



## CORPORATE GOVERNANCE

The Board of Directors of Care Corner Seniors Services Ltd (“the Company”) is committed to maintaining a high standard of corporate governance in line with the principles set out in the Code of Governance for Charities and IPCs. The Board ensures that there is a process to identify, regularly monitor and review the charity’s key risks, including mitigating measures and controls for all key risks. This establishes and maintains a high standard of legal and ethical mode of operations to preserve the interests of all donors, beneficiaries and stakeholders.

### A. BOARD AND EXECUTIVE MANAGEMENT

1. The Board assumes the overall responsibility for setting the direction and strategy of the Company to ensure proper stewardship and the fulfilment of its vision and mission. The Board provides guidance to the Executive/Senior Management Team who is delegated with day-to-day management and formulation of policies for the Board’s approval. The Board also forms Sub-Committees with specific functions to assist in the discharge of its duties. Each Committee comprises of members with the relevant skillsets and experience and operates within its terms of reference which is approved by the Board.
2. The Nominations Sub-Committee is tasked with the review process and recommendation of nominated candidates for Director positions; the successful candidates are then elected on to the Board through a majority vote by its members present at a convened meeting. The process for election of Board Directors are documented in our Constitution and potential candidates are reviewed by the Nominations Sub-Committee with a pre-identified set of criteria, including competency assessment and appropriate background checks conducted. The Board’s succession strategy for key positions within the board includes: reviewing the qualification, experience, passion, commitment, contribution and past participation levels of current board directors. Board directors’ meeting attendance and training are recorded and tracked.
3. All Directors (i.e. Board Members) shall hold office until the next Annual General Meeting (AGM) and shall retire and be eligible for re-election as per process documented in our Constitution.
4. All new Directors and Sub-Committee members are given an induction kit which contains key organisational information, Terms of Reference of the Board, office bearers and Sub-Committees, and various policies such as Conflict of Interest Policy, Whistle Blowing Policy, Risk Management Policy, amongst others. They are encouraged to attend an orientation session conducted by the Executive/Senior Management Team. Training for Directors are arranged based on their area of involvement in the Company and feedback provided in the Directors’ annual self-assessment of their effectiveness.
5. The board conducts an annual self-evaluation to assess its performance, including a discussion on diversity and range of skillsets required by the organisation, and a review of the key office bearers and Directors (i.e. Board members) finishing their terms of office for succession planning purpose. The annual self-evaluation covers the Board’s effectiveness in areas such as board composition, information and communication, process & risk management, planning & accountability, fundraising, corporate communications & community engagement, relationship with management and disclosure of interest. The findings and recommendations are discussed at subsequent

Board meetings. Individual directors are provided opportunities on an annual basis to reflect on their contributions and provide feedback on future roles, training and improvement areas.

6. There are no Directors (i.e. Board Members) holding staff appointments and the rule of staff not comprising of more than one-third of the Board is not applicable. Staff are not permitted to chair Board or Sub-Committee meetings, and shall not be entitled to vote or participate in the Board's decision-making.
7. No Director (Board Member) is involved in setting his or her own remuneration.
8. The Board meets regularly with a quorum of at least one-third or minimum three members, whichever is greater.
9. The Board regularly reviews the Company's controls, processes, key programmes and events through reports and information provided by its respective Sub-Committees and the Management.
10. The Treasurer, Assistant Treasurer and Chairman of the Finance Sub-Committee have a term limit of four (4) consecutive years, as stipulated in the Company's Constitution. Re-appointment to the Treasurer, Assistant Treasurer and Chairman of the Finance Sub-Committee positions will only be considered after a lapse of at least two years.
11. The Terms of Reference of the Sub-Committees are as follows:

<b>Audit and Risk</b>
<ul style="list-style-type: none"> <li>• Review potential risk areas for the organisation which includes areas such as: strategic, financial, operational, reputation and other risks.</li> <li>• Ensure that the management has identified and evaluated all possible risk areas and has established a risk management infrastructure capable of managing those risks. This includes the maintaining and updating of the organisation's risk register and adoption of appropriate internal control policies.</li> <li>• Recommend the appointment of external risk management consultants where required.</li> <li>• Review financial statements and other financial information.</li> <li>• Review of the annual audit fee.</li> <li>• Recommend the appointment of internal and external auditors.</li> </ul>
<b>Finance</b>
<p><u>Financial budgeting and performance</u></p> <ul style="list-style-type: none"> <li>• Advise the Board on all financial related matter.</li> <li>• Provide oversight of financial business planning, review and approval (including operation and capital budgets).</li> <li>• Recommend annual budget for the Board's approval.</li> <li>• Review management accounts and performance; and highlight improvements to the Board.</li> </ul> <p><u>Financial strategy, planning and policy</u></p> <ul style="list-style-type: none"> <li>• Review the financial strategy and the long-term sustainability of the company, including guidelines on reserves.</li> <li>• Advise the Board on implications of relevant accounting policies, laws, and regulations.</li> <li>• Ensure financial and procurement policies and internal controls are in place.</li> </ul> <p><u>Financial audit and reporting</u></p> <ul style="list-style-type: none"> <li>• Review the annual report and accounts and advise the Board on its adoption.</li> <li>• Recommend to Audit &amp; Risk Sub-Committee the appointment of internal and external auditors.</li> </ul>

### **Fund-raising**

- Support the organisation in reviewing its funding needs and working with the Board and Management to raise the required funding and resources to fulfill its mission.
- Review and give guidance on fund-raising policies and strategies.
- Engage fund-raising partners, including board members, to seek out, identify and cultivate prospective donors in support of fund-raising efforts.
- Ensure necessary corporate governance and relevant statutory regulations are observed when conducting fund-raising activities.

### **Investment**

- Serve as advisor to the Board for all investment matters.
- Establish policies relating to the investment portfolio on a yearly basis.
- Periodic review of the effectiveness of the investment policies and the achievement against the objective set.
- Review and make recommendations to Board on all investment matters.
- Advise the board on the lease or divestment of existing property.

### **Human Resource**

- Review and endorse all Human Resource policies, in particular to ensure that the following areas are covered: Recruitment, remuneration, benefits, training and development, performance appraisal, disciplinary actions, cessation of employment and, succession planning and talent management.
- Review and ensure that the following processes are in place in policies and practices:
  - That HR policies are formulated to attract, retain and motivate staff who are suitably qualified, experienced and performing;
  - There is a process for setting remuneration of staff and any performance related component of the remuneration should be linked to fulfilling measurable and clearly defined targets in line with Charity's objectives. Specifically, remunerations of senior management staff are appropriately benchmarked and determined. For remuneration and performance review of CEO, Board Chairman in consultation with Chair Person of HR Committee would determine the compensation and performance bonus;
  - There are processes in place for regular supervision and evaluation of staff performance as well as professional development. There should also be a fair and transparent performance review and appraisal system;
  - There are processes for identifying the training needs of staff and volunteers so as to equip them with the necessary skills to perform their roles effectively;
  - Appropriate insurance policies are taken for Board members, staff and volunteers;
  - There is policy in place for claims on reimbursement of expenses incurred by Board members, staff and volunteers for approved official business related to the Organisation; and
  - There are proper policies and procedures for exiting staff.
- Review and ensure there are volunteer management policies in place.
- Review and ensure that there is a code of conduct for Board members, Staff and Volunteers.
- Ensure that appropriate background and reference check are conducted for Board members or staff with fiduciary or executive responsibilities or who are responsible for custody of cash for the organisation.
- Review and ensure that there are appropriate and effective communication channels for staff and volunteers to feedback and exchange information.
- Review and ensure that there are processes to address grievances and resolve conflicts.

<p><b>Programmes and Services</b></p> <ul style="list-style-type: none"> <li>• Conceptualise new services to stay ahead with the evolving needs of the community, particularly the needs of the poor &amp; needy.</li> <li>• Review the relevancy of services with regards to the needs of the community, taking into consideration the resource capabilities of the centres.</li> <li>• Ensure that all programmes and services are aligned with the vision and mission of Care Corner, and are anchored on Christian values.</li> <li>• Ensure that programmes and services focus on maximising the resources of the organisation and while at the same time keeping the synergy between all Care Corner centres.</li> <li>• Approve all new programmes and services.</li> </ul>
<p><b>Nominations</b></p> <ul style="list-style-type: none"> <li>• Assist the Board in ensuring that Directors possess suitable personal attributes, core skills/competencies and commitment necessary for effective governance. This includes reviewing and recommending suitable nominees as Board Directors, Sub-Committee members and Key Appointment Holders namely, Board Chairman, Vice-Chairman, Treasurer, Assistant Treasurer, Secretary and Chairman of Sub-Committees.</li> <li>• Assist the Board in succession planning and board renewals through the appointment of new Board Directors, Sub-Committee members and Key Appointment Holders and retirement of incumbents. This includes ensuring that the Chairman, Vice Chairman, Treasurer and Assistant Treasurer comply with the tenure limits stated in the Constitution.</li> <li>• Assist the Board in ensuring that new Board Directors, Sub-Committee members and Key Appointment Holders are properly inducted and familiar with their responsibilities and the organisation's operations and governance practices and to send them for training and development where necessary.</li> <li>• Assist the Board in assessing the Board's effectiveness through regular evaluations.</li> </ul>
<p><b>Information Technology</b></p> <ul style="list-style-type: none"> <li>• Advise the Board on all IT related matter.</li> <li>• Review, approve and monitor the on-going appropriateness and relevance of the company's information management policy required to deliver both the short-term and long-term information technology strategies.</li> <li>• Approve any major changes in any information technology strategies, priorities and/or structures implemented throughout the company and its related companies.</li> <li>• Ensure and oversee all major information technology projects are timely and efficiently implemented.</li> <li>• Review and monitor on-going IT governance framework and systems including those relating to compliance with the required legislative regulations.</li> <li>• Approve proposal of adoption of information technology services within the company and monitor their progress and delivery.</li> <li>• Seek to ensure appropriate business continuity arrangements are in place relating to information technology.</li> </ul>

## **B. STRATEGIC PLANNING AND PROGRAMME MANAGEMENT**

1. The Board reviews and approves the vision and mission of the Company through Board and Sub-Committee meetings.
2. These are documented and communicated to its members through corporate and management meetings, and to the public through publicity materials such as the company website, annual report and community networking.
3. The Board approves and reviews a strategic plan for the Company to ensure that the activities are in line with its objectives. The Board periodically reviews and monitors

the income and expenditure, and progress reports of the Company's activities through Board and Sub-Committee meetings.

### **C. HUMAN RESOURCE AND VOLUNTEER MANAGEMENT**

1. The Company employs paid staff. No staff is involved in setting his or her own remuneration.
2. The HR Sub-Committee reviews and approves documented human resource policies for staff including Code of Conduct for Board members, staff and volunteers.
3. There are HR policies and a HRIS system for regular supervision, appraisal and professional development of staff.
4. The Board together with the HR Sub-Committee approves and reviews annual manpower planning to ensure the recruitment and retention policies are relevant to market conditions and overall organisational objectives.
5. The total annual remuneration of the top three highest paid staff in incremental bands of \$100,000 is disclosed in the Annual Report.
6. Volunteers, either individuals or corporates, are key partners in our service delivery and fulfilment of programme requirements. The Volunteer and Community Engagement team adopts a Volunteer Management Framework which provides guidelines on effective and efficient volunteer management process including recruitment and placement, retention, supervision and review.
7. New volunteers are briefed as required to abide by a Code of Conduct to maintain confidentiality and comply with the Personal Data Protection Act 2012. Briefings and trainings are conducted for volunteers to ensure they are able to contribute effectively and ensure the well-being and safety of our service users.

### **D. MANAGEMENT OF CONFLICT OF INTEREST**

1. There are documented procedures for Directors and staff to declare actual or potential conflicts of interests to the Board. Such instances may include business transactions or contracts that the Company enter into, dealings and joint ventures with potential partners and contractual agreements with suppliers, service users, beneficiaries or other staff.
2. Directors make annual declarations of actual or potential conflicts of interests to the Board.
3. Directors abstain and do not vote or participate in decision-making on matters where they have a conflict of interest.

### **E. FINANCIAL MANAGEMENT AND INTERNAL CONTROL**

1. The Board together with the Finance Sub-Committee ensures internal control systems for financial matters are in place with documented procedures.
  - i. The Finance Sub-Committee reviews the annual budgets before submission to the Board for approval.

- ii. Internal control policies and management review controls in key areas such as procurement, receipting, payment, delegation of authority and approval limits are practiced to ensure compliance and the key controls are reviewed regularly to ensure its effectiveness.
  - iii. The financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.
2. The Company's Reserves Policy, which is to maintain a reserve of not more than 3 years of its annual operating expenditure, is disclosed in its annual report. This cap will be reviewed yearly by the Board. The details of restricted funds and their purpose are included in the Financial Statements. There is no planned timing of use of the restricted funds.
3. Principal functions of the Audit & Risk Sub-Committee include:
  - i. Approve and review the financial statements of the Company and the statement of financial position of the Company before their submission to the Board and disclosure of these financial statements in the annual report;
  - ii. Assess the co-operation and assistance given by management to the external auditors of the Company;
  - iii. Assess the independence, objectivity and effectiveness of the external auditors of the Company and make recommendations to the Board on their appointment/re-appointment;
  - iv. Review the annual financial performance once a year with the external auditors; and
  - v. Review risk management procedures and practices on all areas of the Company (including financial-related matters).

## **F. INVESTMENT GUIDELINES**

1. The Company abides by its Investment Guidelines, which are periodically reviewed and updated, and adopts a moderate stance towards investing of the Company's reserves. Reserves set aside for investment were placed in fixed deposits.

## **G. CONDUCT OF FUNDRAISING ACTIVITIES**

1. The Company has established guidelines for fundraising based on best practices set out by the National Council of Social Service and the Charity Council.
2. Donor's intent with regards to funds received (donations) made for specific or identified designated purposes are strictly observed. Funds in designated accounts will be used for the sole intention of which the designated funds had been established. Any change of use of such funds will only be administered after attaining the consent of the donor who had stipulated the original intention of that donated sum.
3. Donations collected are properly recorded on the IPC Link System (IRAS), the Company's accounting system, and promptly deposited by the Company. Details of the donations received are disclosed in the audited financial statement.
4. The fundraising activities can be found in the Annual Report. The total fundraising

expenses of the Company and the Fundraising Efficiency Ratio are disclosed in the charity portal.

## **H. RISK MANAGEMENT AND INTERNAL CONTROLS**

1. The Board and Audit & Risk Sub-Committee are assisted by the Management Risk Committee to evaluate the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls.
2. The Management Risk Committee oversees the risk management framework and guidelines of the Company. It is responsible for, among other things, reviewing the Company's policies, risk management framework, processes and procedures for identifying, measuring, reporting and mitigating key risks in the Company's programmes and operations.

## **I. WHISTLE-BLOWING POLICY**

1. The Company's Whistle-blowing Policy aims to provide an avenue for employees and external parties to raise concerns and offer reassurance that they will be protected from victimisation for whistle-blowing in good faith.
2. The policy covers issues of: fraud, corruption, misappropriation, blackmail, bribery, failure to comply with legal/regulatory obligation, significant breach of Company's policies or internal controls including breaches of codes of conduct, non-disclosure of conflict of interest or related-party transactions, endangerment of health and safety of an individual or concealment of any of the above.
3. The policy is to assist the Audit & Risk Sub-Committee in managing allegations of fraud or other misconduct, disciplinary and any other actions that may be initiated following the completion of the investigations are fair and actions taken to correct the weakness in the existing system of internal process, where appropriate, in order to prevent recurrence.

## **J. DISCLOSURE AND TRANSPARENCY**

1. The Company makes available to its stakeholders an annual report that includes information on its programmes, activities, audited financial statements, Directors (i.e. Board members), Sub-Committees and Executive Management Team. The organisation chart of the Company and the Executive Management Team is made available at the Company's website.

## **K. PUBLIC IMAGE**

1. The Company accurately portrays its image to its members, donors and the public and has guidelines stipulated in its Corporate Communications policies (including media engagement) and corporate branding guidelines on how mediums of communication is to be used and how stakeholders are to be engaged including a system to approve the use and application of the Company's name and logos by third parties.
-