



*Resilient governance  
is not just survival,  
but trust and  
sustainability*

# Ronald Yam

- ❖ RSM Hong Kong – Partner (2019 – now)
- ❖ Habitat for Humanity Hong Kong
  - Hon. Treasurer (2005 – 2022)
  - Chairman of Finance Committee (2005 – 2022)
- ❖ The Hong Kong Children's Choir
  - Hon. Treasurer (2003 – 2011)
  - Vice Chairman of Board of Directors (2011 – 2014)
  - Chairman of Board of Directors (2014 – 2024)

# Ronald Yam

- ❖ Chinese YMCA of Hong Kong
  - Treasure (2006– now)
  - Chairman of Investment Committee (2006 – now)
- ❖ Asia and Pacific Alliance of YMCAs
  - Treasurer (2015 – 2019)
- ❖ World Alliance of YMCAs
  - Treasurer (2018 – 2022)
  - Deputy President (2022 – now)

*Why financial governance  
matters for NGOs/SEs?*



# Why financial governance matters for NGOs/SEs?

## ACCOUNTABILITY

Funding comes from public resources:  
donations, corporate contributions,  
government grants

NGOs/SEs must be accountable to donors,  
beneficiaries, regulators, and the public

## RISK MANAGEMENT

To identify and prevents financial crises,  
fraud, and non-compliance

# Why financial governance matters for NGOs/SEs?

## COMPLIANCE REQUIREMENT

To navigate complex regulatory environments and legal requirements.

e.g. Companies Ordinance, Prevention of Bribery Ordinance, Social Welfare Department requirements in Hong Kong

## ENSURES SUSTAINABILITY

To ensure optimal allocation of resources, prevents unnecessary waste and financial risks, and thereby supports the organization's long-term, stable operations and fulfillment of its mission

# Why financial governance matters for NGOs/SEs?

## **CREDIBILITY**

Growing competition for limited resources  
makes credibility the decisive factor for  
funding





*Building  
Public Trust  
through  
**Integrity**  
and  
**Accountability***



# *Key Strategies for Strengthening Financial Governance*



# 1) Clear Roles & Responsibilities

## **Board of Directors:**

strategic direction, oversight, establish Finance/Audit Committees

## **Management:**

execution, enforce segregation of duties

## **Segregation of Duties:**

approval, execution, bookkeeping, asset custody handled by different staff

## **Professional Advisors:**

external accountants or consultants for independent advice

## **2) Transparent & Timely Financial Information**

### **Income disclosure:**

donations, grants, service revenue clearly categorized

### **Expense breakdown:**

avoid vague “administrative costs”; detail HR, rent, training, IT, etc.

### **Annual audited report:**

independent audit + accessible summary/visuals for non experts

### **Quarterly updates:**

optional for larger NGOs to maintain ongoing transparency

# 3) Internal Audit & Risk Management

## **Small NGOs:**

senior staff or internal audit team review key processes annually

## **Large NGOs:**

independent internal auditor reporting to Audit Committee

## **Risk register:**

track financial, compliance, operational risks with mitigation plans

## **Compliance checks:**

ensure adherence to tax, labor laws, and grant conditions

# 4) Impact Reporting

Move beyond “money spent” → show **social outcomes achieved**

## **Quantitative indicators:**

number trained, families supported, improvement rates

## **Qualitative stories:**

beneficiary case studies linking numbers to mission impact

## **Global standards:**

adopt IFRS for NGOs or GRI frameworks for credibility



# 5) Transparency & Accountability Culture

## **Proactive disclosure:**

address public concerns about fund usage

## **Accessibility:**

create “Financial Transparency” section on website with reports & FAQs

## **Conflict of interest policy:**

board/management declarations to prevent misuse

## **Continuous training:**

governance workshops for directors and managers

# 6) Additional Professional Practices

## **Budget control:**

annual budget vs. actual variance analysis

## **Cash flow management:**

maintain liquidity for short term obligations

## **Investment policy:**

conservative approach (e.g., fixed deposits), avoid high risk assets

## **Donation tracking:**

systems to ensure funds used per donor intent

## **Technology adoption:**

accounting software for accuracy and efficiency

*Good financial  
governance builds  
trust. Trust sustains  
funding.*

*Funding sustains  
mission.*





# Future-Proofing Finances

Building resilient financial strategies is crucial for NGOs and SEs to adapt to changing environments, ensuring sustainability and continued impact for communities they serve.



*Thank you!*