

## **Catholic Welfare Services, Singapore** **Finance Policies and Disclosures**

### **1. Procurement, Payment and Approving Limits**

CWS has established a Standard Operating Procedure for purchase requisition, along with defined financial approving authority limits for expenditures. To ensure the effectiveness of internal controls and adherence to financial policies, CWS has appointed an independent Internal Auditor (IA). The IA's responsibilities encompass overseeing fundraising activities procedures and conducting funding checks, ensuring a strong system of internal controls throughout these processes.

### **2. Budget Review, Forecast, and Audited Financial Statements**

The Finance & Investment Committee carefully examines CWS' annual budgets to ensure responsible forecasting of expenses and incoming funds. Audited financial statements are accessible on our website, ensuring complete transparency for the benefit of all stakeholders.

### **3. Reserves**

Reserves are defined as the amount of money set aside for general operating expenses in support of charitable purposes and future use, which excludes capital/building funds. It does not include designated funds set aside by the Board for designated purposes, or restricted funds where donors have expressed specific usage for the funds. Financial reserves set aside provide financial stability and the means for the development and continuation of CWS's principal activities. To maintain normal functioning of CWS and to safeguard its service commitment, CWS aims to keep up to 5 times of its total operating expenditure as reserves. For financial year ended 31 Mar 2023, taking into account liquid assets over annual expenditure, this figure stands at 2.58 times. The Board adopts a cautious approach towards investment through a short-term low-risk policy. The Board regularly reviews the amount of funds that CWS requires to ensure that they are adequate to fulfil CWS's continuing obligations.

### **4. Reserves Policy**

The reserves that have been set aside provide financial stability and the means for the development of the CWS's principal activities. Information on CWS's reserves policy and reserves position can be found in CWS' annual Financial Statements, located on the CWS website at [www.catholicwelfare.org.sg/about-us/](http://www.catholicwelfare.org.sg/about-us/)

### **5. Restricted and Endowment Funds**

Restricted, Designated and Endowment Funds are funds received by way of donations or grants that have been earmarked for specific usage or purposes by the donor or grant-giver. CWS will only use such funds for these specified purposes unless express written consent and/or instructions are provided by the donor or grant-giver. The use of such funds

will adhere to any date, duration or other such specification or limitation of time as prescribed by the donor or grant-giver.

## **6. Loans (Internal, Related and External Parties)**

CWS does not provide loans to any parties, internal, related or external.

## **7. Investments**

CWS' investment activities are designed with the goal of safeguarding its capital while aiming to achieve growth through positive bank deposit rates. These investments are managed on a long-term basis. The Board approves the amount allocated for investment and the instruments used, which may include equities, government and statutory board bonds, corporate bonds, cash, and bank deposits, among others.

## **8. Fundraising and Outreach**

From time to time, CWS conducts fundraising and outreach activities in support of specific causes. CWS calculates its fundraising efficiency ratio by measuring its total fundraising expenses to the total gross receipts from fundraising and sponsorships within the financial year.

In FY2021/2022, **CWS did not conduct any fundraising activities.**

In FY2021/2022 and FY2022/23, **CWS did not incur any direct fundraising expenses.**

## **9. Board and Staff Remuneration**

No Board member receives remuneration for their services. No staff is involved in the setting or adjustment of their own remuneration.