

ARCASIA

Taskforce

To explore the investment opportunities
& income generation for ARCASIA Funds

*Tasked by President Ar. Saiffudin Ahmad, @ 2024 Council meeting
Advisor Ar. Rita Soh prepared a paper for OB's deliberation to get an in-principle no-objection
on 24 July 2025 prior to presentation at 2025 Council Meeting in Incheon September 2025.*

Preamble :

ARCASIA is currently registered as a non-profit organization, the corporate vehicle being a company limited by guarantee (CLG), with its permanent office in Singapore.

There are three main types of entities available for non-profit organisations in Singapore–

- (a) societies,
- (b) companies limited by guarantee (CLG) and
- (c) a company trust.

Based on the **ARCASIA's goal of holding a bank account in Singapore**, setting up a *CLG primarily reduces the legal liability of the individual guarantors to the extent of their guarantee* should the company be wound up.

As the guarantors can guarantee a nominal sum (e.g. S\$1), it allows the individual guarantors to fully restrict their own liability.

The other two possible legal entities do not have a similar function that limits liability.

Also, as a CLG is a separate legal entity, it is able to enter contracts and hold property in its own name, such as a bank account.

However, incorporating a CLG would require compliance with the regulatory and reporting requirements of ACRA.

Correspondingly,

for **ARCASIA to seek Funds or Investments opportunities under the ambit of an ARCASIA Foundation would necessitate using a similar structure and a need to frame a corporate mission.**

Perhaps one of its missions is to **support the education & training of young architects within framework of ARCASIA** via its corporate HQ in Singapore.

There will be further opportunities for raising funds under this vehicle.

Governance Framework:

- **Legal Structure for the Foundation**

Foundations in Singapore are typically set up as:

- *Companies limited by Guarantee (CLG)*, commonly used for non-profit entities.
 - Charitable Trusts, governed by the Trustees Act and the Charities Act.
 - Societies, less common for Foundations
- **Most Foundations opt for a Company Limited by Guarantee (CLG)** as it provides a formal structure & is eligible for Charity status.
 - **Charities Act (Cap.37)**
 - If the Foundation seeks tax-exempt status, it must register with the Commissioner of Charities (COC) and comply with charity regulations.
 - It must meet the Charity Portal requirements (governance, financial reporting).

- **Tax Exemption & Incentives**
 - Income Tax Act: Charitable Foundations may apply for IPC (Institution of Public Character) status, allowing for tax-deductible donations.
- **Governance & Reporting**
 - Charities (Governance) Regulations; requires proper governance (eg Board composition, financial controls).
 - Annual submission of financial statements to COC.
 - Compliance with the Code of Governance for Charities and IPCs.
- **Sector-Specific Regulations (Architecture)**
 - if accredited training is to be provided, it may need recognition from the Board of Architects (BOA).
 - Partnerships with local Institution such as Singapore Institute of Architects (SIA) may be beneficial.
- **Fundraising Regulations**
 - Charities (Fund-Raising Permit) is needed for public solicitations.

Key components of a Foundation's Constitution:

- **Name of Foundation:** ARCASIA Foundation Ltd (?)
- **Objectives:** Primary & Secondary
 - *To clearly define the missions- Eg: “to provide scholarships, grants & mentorship program for aspiring architects”; “to promote pro-bono architectural services for underserved communities” etc*
- **Membership Structure:** Eligibility, Rights & Obligations, Termination clauses etc.
- **Governance Structure** (Board of Directors/Trustees) : Composition, roles, election & Termination Power...
- **Meetings & Voting Procedures**
- **Financial & Fund Management:** Funds usage/Donations & Grants/ Audit Requirements.
- **Conflict of Interest Policy:** Requires Directors to declare personal interest to prevent misuse.
- **Amendments to Constitution** requires 75%majority votes
- Etc

- **Possible Fundraising Activities:**
 - + **Permitted Fundraising Methods**
 - via public and private donations (cash, cheques, digital payments..)
 - Grants from Government agencies (eg National Arts Council..)
 - Corporate sponsorships and partnerships
 - Proceeds from events eg Charity galas, architectural exhibitions etc
 - Online crowdfunding platforms
 - + **Compliance with Laws**
 - All Fundraising must adhere to Charities Regulations / IPC guidelines
 - IPC Guidelines (if applicable)
 - + **Donor Transparency**
 - Donors to be provided with written receipts - donations > S\$ 50
 - Clear disclosure of how funds will be used
 - + **Restrictions**
 - Funds cannot be used for political activities
 - No Private benefits for directors/members

Possible Fundraising Strategies:

1. **Individual Donations** – launch a campaign on Giving.sg (pre -approved by COC, no permit needed; 2.5x tax deduction)
2. **Corporate Sponsorships** – by Design, construction firms/studios; offer branding opportunities...
3. **Charity Galas** eg -” Architects for tomorrow” etc
4. **Pro-Bono Design Auctions** eg - architects donate design concepts for home renovation etc
5. **Architectural Tours** – led by renown architects (ticket sales for fund raising)

The above list is not exhaustive, but it can set the conversation going regarding how we can take the first step to set up an ARCASIA Foundation.

Further opportunities:

- Within the present ambit of our **current activities' vis-a vis our 5 ARCASIA Committees**, there are potential sources of Fund-Raising opportunities. Working with the Chairmen of our Committees, **each council term may begin with the selected agenda as set by the incumbent President of ARCASIA and identify a few Fund-Raising campaigns to support.**
- Another good example is the forthcoming thrust to establish our own **ARCASIA Awards platform with the creation of a single commercial entity** to undertake the hosting, assessment via a panel of invited jury for the curation of the yearly ARCASIA Awards. This independence of the evaluation process for our **Design Awards can provide excellent opportunities to enable us to commercialize / monetize the branding of our annual ARCASIA awards.**

Further opportunities:

The above are some low-hanging fruits that can help kick start the funds collection for ARCASIA Foundation.

Over time, with the increasing focus on ASIA, there will be ample platforms for ARCASIA's Foundation to champion our cause towards making 21st century the beginning of Asia Renaissance.

Interim Conclusion:

- To date, we have received some comments & suggestions, but to move forward, it is imperative that we seek professional legal as well as financial expert advice.
Hence, we seek Council's no-objection to allow the incoming President & OB to engage these professionals within a reasonable budget.