

ARCASIA

July 24, 2025

Taskforce to explore the investment opportunities and income generation for ARCASIA funds

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 –

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

Based on the ARCASIA's goal of holding a bank account, 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 framing 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.

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
 - 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 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 provided, may need recognition from the Board of Architects (BOA)
 - Partnerships with SIA may be beneficial
- **Fundraising Regulations**
 - Charities (Fund-Raising Permit for public solicitations)

Key components of a Foundation's Constitution:

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

Possible Fundraising Activities:

- + Permitted Fundraising Methods
 - via public and private donations (cash, cheques, digital payments)
 - Grants from Government agencies (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 be provided with written receipt (for donations > SGD 50)
 - Clear disclosure of how funds will be used
- + Restrictions
 - Funds cannot be used for political activities
 - Private benefits of directors/members

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 – construction firms /studios; offer branding opportunities
3. Charity Galas eg "Architects for tomorrow"
4. Pro-Bono Design Auctions; architects donate design concepts for home renovation etc
5. Architectural Tours – led by renowned architects (ticket sales for fund raising)

The above is by means exhaustive but it can start the conversation going regarding how we can take the first step to set up an ARCASIA Foundation.

In addition, within the present ambit of our current activities vis-a vis our 5 ARCASIA Committees, there are potential sources of Fund Raising opportunities.

The establishment of our own ARCASIA Awards platform with a single commercial entity undertaking the hosting and curation as well as the evaluation process of our Design Awards can provide excellent opportunities to help us commercialize / monetize our very own ARCASIA awards.

Prepared by Advisor Ar. Rita Soh for OB in principle no-objection prior to further deliberation by Task Force members before presentation at Council Meeting in Incheon September 2025