instil confidence in Singaporeans to give and support our charities and their causes. The revision sees a move towards a principle-based Code with clearer guidelines to enhance the effectiveness of charities by strengthening their governance practices.

The key revisions to the Code are:

- ✔ New principle-based Code with guidelines
- ✔ Charities are grouped into 2 tiers
- ✔ Revised Governance Evaluation Checklist compliance and scoring matrix
- ✔ Introducing Environmental, Social and Governance concept
- ✔ Setting a maximum Board term limit of 10 years for all IPCs and large non-IPC charities²

The revised Code of Governance will take effect from charities’ financial years beginning on or after 1 January 2024. To prepare charities and facilitate compliance with the revised Code, the Commissioner and the Charity Council will continue to engage charities from various sectors to share more on the revised Code. These engagements will also allow the Commissioner to gather feedback regularly to better understand charities’ needs and build a stronger relationship with our charities.



Cover page of the revised Code of Governance for Charities and Institutions of a Public Character



² Large non-IPC charities are those with gross annual receipts or total expenditure (whichever is higher) of \$10 million or more.

MAINTAINING A RELEVANT CHARITY REGULATORY FRAMEWORK

Guidance on Regulation of Grantmakers

Grantmakers are typically non-profit entities such as private family or corporate foundations, or businesses' giving programs which only give out grant monies to specific charitable causes. They play an important role in the overall philanthropic sphere and contribute to the national drive to build a more caring and inclusive Singapore.

To promote charitable giving and develop Singapore as a philanthropic hub, a lighter-touch regulatory regime for Grantmakers was introduced in 2007. Under the Grantmaker Scheme administered by the Office of the Commissioner of Charities, some of the regulatory requirements for charities are waived or relaxed for qualifying Grantmakers³. The *"Guidance on Regulation of Grantmakers"* (Guidance) was published by the Commissioner in the same year to set out how qualifying Grantmakers would be regulated under this lighter-touch regime.

Since the Guidance was first published in 2007, the charity landscape has continued to evolve and develop. As part of the Forward Singapore exercise, the Commissioner embarked on a review of the Grantmaker Scheme to clarify the parameters of the scheme and ensure its relevance to our Grantmakers. The review sought to provide greater transparency to Grantmakers in three key areas:



1

Allowable allocations between local and overseas giving



2

Conduct of non-grantmaking activities



3

Disbursements made through non-grant instruments



³ For organisations which fulfil the criteria, the Commissioner will waive the following registration requirements under the Charities (Registration of Charities) Regulations:

- (a) The requirement under Regulation 3(1)(b) that there must be a minimum of 3 governing board members for the charity (or 10 governing board members for large charities) [Note: Qualifying Grantmakers will instead need a minimum of one local governing board member.]
- (b) The requirement under Regulation 3(1)(c) that the purposes of the charity must be beneficial wholly or substantially to the community in Singapore. [Note: Qualifying Grantmakers will not be required to apply their funds wholly or substantially in Singapore but are expected to apply some of their funds in Singapore.]



To gather holistic feedback from key players in the Grantmakers' ecosystem, the Commissioner engaged relevant stakeholders from December 2022 to January 2023 through an online consultation and face-to-face engagement sessions on the key proposed

changes to the Guidance. We have considered the feedback received from stakeholders, including from partner agencies such as the Monetary Authority of Singapore (MAS) and Economic Development Board (EDB) which we work closely with to grow Singapore as a philanthropic hub.



Engagement sessions with Grantmakers in January 2023 on the review of the Grantmaker Scheme

The revised "Guidance on Regulation of Grantmakers" was issued on 21 November 2023 and will take effect from 1 January 2024. The Commissioner will continue to engage Grantmakers to ensure that our policies continue to remain relevant to and effective in supporting the good work of our Grantmakers.



Terrorist Financing Risk Mitigation Toolkit for Charities

The 2020 Singapore Terrorism Financing National Risk Assessment identified non-profit organisations in Singapore, including charities, to be at risk of terrorist financing (TF) abuse and highlighted several vulnerabilities that could make charities more susceptible to TF abuse. It is, therefore, crucial for charities to be aware of the risks associated with TF abuse so that the relevant mitigating measures can be implemented.

Together with KPMG and selected charities, the Commissioner co-developed the Terrorist Financing Risk Mitigation Toolkit for Charities (Toolkit). The Toolkit, which was launched in February 2023, comprises a step-by-step framework, checklists



Case study group discussions at the TF Risk Mitigation Toolkit for Charities training sessions in May and August 2023

and templates to guide charities in identifying and assessing the risks of TF abuse. It also recommend best practices to help charities mitigate the identified risks using a risk-based approach. The Toolkit is available under the “Guides” page on the Charity Portal (www.charities.gov.sg)⁴.

We have conducted two training sessions in 2023 and plan to conduct three more in 2024 to help charities understand the principles and best practices in the Toolkit and adopt the risk assessment framework. This will help to enhance charities’ awareness of TF risks and strengthen their capabilities in countering the risks of TF abuse.

⁴ The Terrorist Financing Risk Mitigation Toolkit for Charities can be found at the following link: <https://www.charities.gov.sg/PublishingImages/Resource-and-Training/Guides-Templates-Awards/Guides/Documents/Risk%20Mitigation%20Toolkit%20for%20Charities.pdf>

Disclosure Regime for Public Fund-raising Appeals

Legislative Changes

The Commissioner implemented the disclosure regime for public fund-raising appeals on 9 October 2023. The Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations were amended on the same date to give effect to the new regime.

With the maturing of the charity landscape, we have made changes to the fund-raising regime to allow bona fide charities to fund-raise under more practical conditions, while putting in place safeguards to protect and help donors give safely.

Previously, all public fund-raising appeals conducted through visits from house to house or by soliciting in the streets required either a House to House and Street Collections (HHSC) licence from the Police or a fund-raising permit from the National Council of Social Service (NCSS) if the fund-raiser is a member of NCSS. At the same time, these charitable collections are also regulated by the Commissioner under the Charities Act.

Under the newly implemented disclosure regime, collections by or for local registered or exempt charities under the Charities Act, and valid permit holders raising funds for foreign charitable purposes

approved by the Commissioner (FRFCP permit holders) will only be regulated under the Charities Act. These entities are exempted from applying for a licence to conduct house to house and street collections and are instead required to make online disclosures of their public fund-raising appeals. House to house and street collections for organisations other than those mentioned earlier will still be licensed by the Police.

An overview of the key features of the disclosure regime can be found on page 20 of this report.

Safer Giving Campaign 2023

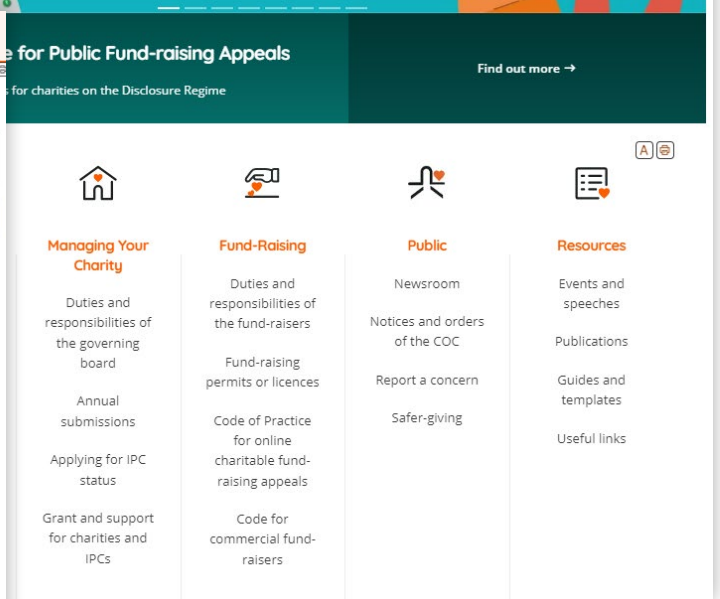
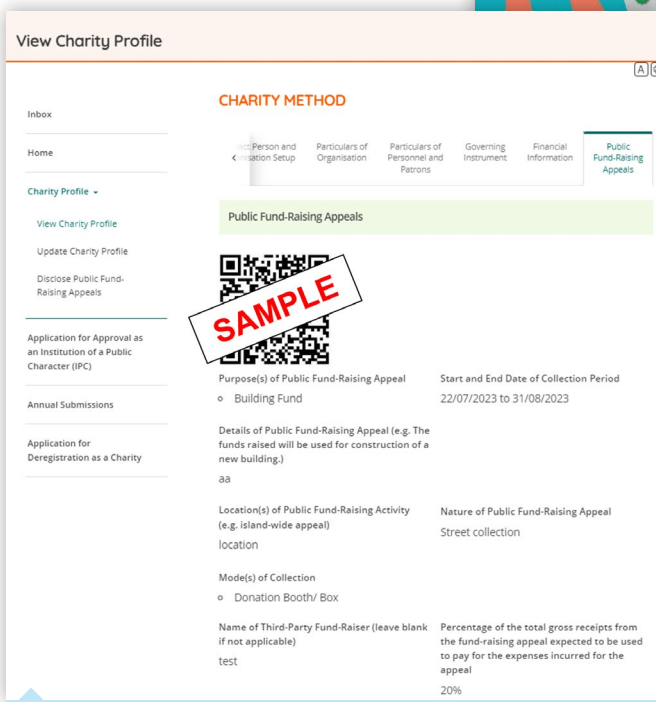
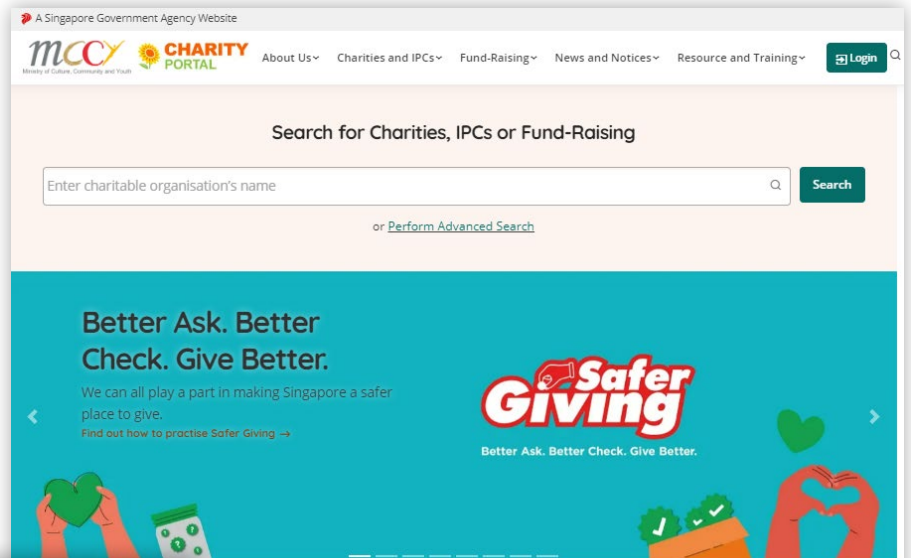
As part of continued efforts to raise awareness and educate the public on donating safely, and to mitigate potential concerns from the public on donation-related scams, a proactive Safer Giving campaign was launched. The campaign has been rolled out progressively in 2023 and aims to create sustained messaging to raise awareness and educate the public on donating safely prior to and during the early months of the implementation of the disclosure regime. More information is available on the “Safer Giving” page on the Charity Portal (www.charities.gov.sg)⁵.



⁵ The “Safer Giving” page on the Charity Portal can be found at the following link: <https://www.charities.gov.sg/Pages/Fund-Raising/Safer-Giving.aspx>

Enhancements to the Charity Portal

Enhancements were made to the Charity Portal to enable charities to submit the required disclosures on their public fund-raising appeals via the Portal. The enhancements were soft launched in December 2022 and allowed charities to get an early sense of the disclosure regime.



Enhancements were made to the Charity Portal e-Search function and Charity Portal e-Services to introduce a new section for disclosure of public fund-raising appeals and deliver a more user-friendly experience

Upcoming Plans

The Commissioner has also conducted 10 training sessions over the past year since December 2022 for our charities, FRFCP permit holders as well as Sector Administrators, on the requirements under the disclosure regime and how to submit the required disclosures via the Charity Portal. During the early months of the implementation of the disclosure regime, the Commissioner will continue to engage and provide support to charities so that they are able to comply with the new requirements.



KEY FEATURES OF THE DISCLOSURE REGIME

Scope

Applies to:

- ◆ All public fund-raising appeals (i.e. by means of visits from house to house or by soliciting in any public places, or by both such means)
- ◆ For collections of monies or other property (e.g. donations-in-kind)
- ◆ Which are conducted by or for local registered or exempt charities under the Charities Act, and FRFCP permit holders approved by the Commissioner



Requirements on Behaviour of Collectors

When conducting public appeals, collectors **MUST NOT**:

- ◆ Provide misleading information to donors
- ◆ Act fraudulently or dishonestly
- ◆ Cause annoyance to any person, or make them feel alarmed or anxious
- ◆ Behave manipulatively or make any person feel guilty, or exert undue pressure to donate
- ◆ Conduct collections at locations not specified in the official letter from the charity
- ◆ Exploit their position as a collector for personal gain
- ◆ Engage in behaviour that may harm the charity's reputation



Disclosure Requirement

Charities and FRFCP permit holders **TO DISCLOSE** the following information on the Charity Portal at least 7 working days before the appeal starts:

- ◆ Purpose, duration, location and method of the collection
- ◆ Contact details of the charity or FRFCP permit holder for the public to seek clarification on the collection
- ◆ If applicable, details of third-party fund-raiser involved in the collection, including name, expenses incurred and declarations that a written agreement has been established and due diligence checks have been conducted



Identification Requirement

When conducting public appeals, collectors **MUST**:

- ◆ Clearly identify himself or herself as conducting a collection for the charity or FRFCP permit holder
- ◆ Present an official letter from the charity or FRFCP permit holder containing the following:
 - Details of the collection which aligns with that disclosed on the Charity Portal
 - QR code issued by the Commissioner or website address at which disclosures on the Charity Portal relating to the collection may be viewed
 - Signatures of specified representatives of the charity or FRFCP permit holder and third-party fund-raiser (if any)

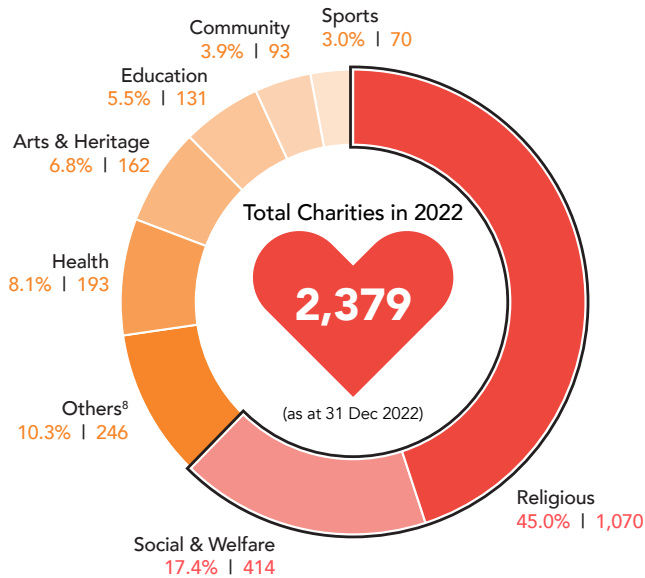
Donation



CHARITY STATISTICS

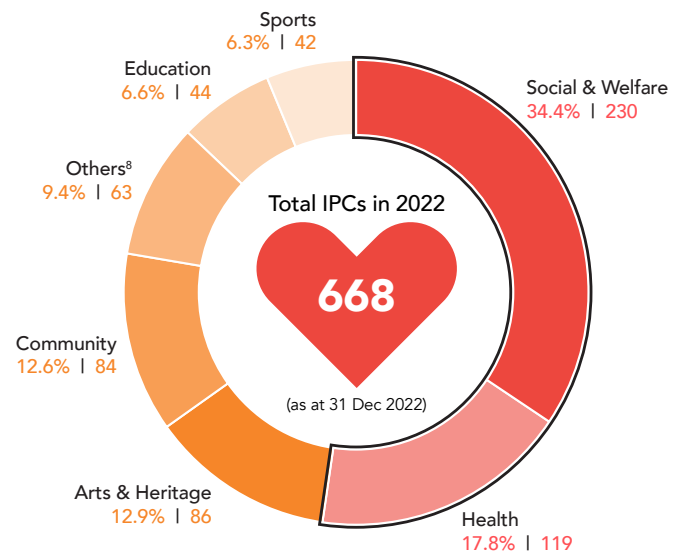
Distribution of Charities and IPCs by Sector

Registered Charities⁶ by Sector



Religious and social and welfare organisations comprised the majority of registered charities and collectively formed more than half (or 62.4%) of the charity sector in Singapore as at 31 December 2022.

IPCs⁷ by Sector



Charities from the health and social and welfare sectors constitute more than half (or 52.2%) of approved IPCs as at 31 December 2022.

⁶ 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.

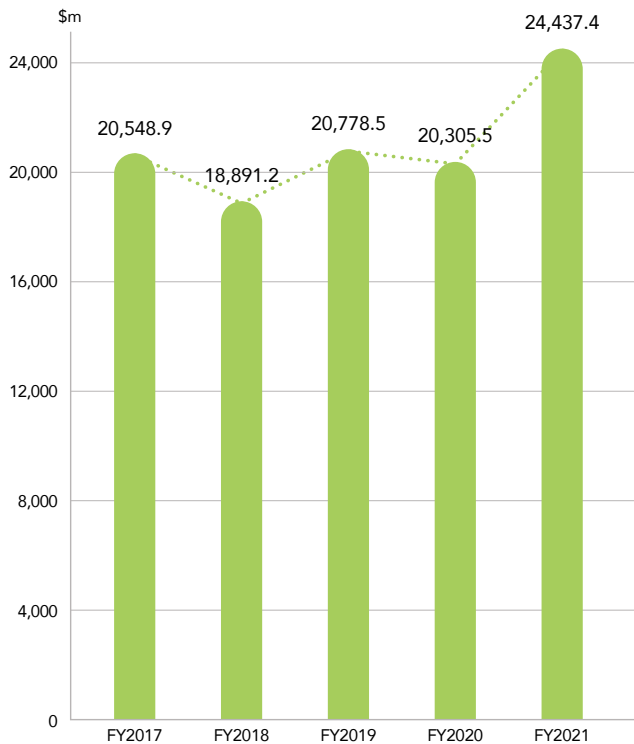
⁷ Some registered charities are conferred the status of an Institution of a Public Character (IPC), which allows them to issue tax deduction receipts to donors who want to claim tax relief based on the amount of qualifying donations made. These charities must be dedicated to serving the needs of the community in Singapore as a whole and not be confined to sectional interests or groups of persons based on race, belief or religion.

Under the Income Tax Act, outright cash donations, donations of shares by individual donors, artefact donations, donations under the Public Art Tax Incentive Scheme, and land and building donations will qualify for tax deduction.

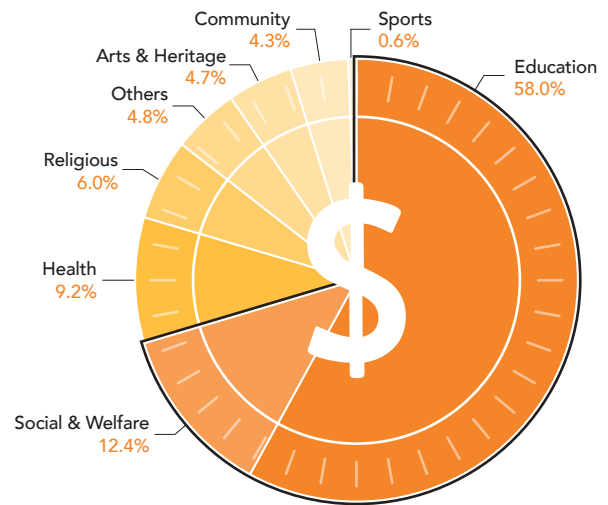
⁸ The "Others" sector includes registered charities and IPCs established for the advancement of charitable purposes such as environmental protection and animal welfare, amongst others.

Total Receipts⁹

Annual Receipts by Year



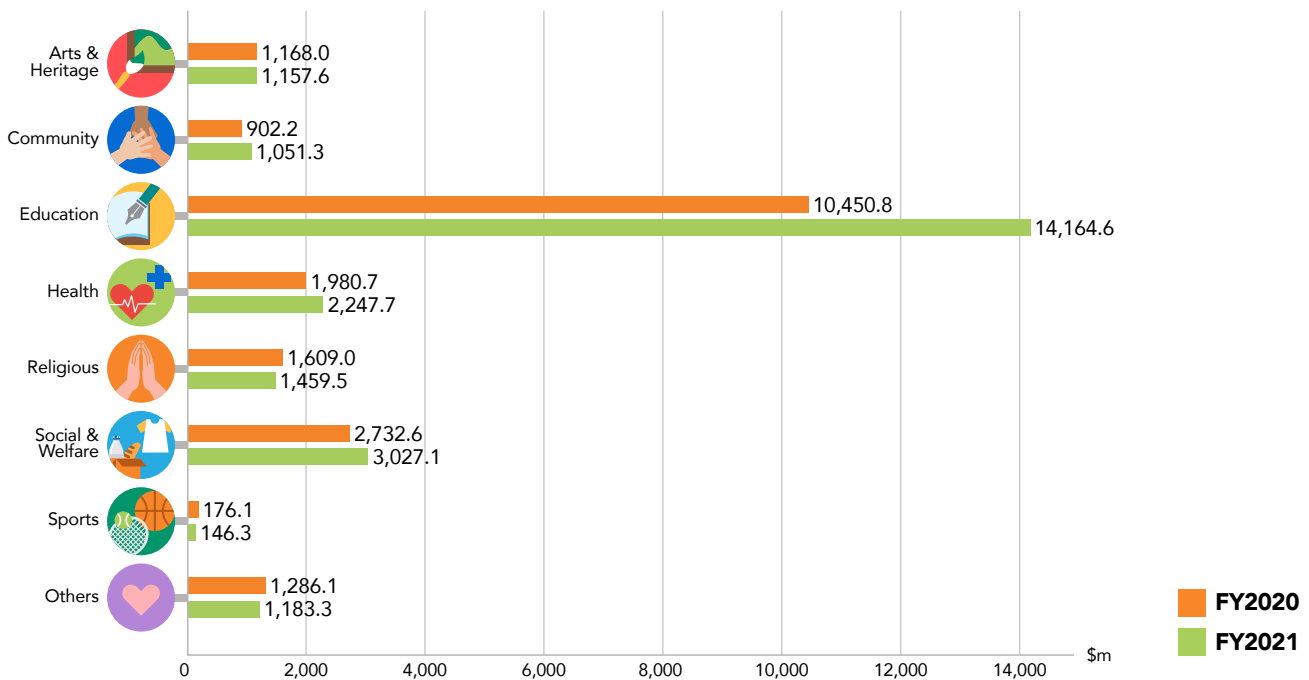
Breakdown of Receipts in FY2021



Total Receipts
\$24.44 billion

Charities in the education and social and welfare sectors received \$17.19 billion, which accounted for more than two-thirds of the total receipts received in FY2021.

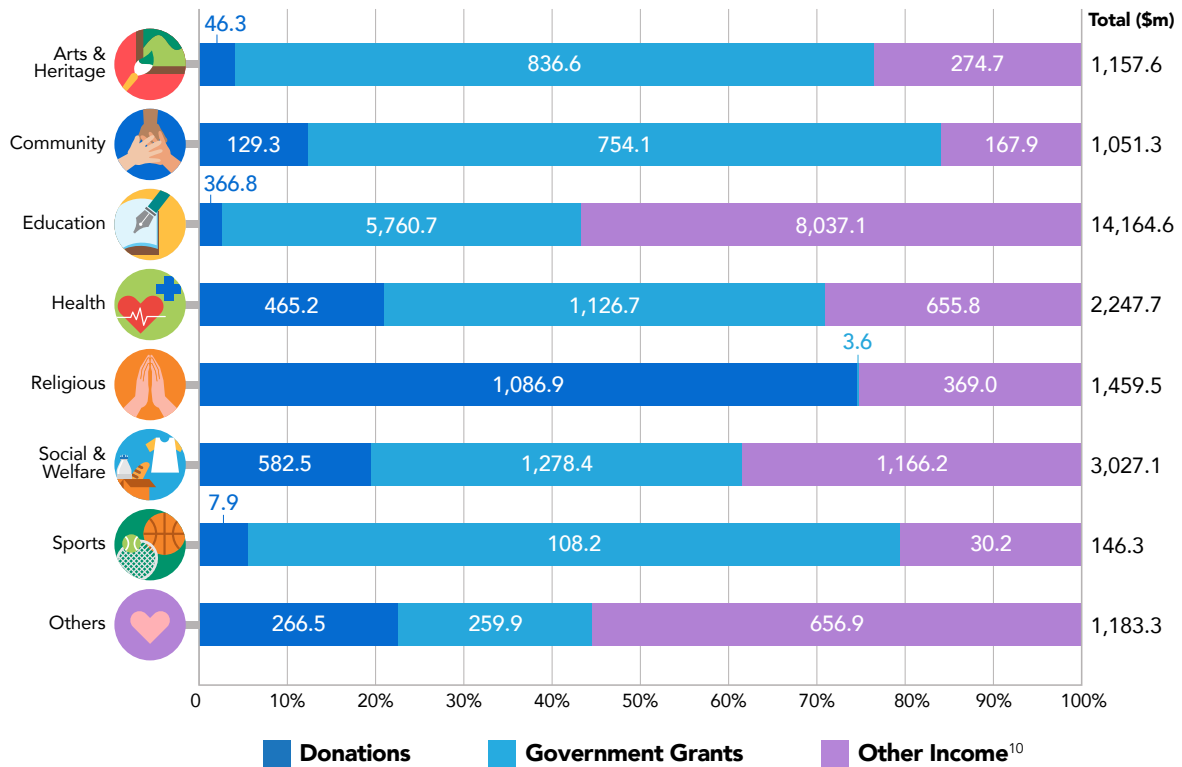
Annual Receipts by Sector



There was an increase in the annual receipts received by the education, social and welfare, health and community sectors in FY2021 as compared to FY2020.

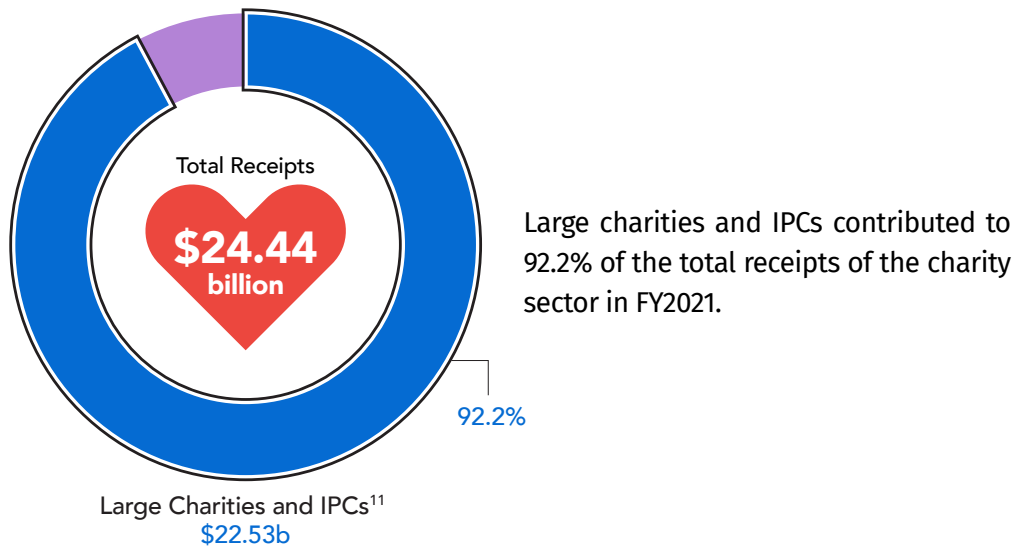
⁹ Figures are computed based on the annual submissions submitted for financial years ended in 2021. It is a regulatory requirement for charities to submit their annual submissions within 6 months of the close of their financial year. The financial periods of charities may vary, depending on the operational needs of the organisations.

Annual Receipts by Sector and Source in FY2021



Overall, religious charities were most dependent on donations whilst charities in the arts and heritage, community and sports sectors were most reliant on support from government grants as their main source of income in FY2021.

Proportion of total receipts by Large Charities and IPCs in FY2021



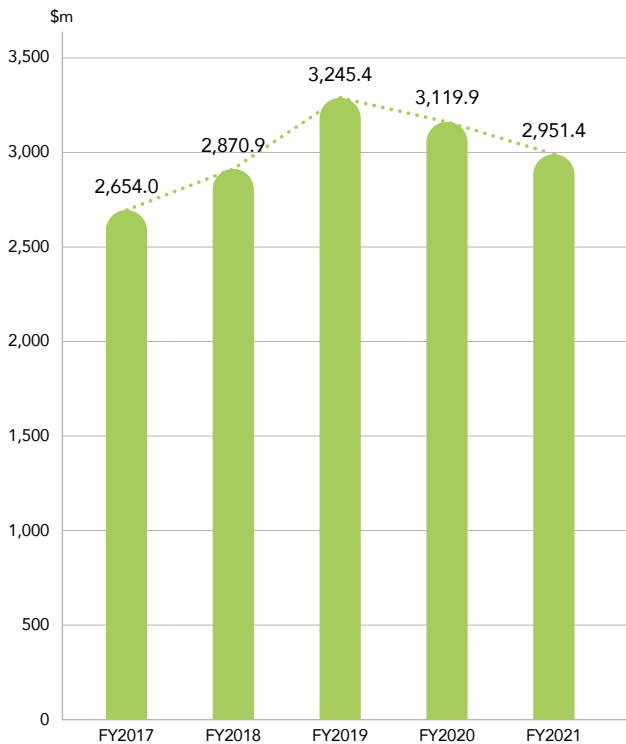
Large charities and IPCs contributed to 92.2% of the total receipts of the charity sector in FY2021.

¹⁰ "Other Income" includes other sources of receipts from programme fees and services rendered by charities, sale of merchandise, investment income and membership fees, amongst others.

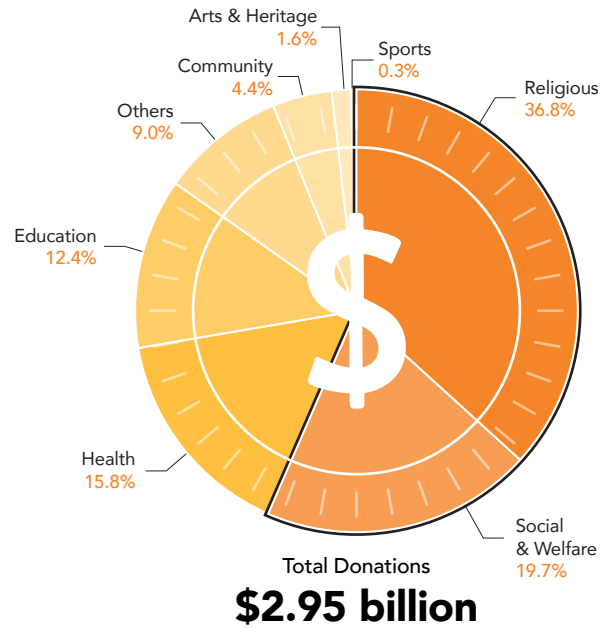
¹¹ Large charities and IPCs are those with gross annual receipts of \$10 million or more in each of its two immediate preceding financial years.

Total Donations¹²

Annual Donations by Year

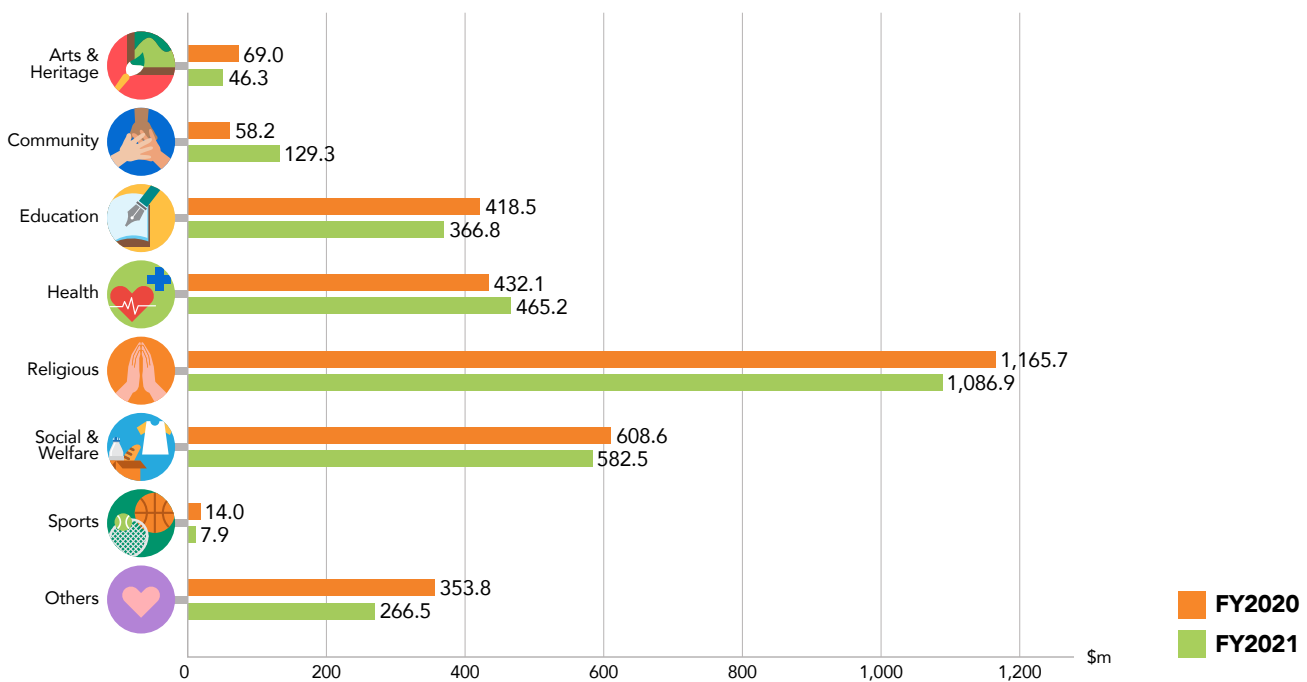


Breakdown of Donations in FY2021



Charities in the religious and social and welfare sectors received \$1.67 billion, which accounted for more than half of the total donations received in FY2021.

Annual Donations by Sector

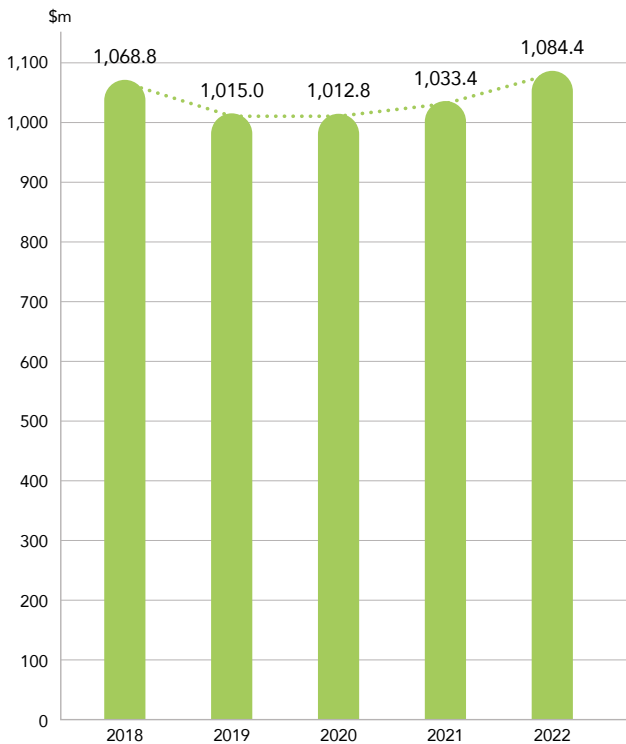


Donations received by the community and health sectors had increased in FY2021 as compared to FY2020.

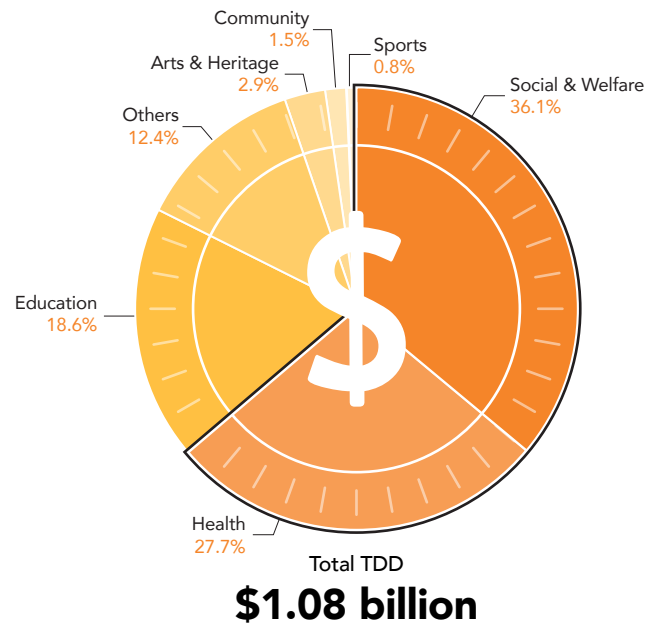
¹² Figures on total donations are compiled based on the annual submissions submitted by charities for financial years ended in 2021, and the data covers both tax deductible and non tax deductible donations. Hence, the data may depict a different trend from the tax deductible donations data due to different reporting periods and data coverage.

Total Tax Deductible Donations (TDD)

Annual TDD by Calendar Year

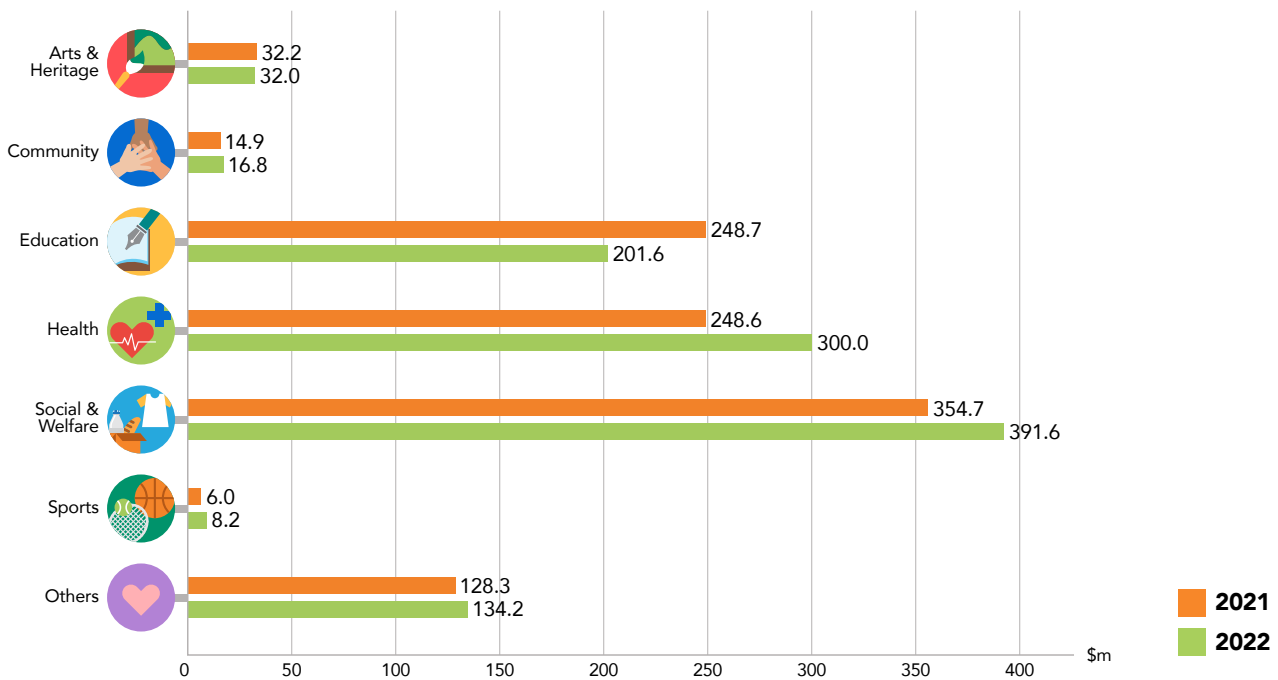


Breakdown of TDD in 2022



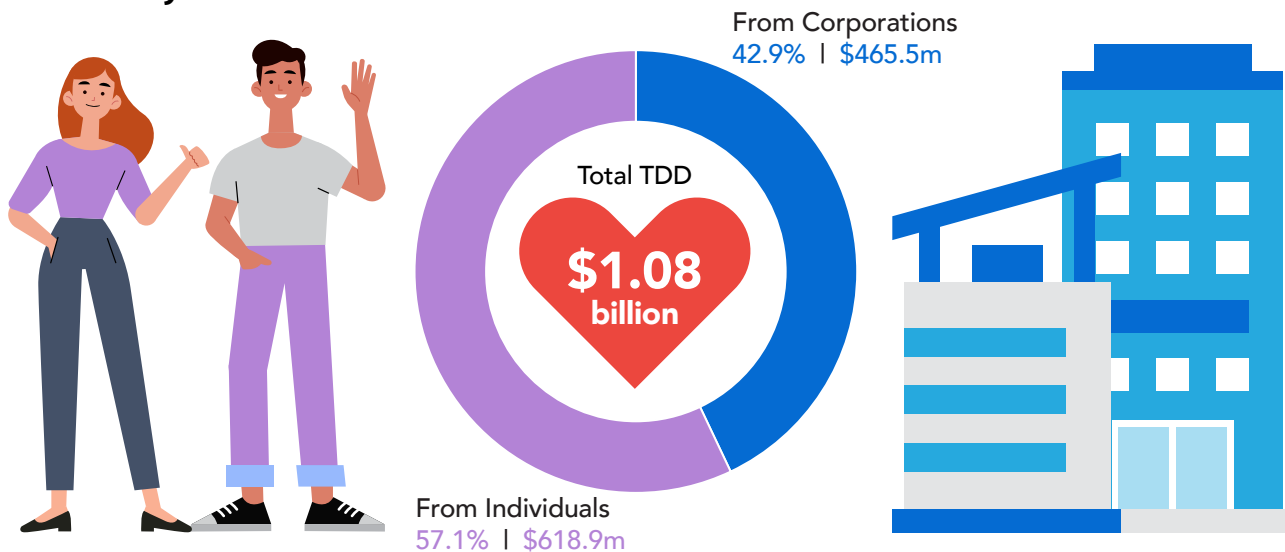
Charities in the health and social and welfare sectors received \$0.69 billion, which accounted for almost two-thirds of the total TDD received in 2022.

Annual TDD by Sector

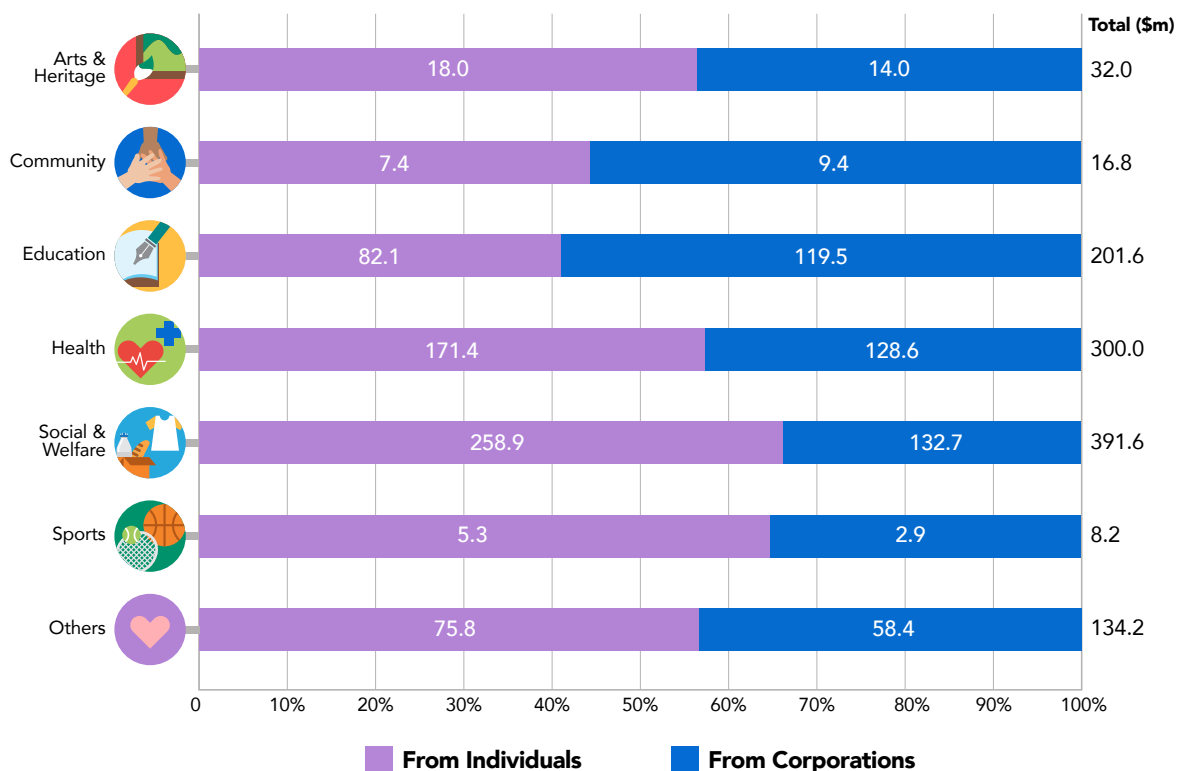


TDD received by all sectors, except arts and heritage and education sectors, had increased in 2022 as compared to 2021. The social and welfare sector continues to receive strong support from the public, attracting the largest share of TDD in 2022.

Annual TDD by Source in 2022



Annual TDD by Sector and Source in 2022



Individual donors, across all sectors except for the community and education sectors, contributed a larger share of TDD compared to corporate donors in 2022.

RESOURCES FOR CHARITIES

The Commissioner has launched various initiatives, such as the Charities Capability Fund and the Tech-and-Go Initiative to support charities on their digital transformation journey and other needs. There are also numerous publications and guides, as well as the Shared Services Initiative¹³, to help charities strengthen their regulatory compliance and effectiveness.

Charities are strongly encouraged to tap on these resources available on the Charity Portal.

Publications



Guides



Webinars for Charities



Shared Services Initiative



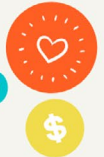
Charities Capability Fund



Tech-and-Go! Charities



CHARITIES CAPABILITY FUND



TRAINING

Up to 80%, subject to caps

for board members and staff to attend governance and management related courses. Some new topics supported are: Digitalisation, Organisation Development, Anti-money laundering, Business Continuity Planning.



CONSULTANCY

Up to 80%, capped at \$100k for small and medium charities, \$50k for large charities to engage a consultant to review and draft policies. Also support charities in attaining organisational excellence certifications and accreditations in key governance and management areas.



SHARED SERVICES

Up to 50% of monthly charges for 1st year and 25% for 2nd year, capped at \$30k per charity

for the outsource of corporate functions to improve backend operations, in areas such as Accounting, Human Resource Management, IT management, etc.



INFO-COMM TECHNOLOGY

Up to 80%, subject to caps for Basic IT infrastructure and 80% capped at \$40k for digital solutions that enhance productivity and efficiency of charities.



COLLABORATION

Up to 80% capped at \$50k for collaborative projects amongst charities that aim to enhance charities' governance, management and operational efficiency.

¹³ The Commissioner partnered various organisations to establish the Shared Services Initiative in 2018. The objective of the initiative is to pool together essential resources and services to strengthen charities' regulatory compliance and efficiency of their back-end operations, especially among smaller charities. Since 2018, the Commissioner has progressively on-boarded and grown the suite of Shared Services partners from four to eleven in 2022.

**Published in December 2023 by
Charities Unit**

Ministry of Culture, Community and Youth

All rights reserved.

This publication may not be reproduced or transmitted in any form
or by any means, in whole or in part, without prior permission.
This publication is available on the Charity Portal (www.charities.gov.sg).

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