



CHARITY GOVERNANCE REPORT 2019

Published in February 2019 by the Charity Council.

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.

Contents:

 <ul style="list-style-type: none"> • Chairman’s Message (Pg 1) 	 <ul style="list-style-type: none"> • Background of the Charity Council (Pg 2) • About the 6th Charity Council (1st March 2017 to 28th February 2019) (Pg 3) 	 <ul style="list-style-type: none"> • Calendar of Events (Pg 7) 	 <ul style="list-style-type: none"> • Refined Code of Governance for Charities and Institutions of a Public Character (IPCs) (Pg 9) • Town Halls Meetings (Pg 10) • Risk Management Communities of Practice for Charities & IPCs (Pg 13) • Charity Governance Conferences (Pg 15) 	 <ul style="list-style-type: none"> • Charity Transparency Awards Assessment Seminars (Pg 18) • Charity Transparency Awards and Charity Governance Awards (Pg 20) • Revised Charity Governance Awards Assessment and Charity Transparency Assessment review (Pg 27) 	 <ul style="list-style-type: none"> • VWOs-Charities Capability Fund (VCF) (Pg 28) • Compliance with Code of Governance (Pg 29)
-----------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Chairman's Message

As the Chairman of the 6th Charity Council, I am heartened to see more charities growing in their journey of transparency and good governance. This is no easy feat, nor are there any short-cuts. Together with the Commissioner of Charities, the Charity Council is firmly committed in building a well-governed and thriving charity sector with strong public support and will continue to support charities along this meaningful journey.

Good governance is the core to an organisation's success and sustainability. Without it, members of the public would not have the confidence to give time and money to charities. In April 2017, we launched the Refined Code of Governance for Charities and Institutions of a Public Character (IPCs) to provide greater clarity and relevance on good governance. To assist charities of various sizes and sectors in implementing the refined Code, in addition to our annual Charity Governance Conference, we have conducted sector specific Code sharing sessions and rolled out Community of Practices.

Charities have also worked hard to do their good work well. The Charity Transparency Award recognises charities with good disclosure practices and have small, medium and large categories to ensure charities are pegged against similar sized charities. Over the years, we have recognised a total of 8 Governance Award winners, and the number of Transparency Awards winners have also been steadily increasing, with 47 charities recognised in 2018. I encourage all winners to share readily with your fellow charities on your best practices, and I hope all charities can be inspired to follow suit. Over the years, we have also received feedback on the assessment process and the Charity Council will be reviewing the awards assessment to provide clearer and more relevant scoring guidelines.

Lastly, I would like to extend my utmost appreciation to my fellow Charity Council members for their trusted expertise and advice. In particular, I would like to express my gratitude to Dr Lan Luh Luh, Mr Ang Hao Yao, Mr Desmond Tan and Mr Lim Teck Yin, who are retiring from the Council on 28 February 2019. The Council is also humbled by the support and contributions from many partners in our outreach events and seminars, as well as for the co-development of toolkits and handbooks for the sector. Our work will not be possible without these partners who are so passionate. Many took on these partnerships on a pro-bono basis as they too desire that the sector will flourish and do good well.

This sector will always hold close to many of our hearts as this is where care is demonstrated and trust between communities is forged. We may operate independently but our reputation and progress is tied together. I urge all of you to take a step towards good governance today. The Charity Council promises to walk alongside you in this journey.



Gerard Ee, Chairman, Charity Council



Background of the Charity Council

The Charity Council was first appointed on 1 March 2017 after the Charities Act was brought into operation. Each Council term has a duration of two years and there is a maximum term limit of 6 years for members representing the people sector to ensure board renewal. All members of the Charity Council do not receive remuneration.

The 6th Council comprises of 15 members, including the Chairman. The members are represented by the People Sector and Sector Administrators.

People Sector	Sector Administrators
<ul style="list-style-type: none">• 10 members• Chosen for their expertise in accounting, corporate governance, entrepreneurship and law• Members are involved in volunteerism and charity work in fields such as community, education and health	<ul style="list-style-type: none">• 5 members• Representatives from:<ul style="list-style-type: none">• Ministry of Education• Ministry of Health• Ministry of Social and Family Development• Sport Singapore• People's Association

The Charity Council aims to fulfil the following roles:

Promoter

- Promote the adoption of good governance standard and best practices, to enhance public confidence and self-regulation in the charity sector.

Enabler

- Build capabilities of charities and IPCs so that they are able to comply with regulatory requirements and be more accountable to the public.

Advisor

- Advise the Commissioner of Charities on key regulatory issues, such as proposals on new regulations where there may be broad-ranging impact on charities and IPCs.

A conflict of interest policy is in place to provide guidance to the Charity Council. All members of the Charity Council are required to complete a conflict of interest declaration form at the start of the Council term and to inform the Charity Council Secretariat as and when there are changes to their interests. The declaration includes involvement and dealings with other corporates and charities. At Charity Council meetings, members with conflicting interest will be excused and not participate in discussions or decision making.



About the 6th Charity Council - 1st March 2017 – 28th February 2019



DR GERARD EE
Chairman

Chairman
Agency for Integrated Care

People Sector Representatives



MR ANG HAO YAO
Member

Director
Credit Counselling Singapore



MR DAVID WONG
Member

Chairman
Board of Governors
Republic Polytechnic



MR RAJAN KRISHNAN
Member

Chairman
Hindu Advisory Board



DR LAN LUH LUH
Member

Associate Professor
NUS Business School and Faculty
of Law



**MR SUHAIMI ZAINUL-
ABIDIN**
Member

Chief Executive Officer
Quantedge Capital Pte Ltd



DR TAN WEE LIANG
Member

Associate Professor
Strategic Management
Singapore Management University



People Sector Representatives



MR SIM GIM GUAN
Member

Chief Executive Officer
National Council of Social Service



MRS MILDRED TAN
Member

Chairman
National Volunteer &
Philanthropy Centre



MR HAN FOOK KWANG
Member

Editor-At-Large
The Straits Times

Sector Administrators



MR LIM TECK YIN
Member

Chief Executive Officer
Sport Singapore



DR LEE TUNG JEAN
Member

Deputy Secretary
Ministry of Social and Family
Development



BG DESMOND TAN KOK MING
Member

Chief Executive Director
People's Association



DR BENJAMIN KOH¹
Member

Deputy Secretary (Development)
Ministry of Health



MR LIM BOON WEE
Member

Deputy Secretary (Services)
Ministry of Education

¹ Dr Benjamin Koh represented Ministry of Health in the Charity Council from 1 August 2018. Prior to Dr Koh, Ms Teoh Zsin Woon served in the Charity Council from 1 April 2013.



Charity Council Member	Date of Appointment	Attendance
Dr Gerard Ee	1 March 2015	8 out of 8
Mr Ang Hao Yao	1 March 2015	7 out of 8
Mr David Wong	1 March 2015	5 out of 8
Mr Rajan Krishnan	1 March 2017	7 out of 8
Dr Lan Luh Luh	1 March 2013	3 ² out of 8
Mr Suhaimi Zainul-Abidin	1 March 2015	6 out of 8
Dr Tan Wee Liang	1 March 2015	7 out of 8
Mr Sim Gim Guan	1 November 2015	7 out of 8
Mrs Mildred Tan	1 April 2014	6 out of 8
Mr Han Fook Kwang	1 March 2017	5 out of 8
Mr Lim Teck Yin	1 January 2011	8 out of 8*
Dr Lee Tung Jean	1 September 2015	8 out of 8*
BG Desmond Tan Kok Ming	16 January 2017	8 out of 8*
Dr Benjamin Koh ³	1 August 2018	7 out of 8*
Mr Lim Boon Wee	1 May 2014	8 out of 8*

²While Dr Lan was unable to attend some meetings due to travelling commitments, she has actively provided inputs to the Council's initiatives and has served as our Chinese spokesperson on various platforms.

³ Dr Benjamin Koh represented Ministry of Health in the Charity Council from 1 August 2018. Prior to Dr Koh, Ms Teoh Zsin Woon served in the Charity Council from 1 April 2013.

*This includes attendance by a representative.





“I cannot emphasise enough on the **importance of charities in our society**. You strive to meet the needs of vulnerable and disadvantaged communities, and rally Singaporeans to make a positive difference in the lives of others.”

Ms Grace Fu

Minister for Culture, Community and Youth

Calendar of Events

2017			
<p>Q1 March (Start of 6th Charity Council Term)</p>	<p>Q2 April – June</p> <p>Town Hall V: Accounting for Good</p>  <p>CC-KPMG-NUS Risk Management Event</p>	<p>Q3 July – September</p> <p>Sharing on Code of Governance for Churches and Christian Organisations</p> <p>Sharing on Code of Governance for Chinese Religious Organisations</p>  <p>Sharing on Code of Governance for Arts & Heritage Charities</p> <p>Risk Management Communities of Practice for Social and Welfare Charities</p> <p>Charity Governance Conference 2017</p>	<p>Q4 October – December</p> <p>Charity Transparency Assessment Seminar 2017</p>  <p>Town Hall Meeting VI: Charity Governance in Singapore</p> <p>Charity Transparency and Governance Awards 2017</p>



2018				2019
<p>Q1 January - March</p> <p>Risk Management Communities of Practice for Healthcare Charities</p>  <p>Risk Management Communities of Practice for Arts and Heritage Charities</p> <p>Risk Management Communities of Practice for Christian Churches</p>	<p>Q2 April – June</p> <p>Risk Management Communities of Practice for Christian Churches</p>  <p>Risk Management Communities of Practice for Social and Welfare Charities</p>	<p>Q3 July – September</p> <p>Sharing on Code of Governance for Hindu Temples</p> <p>Sharing on Code of Governance for Malay / Muslim Organisations</p> <p>Charity Governance Conference 2018</p>  <p>Safer Giving Campaign (Sep to Dec)</p>	<p>Q4 October – December</p> <p>Charity Transparency Assessment Seminar 2018</p>  <p>Charity Transparency and Governance Awards 2018</p> <p>Formation of Charity Transparency Assessment Review Sub-Committee</p>	<p>Q1 January - February (End of 6th Charity Council Term)</p> <p>Community Leaders Forum for Malay / Muslim Organisations</p>



Refined Code of Governance for Charities and Institutions of a Public Character (IPCs)

The refined Code of Governance for Charities and IPCs was launched in March 2017 to provide greater clarity and relevance about good governance to the charity sector. Charities and IPCs will need to apply the Code's new reporting requirement from the financial year beginning on 1 January 2018. To emphasise the importance of Good Governance, Code Sharing Sessions were co-organised with various partners to reach out to the different sectors.

Churches	Chinese Temples	Hindu Temples	Malay / Muslim Organisations	Arts & Heritage
				
<p>Co-organised with National Council of Churches, Singapore (NCCS) on 18 July 2017</p> <p>380 participants</p> <p>“Churches have a long history of good governance based on biblical principles and respected the law of the land”, said Rev Dr Ngoei Fong Nghian, NCSS. Dr Ee, Charity Council Chairman, added that faith-based organisations are held to the highest standards of accountability due to the call to good stewardship.</p>	<p>Co-organised with Singapore Buddhist Federation (SBF) and the Taoist Federation on 31 July 2017</p> <p>130 participants</p> <p>Venerable Seck Kwang Phing, President of SBF, emphasised that good governance is very important in the religious sector. It is a continuous journey and only can be accomplished with the collective effort of all. For a start, charities can minimise the number of staff serving as Board members to avoid conflict of interests.</p>	<p>Co-organised with Hindu Endowments Board (HEB) on 4 August 2018</p> <p>68 participants</p> <p>Commissioner of Charities presented a case study to encourage learning through interactive sharing. Based on the case study, participants co-created solutions to help the fictional temple improve on its governance practices.</p>	<p>Co-organised with Yayasan Mendaki on 6 August 2018, with another one to be held on 28 February 2019</p> <p>41 participants</p> <p>Dr Ee, Charity Council Chairman, urged all charities to act on succession planning and build an effective Board with diverse talents. He emphasised the importance for board members to ensure that their charities are handed over to people with the right experience and skillset to take the organisation to the next level.</p>	<p>Co-organised with Cultural Matching Fund on 13 September 2017</p> <p>88 participants</p> <p>The panel highlighted that charities should not see Conflict of Interest policy (COI policy) as a liability, but an enabler. COI policy is a set of safeguards to ensure conflicted parties are not involved in decision making. It is ultimately for the best interest of the beneficiaries, donors and all stakeholders.</p>



Town Hall Meetings

The Town Hall Meeting provides a platform for board and management staff of charities to discuss and explore practical solutions to address common challenges faced by the sector. It focuses on specific governance topics targeted to charities of selected sectors or income size.

Town Hall V

Theme: Accounting for Good

Date: 17 May 2017

Co-organised by: Charity Council, Institute of Singapore Chartered Accountants (ISCA) and Centre for Social Development Asia (CSDA), a research centre under the purview of Department of Social Work, National University of Singapore

Supported by: Chartered Institute of Management Accountants (CIMA) and National Council of Social Service (NCSS)

The programme included sharing by accounting experts and a panel discussion. There were a total of 208 participants and 141 participants were representatives from the charity sector. Professor Teo Chee Kiang, NUS Business School (Accountancy Department), shared about the e-book 'Accounting for Good', that was launched during the Town Hall. Mr Tay Woon Teck, RSM Singapore, also shared about the role of accountants in charities and how they can contribute.

Panel Discussion Session

Moderator: Mr Tay Woon Teck, RSM Singapore

Panellists:

- Dr Gerard Ee, Chairman, Charity Council
- Ms Lilian Tay, Former CEO, Shared Services for Charities
- Mr Alfred Tan, CEO, Singapore Children's Society
- Ms Choo Siu Ling, CEO, Assisi Hospice



Town Hall VI

Theme: Charity Governance in Singapore

Date: 8 November 2017

Co-organised by: Charity Council and Centre for Social Development Asia (CSDA), a research centre under the purview of Department of Social Work, National University of Singapore

Supported by: Chartered Institute of Management Accountants (CIMA)

The programme included a sharing of research findings on governance landscape and a panel discussion. There were a total of 165 participants and 134 participants were representatives from the charity sector. Professor Isabel Sim, Director (Projects), CSDA, presented on the research findings titled 'Exploratory Studies on Charity Governance in Singapore'. This was followed by a panel conversation segment revolving around the theme of Charity Governance.



Panel Discussion Session

Moderator: Mr Chris Ong, Chief Executive Officer of Shared Services for Charities Limited⁴

Panellists:

- Dr Gerard Ee, Chairman, Charity Council
- Ms Christine Wong, Executive Director of Samaritans of Singapore
- Dr William Wan, Chairman of Prison Fellowship Singapore
- Mr Yap Wai Ming, Board Member of Ren Ci Hospital

⁴ Mr Chris Ong has stepped down from Shared Services for Charities Limited from 26th November 2018.





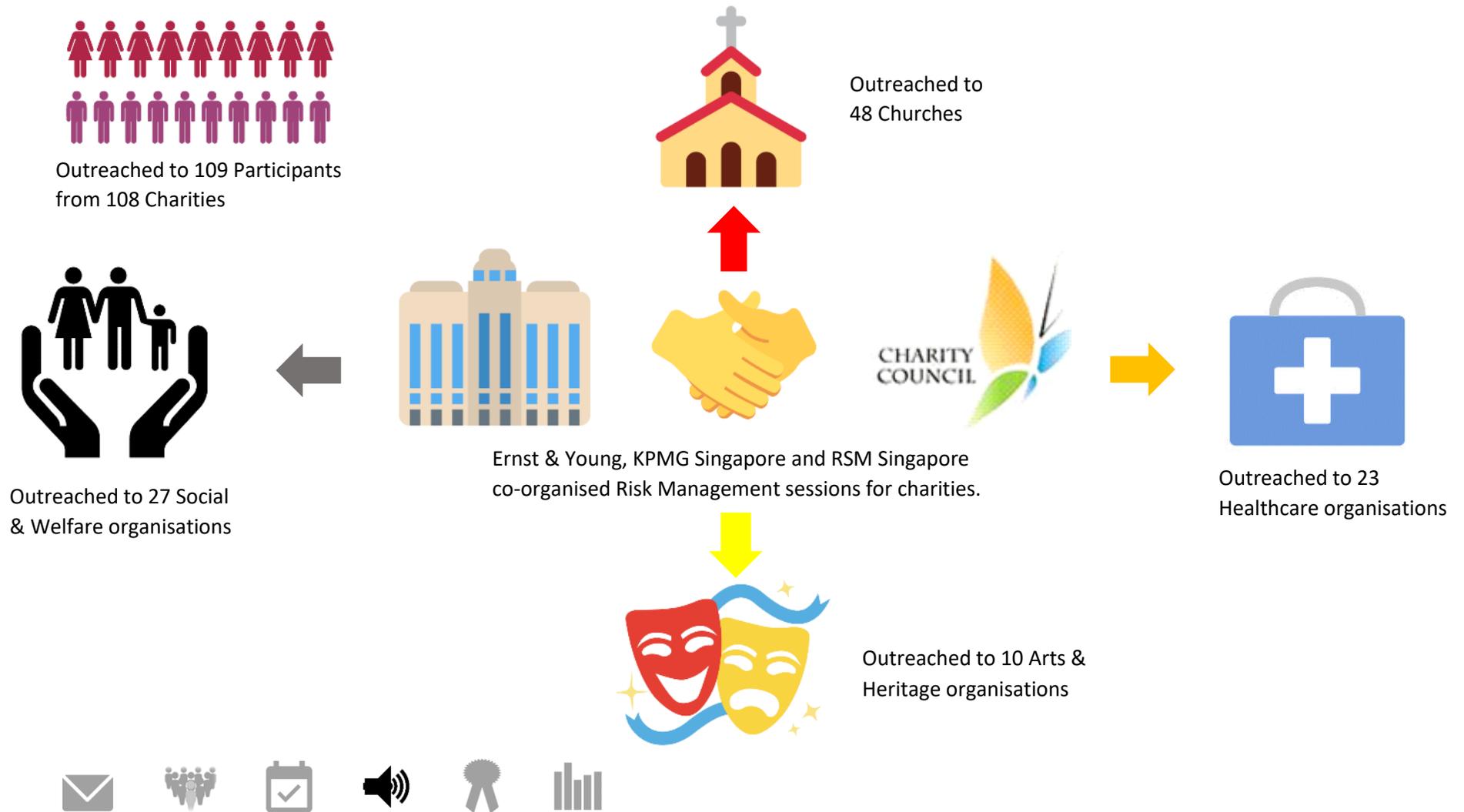
“If you have been in a charity for long enough, we begin to think that we own it. We don’t. **We are only stewards.** We are running it for the benefit of all the different stakeholders – certainly the beneficiaries, the people who work with us, the volunteers who come forward to offer their time and services.”

Dr Gerard Ee

Chairman, Charity Council

Risk Management Communities of Practice for Charities & IPCs

Today, charities are faced with a spectrum of uncertainties and risks. Sharing sessions on risk management were co-organised with partners to equip charities with the knowledge on managing their key risks to drive sustainability and effectiveness within their organisation.



Top 3 voted areas of risk:

- 1) Strategic
- 2) Adverse Events
- 3) Funding



Top 3 voted areas of risk:

- 1) Funding
- 2) Human Resource
- 3) Regulatory Compliance



Examples of risk:

Operational Risk

- Technology Risk
- Succession Planning
- Volunteer Management Risk

Financial Risk

- Accounting and Reporting
- Funding Risk
- Investment Management Risk

Compliance Risk

- Regulatory Compliance Risk
- Personal Data Protection Act (PDPA)

Strategic Risk

- Lack of Strategic Direction Risk
- Government Direction Risk
- Changing Societal Trends Risk

Top 3 voted areas of risk:

- 1) Regulatory compliance
- 2) Succession planning
- 3) Talent Attraction & Retention



Top 3 voted areas of risk:

- 1) Technology
- 2) Regulatory Compliance
- 3) Accounting and Reporting



Charity Governance Conferences

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

Charity Governance Conference 2017 (21 September)

Theme: Purpose, Values and Culture – How Does It Drive Governance in Charities?

332 participants attended the full day event held at Mandarin Orchard Singapore, of which there were 203 representatives from 125 charity organisations. Speakers came together to emphasise the importance of governance, how it stems from organisational culture and that the Board should take the lead.

The first topic, "A Closer Look on the Code of Governance for Charities and IPCs (2017)", was shared by Mr David Wong, member of the Charity Council. His presentation highlighted topics of Board Renewal and Succession Planning, Disclosure of Remuneration and Conflict of Interest. A panel discussion followed, cautioning participants not to view governance best practices as a 'box ticking' exercise; it should stem from the 'heart and soul'.



The second topic, "Managing the Most Valuable Resource – People" was covered by Ms Theresa Goh, Chairman of SATA CommHealth. It was shared that it is not only important to 'recruit right' but also to 'develop right'. The panel discussion agreed with Ms Theresa, while sharing the resources and platforms that charities can tap on to seek assistance in recruiting talents.

The conference concluded with three concurrent Governance workshops.

Workshop 1: Building an Effective Charity Board

Workshop 2: Managing Social Media in the Age of Mobile Computing

Workshop 3: Why have a Whistle-Blowing Policy?



Charity Governance Conference 2018 (27 September)

Theme: Governance for Excellence

Aspiring to bring charities and corporates together to uplift their governance standards, the full day event held at Mandarin Orchard Singapore saw 374 participants, of which there were 313 representatives from 182 charity organisations. The speakers reiterated the importance of governance and the Conference being one of the enabling initiatives for capability building. Dr Ang Hak Seng, Commissioner of Charities, encouraged charities to tap on the Shared Services initiatives introduced to improve on their governance capability.



The first topic, “Good Practices of Fundraising”, was presented by Mr Tay Woon Teck, Head of RSM Risk Advisory. He clarified the definition of fundraising appeal and emphasised the importance of a charity’s duty to donors. He stressed the need for accountability as the charity sector thrives on trust and confidence from the public. The sharing was followed by a panel discussion, with the panellists addressing the concerns and challenges faced by charities with regards to fundraising. The panel discussed about sustainable fundraising efforts and advised charities to explore tapping on online fundraising platforms.

Dr Fermin Diez, Deputy CEO & Group Director, Human Capital and Organisation Development, National Council for Social Service, shared on the second topic, “Board and Human Resources – How to Attract, Retain and Motivate”. Dr Diez highlighted the Board’s role in talent management, namely in – defining the profiles needed, managing board dynamics, ensuring board training, implementing a succession plan and measuring results through board evaluation. The followed panel discussion deliberated on the challenges faced in areas of attracting, retaining and motivating staff.

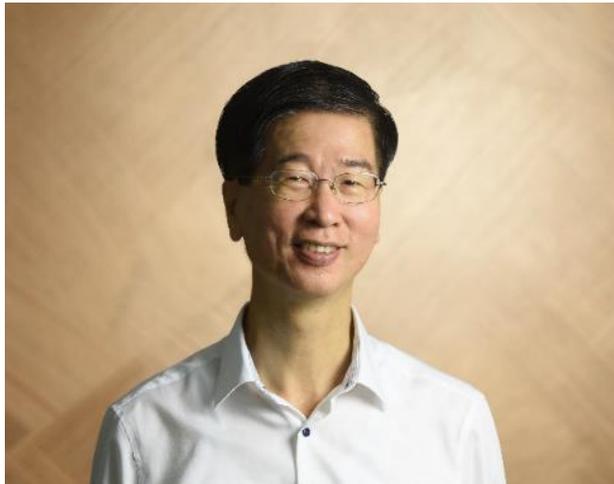
The conference concluded with three concurrent Governance workshops.

Workshop 1: Importance of an Audit Committee

Workshop 2: Guide to Annual Reports and Stakeholder Communications

Workshop 3: Charity Law 101





“Nowadays, donors are more educated and discerning. As such, it is important for charities to clearly articulate their cause, as well as the impact of donations on the clients. Effective communication of the outcome of donors’ giving will help charities to build trust with their stakeholders.

Dr Ang Hak Seng

Commissioner of Charities

Charity Transparency Awards Assessment Seminars

The Charity Transparency Awards was introduced in 2016 to encourage charities to be more transparent and to recognise charities for their disclosure efforts. SMU took on the role as an independent assessor for the Charity Transparency Awards, identifying charities which have performed well in its disclosure practices in accordance to the Charity Transparency Framework.

Charity Transparency Awards Assessment Seminar 2017

On 13th October 2017, the Charity Council organised a seminar on the Charity Transparency Awards Assessment in partnership with the School of Accountancy, Singapore Management University (SMU). The half day seminar was attended by 115 representatives from 84 charities.

The seminar aims to enhance charities' understanding on the Charity Transparency Framework and focuses on the sharing of good disclosure practices. A/P Foo See Liang, Associate Professor of Accounting; Student Leaders – Mr Muhammad Waris Bin Syed Massood and Ms See Ying Xin presented their findings with the audience. These included key areas of disclosure, charities' performance in terms of disclosure over the years and charities' strengths and weaknesses in disclosure practices.



The seminar concluded with a panel discussion. Panellists were invited to share their insights on the topic of Transparency and discussed how charities can overcome the challenges to improve on their disclosure practices.



Panel Discussion Session

Moderator: A/P Foo See Liang, Associate Professor of Accounting, SMU

Panellists:

- Dr Gerard Ee, Chairman, Charity Council
- Mr Abdul Hamid Bin Abdullah, Treasurer, The Institute of Internal Auditors Singapore
- Ms Choo Shiu Ling, Chief Executive Officer, Assisi Hospice
- Mr James Chua, Chief Operating Officer, New Hope Community Services
- Dr Shawn Lum, President, Nature Society (Singapore)



Charity Transparency Awards Assessment Seminar 2018

The Charity Council co-organised the Charity Transparency Awards Assessment Seminar 2018 with the School of Accountancy, Singapore Management University (SMU). The seminar was organised to help charities better understand the Charity Transparency Framework and to improve on their disclosures. The session saw a participation of 145 representatives from 100 charity organisations. 71 student assessors from SMU also joined in the seminar.



Dr Gerard Ee, Chairman of Charity Council gave a welcome address to the audience, highlighting the importance for charities to be transparent in order to build trust with stakeholders. Dr Ang Hak Seng, Commissioner of Charities, shared on the

Visibility Guide that was developed to help charities in the preparation and presentation of information to be disclosed to the public.

A/P Foo See Liang, Associate Professor of Accounting, SMU and student leaders – Leow Yi En Evan, Tan Kiat Sheng Nicholas, Garcia Marie Antonette Abril, Koh Wee Guan and Tevin Chew Jun Ji; shared their analysis and findings with the audience. The presentation included the assessment methodology, charities' performance over the years and analysis of Financial Year 2017 results.



The seminar ended with a panel discussion. Some key takeaways from the panel discussion include Transparency is most effective when driven by the top management and the Board; Transparency is an on-going process and charities should constantly review their processes to identify what can be done better.

Panel Discussion Session

Moderator: A/P Foo See Liang, Associate Professor of Accounting, SMU

Panellists:

- Dr Gerard Ee, Chairman, Charity Council
- Mr James Tan, CEO, Touch Community Services
- Mr Jeffery Tan, Company Secretary, MINDSET Care Limited



Charity Transparency Awards and Charity Governance Awards

The Charity Transparency Awards (CTA) was introduced in 2016 to recognise charities with good disclosure practices, with reference to the Charity Transparency Framework (CTF)⁵. The Charity Governance Awards (CGA) was first launched in 2012 and reviewed in 2015. Following the review, only potential CTA winners were eligible to be assessed for CGA. The CGA acknowledges charities with the highest standards of governance and aims to inspire other charities to emulate their best practices. Charities with exemplary practices in particular areas of governance will be conferred with the Special Commendation Awards (SCA).

Charity Transparency Awards and Governance Awards 2017



On 15 November 2017, the Charity Council recognised 41 charities for their exemplary disclosure and transparency practices with the CTA and CGA. 2 charities were awarded CGA for achieving the highest standards in governance. The ceremony was graced by Guest of Honour, Minister for Culture, Community and Youth, Ms Grace Fu, at Singapore Marriott Tang Plaza Hotel. The charities' achievements were celebrated with 284 guests from charitable and non-charitable organisations. Amongst the guests, 212 representatives were from 108 charities.

The Charity Council partnered with Singapore Management University's School of Accountancy to conduct an independent assessment for the awards. Winners of CTA were invited to participate in the CGA assessment, co-developed with Ernst & Young. CGA winners were selected from an interview session with a panel of judges.

CTA and CGA Judging Panel



(L-R): Mr Robson Lee, Partner, Gibson, Dunn & Grutcher LLP; Ms Angeline Chin, Director, Head of Corporate Citizenship, Asia Pacific, Credit Suisse; Dr Gerard Ee, Charity Council Chairman; Minister Grace Fu; Mr Tay Woon Teck, Managing Director, RSM Risk Advisory; Mr Neo Sing Hwee, Partner, Ernst & Young Advisory Pte Ltd; Mr R. Dhinakaran, Managing Director, Jay Gee Melwani Group of Companies; A/P Foo See Liang, Associate Professor, SMU School of Accountancy.

Other Judges: Mr Irving Low, Partner, Head of Risk Consulting, KPMG Singapore, Dr Lah Luh Luh, Associate Professor, NUS Law and Business School; Mr Lee Fook Chiew, CEO, Institute of Singapore Chartered Accountants.

⁵ The CTF is aligned to the 9 key areas highlighted for disclosure in the Code of Governance for Charities and Institutions of Public Character (IPCs).

CHARITY TRANSPARENCY AWARD WINNERS 2017

SMALL CHARITIES

- 1 AlphaSingapore
- 2 Clarity Singapore Limited
- 3 Help Family Service Centre
- 4 Mindset Care Limited
- 5 Muscular Dystrophy Association (Singapore)
- 6 Nature Society (Singapore)
- 7 Silver Ribbon (Singapore)
- 8 TOUCH International Ltd
- 9 Volleyball Association of Singapore

MEDIUM CHARITIES

- 1 ARC Children's Centre Co Limited
- 2 Care Corner Singapore Ltd
- 3 Cheng Hong Welfare Service Society
- 4 Kidney Dialysis Foundation Limited
- 5 Lions Befrienders Service Association (Singapore)
- 6 New Hope Community Services
- 7 National Volunteer and Philanthropy Centre
- 8 NTUC-U Care Fund
- 9 Riding for the Disabled Association of Singapore
- 10 Shared Services for Charities Limited
- 11 Singapore Golf Association
- 12 Singapore Repertory Theatre Ltd
- 13 Singapore Swimming Association
- 14 The Smile Mission Ltd
- 15 TOUCH Family Services Limited

LARGE CHARITIES

- 1 Assisi Hospice
- 2 Association of Muslim Professionals
- 3 CRU Asia Limited
- 4 Gardens by the Bay
- 5 HCA Hospice Care
- 6 National Council of Social Service
- 7 National Gallery Singapore
- 8 NorthLight School
- 9 Ren Ci Hospital
- 10 SATA CommHealth
- 11 Singapore Children's Society
- 12 Singapore Red Cross Society
- 13 SPD
- 14 The Esplanade Co Ltd
- 15 TOUCH Community Services Limited
- 16 Young Men's Christian Association of Singapore
- 17 Young Women's Christian Association of Singapore



Charity Governance Awards (CGA) 2017 Winners

CGA winners each received a plaque and cash prize of \$10,000 to further their charitable causes, sponsored by Mr Ang Hao Yao, Mr Robson Lee and the Chartered Institute of Management Accountants (CIMA).



Winner of Medium Charities/ IPCs Category: New Hope Community Services

“Good governance and transparency cannot be treated as just an annual exercise. It has to be intentional, a daily discipline and a no-choice item for every charity organisation. A good place to start the journey of good governance is to practice good stewardship, to see ourselves as stewards and not owners.”

- Pastor Andrew Khoo, Founder and Chief Executive Officer, New Hope Community Services



Winner of Large Charities/ IPCs Category: Gardens by the Bay

“Corporate governance and risk management policies were put in place from scratch when Gardens by the Bay was first established. With the Board and the Management working as a team, good governance practices have grown to be robust, which ensures accountability to our stakeholders, sponsors and donors, and instils public confidence in the organisation. It has been a rewarding journey to see the Gardens grow and mature, and the good governance mind set and practices will underpin the Gardens as it ventures forward to explore more ways to surprise and delight our visitors with new offerings.”

- Mrs Theresa Foo, Chairman, Gardens by the Bay

Charity Transparency Awards and Governance Awards 2018

On 29 November 2018, 47 charities from the small, medium and large categories received the CTA for their good disclosure practices. Amongst them, 3 charities received CGA for governance excellence and 4 charities were awarded the SCA for their exemplary performance in areas of governance.

The awards ceremony was graced by Guest of Honour, Minister for Culture, Community and Youth, Ms Grace Fu, at Flower Field Hall, Gardens by the Bay. Previously a winner of CTA 2017, Gardens by the Bay has kindly sponsored the venue for the awards ceremony. 323 guests from charities and non-charitable organisations joined in the celebrations. Amongst them, 272 guests represented 91 charity organisations.

The Charity Council collaborated with Ernst & Young (EY) and Singapore Management University's School of Accountancy to assess eligible charities for the awards. The charities' scores were also validated by our strategic partner, Institute of Internal Auditors. CTA winners were invited to participate in the CGA assessment and interested charities had to complete a questionnaire for assessment by EY. Charities were then shortlisted for a panel interview with five professionals from the private and people sector.

TOGETHER, WE WILL BUILD A
WELL-GOVERNED AND THRIVING
CHARITY SECTOR!

CTA and CGA Judging Panel



(L-R): Mr R. Dhinakaran, Managing Director, Jay Gee Melwani Group; Ms Angeline Chin, Head of Global Community Impact Asia Pacific, Johnson and Johnson; Mr Robson Lee, Partner, Gibson, Dunn & Grutcher LLP; Minister Grace Fu; Mr Tay Woon Teck, Managing Director, RSM Risk Advisory; Dr Gerard Ee, Charity Council Chairman.

Other Judges: Mr Neo Sing Hwee, Partner, Ernst & Young Advisory Pte Ltd; A/P Foo See Liang, Associate Professor, SMU School of Accountancy.



CHARITY TRANSPARENCY AWARD WINNERS 2018

SMALL CHARITIES

- | | | |
|----------------------------------------------|--------------------------------------------------------|--------------------------------------|
| 1 Art Outreach Singapore Limited | 2 Clarity Singapore Limited | 3 MINDSET Care Limited |
| 4 Nature Society (Singapore) | 5 Silver Ribbon (Singapore) | 6 TOUCH International Limited |
| 7 Volleyball Association of Singapore | 8 Wildlife Reserves Singapore Conservation Fund | |

MEDIUM CHARITIES

- | | | |
|---------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------|
| 1 ARC Children's Centre Co Limited | 2 Bright Hill Evergreen Home | 3 Club Rainbow (Singapore) |
| 4 National Volunteer & Philanthropy Centre | 5 New Hope Community Services | 6 Riding for the Disabled Association of Singapore |
| 7 RSVP Singapore The Organisation of Senior Volunteers | 8 Shared Services for Charities Limited | 9 Singapore Association for Mental Health |
| 10 Singapore Cycling Federation | 11 Singapore Repertory Theatre Ltd | 12 St. John's Home For Elderly Persons |
| 13 TOUCH Family Services Limited | 14 Viriya Community Services | 15 Yellow Ribbon Fund |

LARGE CHARITIES

- | | | |
|------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------|
| 1 Azzizi Hospice | 2 Association of Muslim Professionals | 3 Care Corner Singapore Ltd |
| 4 Caritas Singapore Community Council Limited | 5 CRU Asia Limited | 6 Gardens by the Bay |
| 7 HCA Hospice Care | 8 Kidney Dialysis Foundation Limited | 9 Lions Home for the Elders |
| 10 Methodist Welfare Services | 11 Movement for the Intellectually Disabled of Singapore (MINDS) | 12 National Council of Social Service |
| 13 National Gallery Singapore | 14 NorthLight School | 15 NTUC-U Care Fund |
| 16 Ren Ci Hospital | 17 SATA CommHealth | 18 Singapore Anglican Community Services |
| 19 Singapore Children's Society | 20 SPD | 21 Sree Narayana Mission (Singapore) |
| 22 The Esplanade Co Ltd | 23 The National Kidney Foundation | 24 TOUCH Community Services Limited |



Charity Governance Awards (CGA) and Special Commendation Awards (SCA) 2018 Winners

Mr Robson Lee and the Chartered Institute of Management Accountants (CIMA) have kindly contributed to the prize money of CGA winners. Each of the three CGA winners received a plaque and cash prize of \$10,000. The four SCA winners also each received a plaque to recognise their good performance in specific areas of governance.



(L-R): Dr Ang Hak Seng, Commissioner of Charities; Mr Leon Lui, Honorary Treasurer, Silver Ribbon; Dr Tan Poh Kiang, President, HCA Hospice Care; Dr Sashikumar Ganapathy, President, Club Rainbow (Singapore); Minister Grace Fu; Ms Theresa Goh, Chairman, SATA CommHealth; Mr Jeffery Tan, Company Secretary, MINDSET Care Limited; Mrs Fong Loo Fern, Honorary Treasurer, Methodist Welfare Services; Mr Johnny Heng, Board Member, National Kidney Foundation; Dr Gerard Ee, Charity Council Chairman



Winner of Small Charities/ IPCs Category:

MINDSET Care Limited



“What sets us apart is that we subscribe to the same high standard of good governance in our charity, MINDSET, as we do in our businesses. We believe that good governance is integral to our success and we continually review and refine our processes as part of our accountability towards our stakeholders.”

- Mr Alex Newbigging, Chairman, MINDSET Care Limited

Winner of Medium Charities/ IPCs Category:

Club Rainbow (Singapore)



“While we aim to provide the best programmes and services to empower and help them live their best possible lives, it is only through organisation-wide concerted efforts to uphold good governance and strategic initiatives that we are able to continue to carry out our purpose for our beneficiaries with chronic illnesses.”

- Dr Sashikumar Ganapathy, President, Club Rainbow (Singapore)

Winner of Large Charities/ IPCs Category:

SATA CommHealth



“The first seventy years of SATA CommHealth was focused on our core in health screening and diagnostics. The next seventy is about integrating our core with primary to long-term health and social care in the community, especially for our elderly and vulnerable. My diversified Board will exercise independent thinking, enforce exemplary governance practices yet support management to breakthrough and exercise innovative thinking in navigating the change.”

- Ms Theresa Goh, Chairman, SATA CommHealth

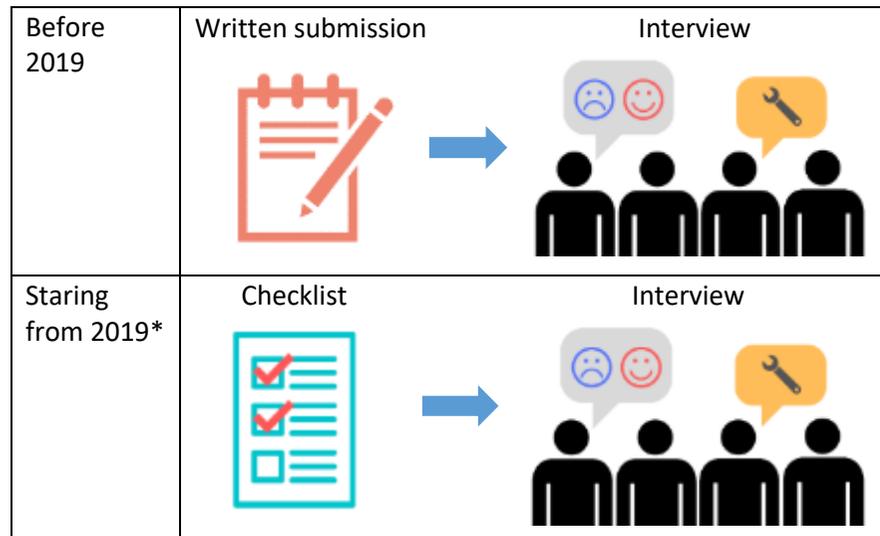


Revised Charity Governance Awards Assessment

The Commissioner of Charities, Charity Council and Ernst & Young have simplified the Charity Governance Awards (CGA) assessment process to encourage more small charities to participate in the awards.

Currently, all charities need to complete an essay format questionnaire to participate in the CGA awards assessment. From 2019, charities under the 'small' awards category with annual receipts below \$1 million are only required to complete a simple checklist for CGA assessment.

CGA Awards Assessment:



*Only applicable to charities with annual receipts below \$1 million.

The CGA assessment process is a great opportunity for charities to learn from the experienced panel of judges and to gain their advice. The revision of CGA assessment requirements is part of the Charity Council's continued efforts to provide assistance to the small charities.

Charity Transparency Assessment review

The Charity Transparency Framework (CTF) was introduced in 2015 to improve the governance and accountability in the charity sector. The Framework served as a tool for both the charities and the public by highlighting key areas of disclosure that will aid in safer giving. The Framework was rolled out in the form of a scorecard to allow charities to conduct self-assessment.

With the introduction of CTA in 2016, charities were assessed based on the Charity Transparency Scorecard on an annual basis. In 2018, the Charity Council formed a sub-committee to review the Charity Transparency Framework for the following purposes:

- 1) Reassess the framework's applicability for charities.
- 2) Review the practicality of disclosure practices and provide clearer scoring guidelines.
- 3) Align the CTF with the refined Code of Governance for Charities and IPCs (April 2017).
- 4) Review the need for CTA and its corresponding eligibility criteria and sources of checks.

CTF Refinement Process Overview:



VWOs-Charities Capability Fund (VCF)

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



Training Grant (\$1.48 million utilised)
Funds are used to support board members, executive heads and management staff on training. Courses on leveraging social media platforms for improved public communication are also eligible for funding.



Consultancy Grant (Close to \$1 million utilised)
The funds supports charities' consultancy projects on areas such as internal controls, governance best practices, volunteer management, etc.



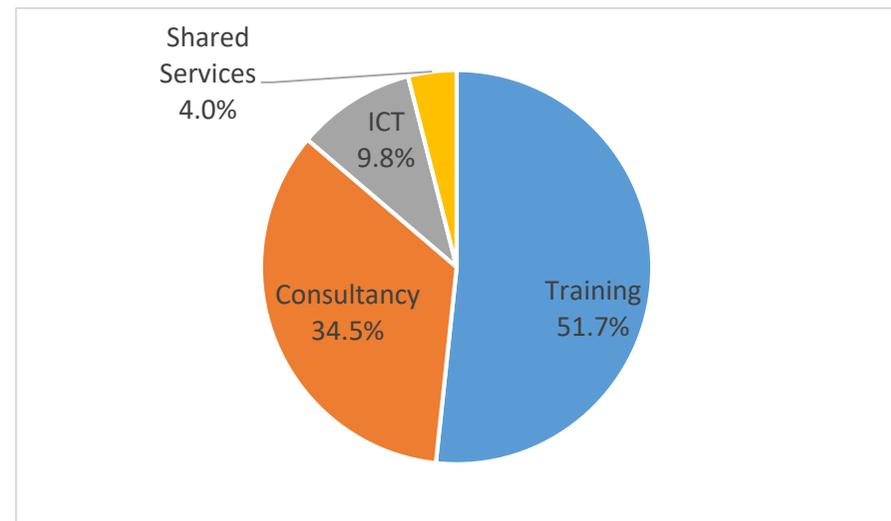
Shared Services Grant (Close to \$115,000 utilised)
Funds are used to help charities defray costs of outsourcing finance and accounting functions to third-party service providers.



Info-Communications Grant (\$282,700 utilised)
Basic infrastructure components and application systems are funded to facilitate charities' online transactions. Website development are also included to improve charities' transparency standards.

Between 1 April 2017 to November 2018, 315 charities/PCs have tapped on VCF from April and close to \$2.9 million of the funds were utilised, with training grant being the most heavily utilised. Please see Chart 1 for the distribution of VCF by types of grants as at November 2018.

Chart 1: Distribution of VCF by types of grants as at November 2018



Compliance with Code of Governance

The refined Code of Governance (April 2017) is applicable for the charities'/ IPCs' financial years beginning on or after 1st January 2018.

Charities with gross annual receipts or total expenditure less than \$50,000 are excluded from the submission of the Governance Evaluation Checklist (GEC). The GEC operates on the principle of 'comply or explain' and is designed to help charities self-evaluate their compliance with the guidelines of the Code. The refined Code guidelines are applicable depending on the size of the charity and its IPC status:

Basic

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

Intermediate

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

Enhanced

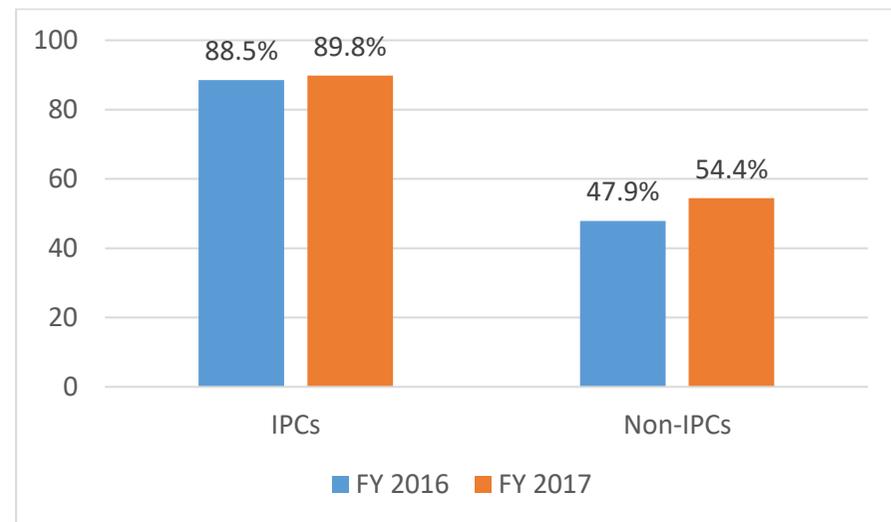
- Large charities with gross annual receipts or total expenditure of \$10 million or more
- IPCs with gross annual receipts or total expenditure from \$500,000 to less than \$10 million

Advanced

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

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

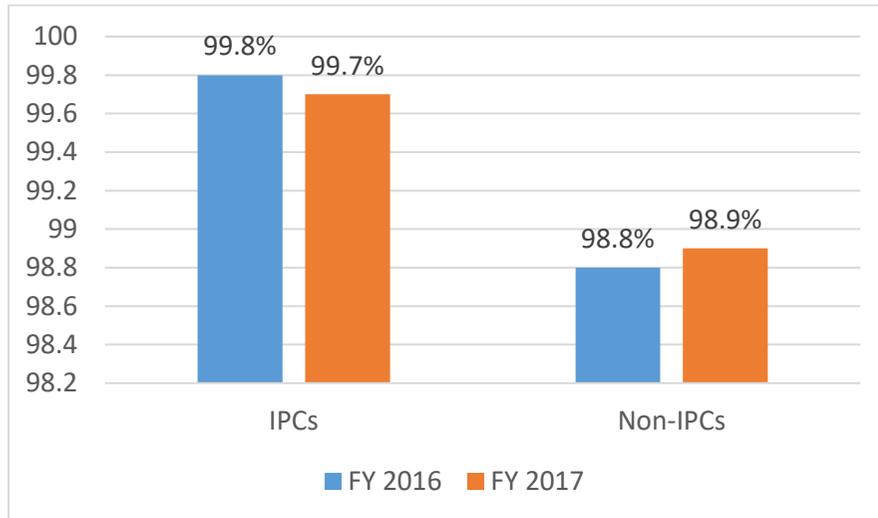
Chart 2: Percentage of IPCs and Non-IPCs which submitted their GEC in 2016 and 2017



As shown in Chart 2 above, a higher percentage of IPCs submitted their GECs as compared to Non-IPCs. There is also an overall improvement in the percentage of IPCs and Non-IPCs that have submitted their GECs in FY 2017 as compared to FY 2016. In FY 2017, more than 89% of IPCs have submitted their GECs. The Charity Council is heartened by the charity sector's progress towards better disclosure and will work together with the Commissioner of Charities to encourage more Non-IPCs to submit their GECs.



Chart 3: Percentage of IPCs and Non-IPCs which met the minimum 80% benchmark for GEC in 2016 and 2017



Amongst the IPCs and Non-IPCs which have submitted their GECs, there is a high percentage for compliance with GEC guidelines. As shown in Chart 3 above, more than 98% of IPCs and Non-IPCs met at least 80% of the GEC requirements in FY 2016 and FY 2017. The Charity Council urges all charities to apply the principles in the refined Code and will continue to support both IPCs and Non-IPCs towards achieving governance excellence.



CHARITY COUNCIL SECRETARIAT

c/o Charities Unit

Ministry of Culture, Community and Youth

140 Hill Street, Level 2, Singapore 179369

Tel: 6354 8543

Email: charity_council_sec@mccy.gov.sg

For more information, please visit the council's website at
www.charitycouncil.org.sg