

MEDIA RELEASE

CHARITY COUNCIL RELEASES ITS INAUGURAL CHARITY GOVERNANCE REPORT

The Charity Council has released its inaugural Charity Governance Report today. The report highlights the state of governance in the charity sector, profiles good governance practices by charities and explores how the Council could further enhance governance best practices in charities.

2. The online governance evaluation checklist system was launched in February 2008 to provide a platform for charities to disclose their adoption of key Code of Governance guidelines. Since then, 81% of the charity sector (about 1,500 charities) has submitted the checklists. The report reveals that the overall median governance evaluation score of 87% is encouraging. The majority of charities have performed well in areas such as board independence, regular board meetings, reviews of vision and mission and communication to stakeholders. Some areas for improvements include conflicts of interest declaration, human resource policies, staff appraisal/ development, reserves policies, board evaluation and disclosure of remuneration.

3. The report reveals that charities have taken the responsibility to enhance their governance and management capabilities. Since April 2007, more than 500 charities have tapped upon the VWO-Charities Capability Fund (VCF) grants for training, consultancy and info-comms technology projects. About 5,000 Board members and management personnel have also attended governance and management training.

4. Moving forward, the Charity Council will step up efforts to engage professional associations and strategic partners to encourage people with appropriate skills to volunteer with charities. The Charity Council will also launch a shared services initiative for finance and accounting as a way to relieve charities from administrative procedures, thereby allowing charities to focus on direct service provision and governance.

5. Mrs Fang Ai Lian, Chairman of the Charity Council, said "After two good years of foundational work, the general level of governance and public confidence has improved and there is certainly cause for optimism. I would like to say that the majority of charities are doing good work for the community. With proper governance in place, they would not only do good but do good well. I hope that members of public will continue to support the charity sector so that charities can continue their good work and help those who are in need."

CHARITY COUNCIL
23 February 2009

About the Charity Council

The Council was set up in October 2006 to promote a culture of good governance and self-regulation in the charity sector. It seeks to be a:

- i. **Promoter** - encourage adoption of good governance standards and best practices, enhance public confidence in the charity sector;
- ii. **Enabler** - help build the governance capabilities of charities to enable them to comply with regulatory requirements and enhance public accountability of charities; and
- iii. **Advisor** - advise the Commissioner of Charities (COC) on key regulatory issues where there may be broad-ranging impact on the charity sector.