

# Code of Governance for Registered Societies

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## **1. WHY A CODE OF GOVERNANCE?**

Registered societies are self-governing entities, bounded by their own Constitutions. The Constitution is a private contractual agreement governing the rights and liabilities of its members.

This Code of Governance provides a guide to societies on matters from application for membership to dissolution of a Society. Societies are encouraged to adhere to this Code of Governance or to review their existing Constitution for better governance.

## **2. OBJECTIVES OF THIS CODE**

The objectives of this Code are to:

- a. Enhance the governance of societies through sharing recommended practices, which are in line with the Registry of Societies (ROS)' requirements, Societies Act and Societies Regulations.
- b. Provide guidance to Management Committees to carry out their duties and act in the interest of their members.

## **3. CONSTITUTION**

### **3.1. Name, Objects and Membership**

- a. The name, objects and membership criteria of a Society should always be in tandem. If there is any change to the name of a Society, the Society should ensure that the name remains in tandem with the existing objects and membership criteria. Likewise, if there is a change in the objects and membership criteria or any part of the Constitution, the Society should ensure that the rules remain in tandem with the existing name.
- b. If the activities of the Society come under the purview of a certain government authority, the Constitution should include a rule to state “....subject to the prior approval from the relevant authorities, where applicable”.
- c. For societies which wish to establish branch(es) and company(ies), there should be provisions in their Constitutions allowing them to do so.
- d. All race-based, religious and faith-based welfare societies are required to include the following rule – “The Society shall not engage in any activities that may undermine the racial or religious harmony in Singapore”.

e. Societies which will be conducting their activities overseas are required to include the rule – “The Society shall not engage in activities outside Singapore which are not in accordance with the laws of the foreign country”.

### **3.2. Membership qualification and rights**

a. Membership cannot be automatic i.e. the applicant must make a conscious effort to join the Society.

b. Societies should state each membership category and their corresponding rights to vote and to hold office.

c. For each Corporate Member, the Society is required to state the number of representatives.

d. For religious societies, persons who are below 18 years old shall not be accepted as members without the written consent of their parent or guardian.

e. Only members who are above 21 years of age shall have the rights to vote and to hold office in the Society.

### **3.3. Entrance fees, subscriptions and other dues**

a. Societies can decide on their own the rates and methods of payment for entrance fees, subscriptions and other dues. The fees shall be determined by the General Meeting of members at the recommendation of the Management Committee.

b. All Societies should have the following rule with regard to their income and property – “The income and property of the Society whensoever derived shall be applied towards the promotion of the objects of the Society as set forth in this Constitution and no portion thereof shall be paid or transferred directly or indirectly by way of dividend or bonus or otherwise howsoever by way of profit to the persons who at any time are or have been members of the Society or to any of them or to any person claiming through any of them”.

### **3.4. Supreme Authority and General Meetings**

a. All Societies should provide in their Constitutions that the supreme authority of the Society is vested in the General Meeting of the members.

b. The Annual General Meeting should be held within 3 months (latest 6 months) from the close of its financial year.

c. An Extraordinary General Meeting must be called by the President on the request in writing of not less than 25% of the total voting membership or thirty (30) voting members, whichever is the lesser, and may be called at anytime by order of the Committee. The notice in writing shall be given to the Secretary setting forth the business that is to be transacted. The Extraordinary General Meeting shall be convened within two (2) months from receiving this request to convene the Extraordinary General Meeting.

d. If the Committee does not convene the Extraordinary General Meeting within two (2) months, the members who requested for the meeting shall convene the Extraordinary General Meeting by giving ten (10) days' notice to voting members setting forth the business to be transacted and simultaneously posting the agenda on the Society's notice board.

e. The points which are to be discussed at the Annual General Meeting shall include the following for Annual Returns purposes:

i) The previous financial year's accounts and annual report of the Committee.

ii) Where applicable, the election of office-bearers and Honorary Auditors for the following term.

f. The recommended quorum figure for General Meetings is at least 25% of the total voting membership or thirty (30) voting members, whichever is the lesser, to be present at a General Meeting. There should also be a provision that in the event of there being no quorum at the commencement of a General Meeting, the meeting shall be adjourned for half an hour and should the number then present be insufficient to form a quorum, those present shall be considered a quorum, but they shall have no power to amend any part of the existing Constitution.

g. If Societies wish to defer their Annual General Meetings beyond the month which is stated in their constitutions, they should seek the consensus of their voting members. If the change is to be permanent, the members will have to pass a resolution at a General Meeting to change the rule; under Section 11(1)(b) of the Societies Act, this needs to be submitted to the ROS for approval.

### **3.5. MANAGEMENT AND COMMITTEE**

a. The administration of a Society shall be entrusted to a Committee consisting of minimally the President, Secretary and Treasurer. All office-bearers should be elected by the members.

b. On the tenure of Committee Members, societies may wish to take reference from Rule 1.1.8 of Code of Governance for Charities and Institutions of a Public

Character which states that all Board members should be required to submit themselves for re-nomination and reappointment, at least once every three years.

c. The number of Committee Members can be in terms of a range or maximum, but not minimum. For example, the Committee may consist of the President, Secretary, Treasurer and 7 Committee Members. To state that the Committee consists of the President, Secretary, Treasurer and Committee Members is unacceptable as the number of Committee Members is not specified.

d. For the categories of societies listed below, the majority of the Committee Members must be Singapore Citizens. In addition, the President, Secretary, Treasurer and their deputies shall be Singapore Citizens or Singapore Permanent Residents. Foreign Diplomats shall not serve as Committee Members.

- i. Societies which identify themselves publicly as or whose membership is confined exclusively to members of a single race
- ii. Any Society whose object, purpose or activity, whether primary or otherwise, is to represent; promote any cause or interest of; or discuss any issue relating to a class of persons defined by reference to their gender or sexual orientation;
- iii. Any Society whose object, purpose or activity, whether primary or otherwise, is to promote or discuss the use or status of any language;
- iv. Any arts groups except those promoting classical music/works.

For the category below, the President, Secretary and Treasurer and their deputies must be Singapore Citizens.

- i. Any society whose object, purpose or activity, whether primary or otherwise, is to represent persons who advocate; promote; or discuss any issue relating to any civil or political right (including human rights, environmental rights and animal rights).

Under the Maintenance of Religious Harmony Act (MRHA), religious groups will have to comply with the following leadership requirements:

- ii. The President, Secretary and Treasurer (or their equivalent roles) have to be Singapore Citizens or Singapore Permanent Residents; and
- iii. The majority of the religious group's governing body have to be Singapore Citizens.

### **3.6. AUDIT AND FINANCIAL YEAR**

a. Either two voting members not being members of the Committee or a firm of Public Accountants and Chartered Accountants shall be elected as Honorary Auditors at a Society's Annual General Meeting. However, the accounts of the Society shall be audited by a qualified company auditor if the gross income or expenditure of the Society exceeds \$500,000 in that financial year, in accordance with Section 4 of the Societies Regulations.

b. Societies are required to submit the audited statement of accounts, together with their Annual Returns, within one month of every Annual General Meeting held, or if no meeting is held, within one month after the close of the Societies' financial year. Societies may refer to [https://www.isca.org.sg/docs/default-source/default-document-library/tech/ags-1.pdf?sfvrsn=75266f6e\\_0](https://www.isca.org.sg/docs/default-source/default-document-library/tech/ags-1.pdf?sfvrsn=75266f6e_0) for a sample independent auditor report.

c. Societies are required to maintain proper accounts and records of the transactions and affairs of the Society for a period of at least 5 years.

### **3.7. VISITORS AND GUESTS**

a. A Society's Constitution should impose limitations as to the number of guests a member may bring in and the number of visits a guest can make to the Society's premises within a specified timeframe.

b. Alternatively, visitors and guests may be admitted into the premises of a Society, but they shall not be admitted into the privileges of the Society. All visitors and guests shall abide by the Society's rules and regulations.

### **3.8. PROHIBITIONS**

a. A Society's constitution should include prohibition clauses to be in line with the relevant laws in Singapore.

### **3.9. AMENDMENTS TO CONSTITUTION**

a. Any amendments to the constitution should be passed at a General Meeting of members according to the Society's existing Constitution before any amendment of rules application is submitted to the ROS.

### **3.10. DISSOLUTION**

- a. If so desired by its members, a Society should be dissolved according to how its Constitution is worded.
- b. According to Section 35(g) of Societies Act, “in the absence of any specific provision in the rules of a society, any number not less than three-fifths of the members of the society for the time being resident in Singapore may determine that it shall be dissolved forthwith”.
- c. A Certificate of Dissolution shall be sent to the Registrar of Societies within 7 days of the dissolution.

### **4. MANAGING INTERNAL DISPUTES**

- a. Any internal disputes should be managed by the Society as stated in the Constitution.
- b. In general, ROS does not interfere in the internal management of societies by the Management Committee or take action in matters including but not limited to the following:
  - i. Validity of General Meetings / the manner in which General Meetings are conducted.
  - i. Election procedures of Committee Members / Who are the rightful Committee Members
  - ii. Interpretation of Society’s Constitution / amendments to Constitution.
  - iii. How the resolutions were passed at General Meetings / number of votes which can be counted at General Meetings.
  - iv. Disagreements on the strategic direction of the Society.

Societies are advised to take action within the societies’ rules / Constitution to remedy the problem, seek arbitration or legal advice, if necessary.