

## Head 116 — OFFICIAL RECEIVER'S OFFICE

**Controlling officer:** the Official Receiver will account for expenditure under this Head.

**Estimate 2025–26** ..... **\$238.8m**

**Establishment ceiling 2025–26** (notional annual mid-point salary value) representing an estimated 270 non-directorate posts as at 31 March 2025 reducing by one post to 269 posts as at 31 March 2026..... **\$166.8m**

In addition, there will be an estimated eight directorate posts as at 31 March 2025 and as at 31 March 2026.

### Controlling Officer's Report

#### Programme

##### Official Receiver's Office

This programme contributes to Policy Area 1: Financial Services (Secretary for Financial Services and the Treasury).

#### Detail

	2023–24 (Actual)	2024–25 (Original)	2024–25 (Revised)	<b>2025–26 (Estimate)</b>
Financial provision (\$m)	229.1	236.2	237.0 (+0.3%)	<b>238.8</b> (+0.8%)
				(or +1.1% on 2024–25 Original)

#### Aim

**2** The aim is to administer the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) relating to the compulsory winding-up of companies and the Bankruptcy Ordinance (Cap. 6) relating to the estates of bankrupts.

#### Brief Description

**3** The Official Receiver's Office (ORO) is responsible for the effective administration of insolvency matters pertaining to compulsory liquidation of companies and individual bankruptcies. This work involves:

- the delivery of an effective in-house management insolvency service when appointed by the court or creditors as liquidator or trustee, and the management of the schemes for contracting out insolvency cases to the private sector;
- the effective realisation of assets of insolvent companies and bankrupts at the earliest opportunity, adjudication of creditors' claims, and declaration of dividends to preferential and ordinary creditors as soon as possible; and
- investigation into the conduct of bankrupts, directors and officers of insolvent companies and the causes of business failures, prosecution of insolvency offenders and implementation of the statutory provisions relating to the disqualification of company directors of insolvent companies.

**4** The key performance measures in respect of the administration of insolvency cases are:

#### Targets

	Target processing time	2023 (Actual)	2024 (Actual)	<b>2025 (Plan)</b>
general enquiries in person at public reception counter (%) .....	10 minutes	100	100	<b>100</b>
applications for Certificate of Non-bankruptcy (%) .....	2 working days	100	100	<b>100</b>
lodging Proofs of Debt in person (%) .....	10 minutes	100	100	<b>100</b>
obtaining assistance of officers to complete a Proof of Debt (%) .....	30 minutes	100	100	<b>100</b>
request for copies of Statement of Affairs (%) .....	3 working days	100	100	<b>100</b>

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	Target processing time	2023 (Actual)	2024 (Actual)	2025 (Plan)
distribution of dividends				
completing procedures when the distribution is possible (%)#.....	9 months	100	100	<b>100</b>
sending dividend cheques by mail (%).....	5 working days	100	100	<b>100</b>
holding meetings of creditors in non-summary cases				
winding-up cases				
making decision to hold meetings (%).....	8 weeks	97	98	<b>90</b>
holding meetings (%).....	12 weeks	92	100	<b>90</b>
bankruptcy cases				
making decision to hold meetings (%).....	12 weeks	99	98	<b>98</b>
holding meetings (%).....	16 weeks	99	99	<b>100</b>
processing written fund withdrawal requests from outside liquidators by the due dates, provided the specified notification periods are followed				
Pool Investment Scheme				
amount below \$10m (%).....	3 working days	100	100	<b>100</b>
amount between \$10m - \$15m (%).....	5 working days	100	100	<b>100</b>
amount between \$15m - \$20m (%).....	10 working days	100	100	<b>100</b>
funds invested separately (%) .....	2 working days before maturity of fixed deposit	100	100	<b>100</b>
processing invoices including liquidators' bills and arranging payments (%).....	30 calendar days	99	100	<b>99</b>
putting summary cases with insufficient assets for distribution on release programme (%).....	12 months	99	99	<b>97</b>

# From the month when the cash balance meets the threshold of \$25,000 for debtor-petition bankruptcy cases; \$70,000 for creditor-petition bankruptcy cases; and \$200,000 for winding-up cases, or from the date of receipt of internal referral for dividend distribution of cases with cash balance below thresholds.

### *Indicators*

	2023 (Actual)	2024 (Actual)	2025 (Estimate)
new cases.....	7 702	8 996	<b>9 630</b>
insolvency cases completed (i.e. release orders made by the Court), stayed or rescinded.....	7 599	11 279	<b>10 500</b>
cases put on release programme.....	4 879	7 290	<b>7 290</b>
cases on release programme at year end .....	2 610	2 339	<b>2 580</b>
cases put on small case programme .....	2 644	3 064	<b>3 060</b>
cases on small case programme at year end.....	13 421	12 408	<b>11 650</b>
average active in-house case load per			
Insolvency Officer at year end.....	125	156	<b>220</b>
average active non in-house case load per			
Insolvency Officer at year end.....	786	924	<b>860</b>
cases put on adjudication programme .....	1 176	1 221	<b>1 220</b>
proofs of debt adjudicated.....	3 953	4 800	<b>4 800</b>
cases with dividends declared .....	1 142	1 282	<b>1 280</b>
amount of dividends declared (\$m).....	134.3	133.5	<b>133.5</b>
summons issued .....	675	719	<b>500</b>
meetings of creditors held .....	3 321	3 391	<b>3 640</b>
writs issued and other proceedings .....	21	21	<b>20</b>
non-remunerative cases (i.e. cases with assets of not more than \$50,000).....	7 571	8 844	<b>9 470</b>
proportion of non-remunerative cases to new cases (%) .....	98	98	<b>98</b>

*Matters Requiring Special Attention in 2025–26*

5 During 2025–26, the ORO will continue to:

- implement the scheme to contract out summary liquidation cases (each with estimated realisable assets of not more than \$200,000) to practitioners in the private sector;
- monitor the Administrative Panel Scheme for contracting out non-summary liquidation cases (each with estimated realisable assets of more than \$200,000) to practitioners in the private sector;
- implement the scheme for outsourcing preliminary examination of bankrupts to practitioners in the private sector;
- implement the scheme to outsource a certain number of debtor-petition summary bankruptcy cases (each with estimated realisable assets of not more than \$200,000) to practitioners in the private sector;
- encourage greater use of individual voluntary arrangements by debtors as an alternative to bankruptcy;
- closely review existing targets of performance pledges and determine any new areas for improvement in consultation with the ORO's Service Advisory Committee;
- review the operational procedures in the ORO with a view to improving efficiency and productivity;
- provide support for the Financial Services and the Treasury Bureau in reviewing and refining legislative proposals for modernising insolvency procedures and other insolvency-related legislative initiatives; and
- strengthen liaison and co-operation with relevant Mainland authorities on insolvency-related matters.

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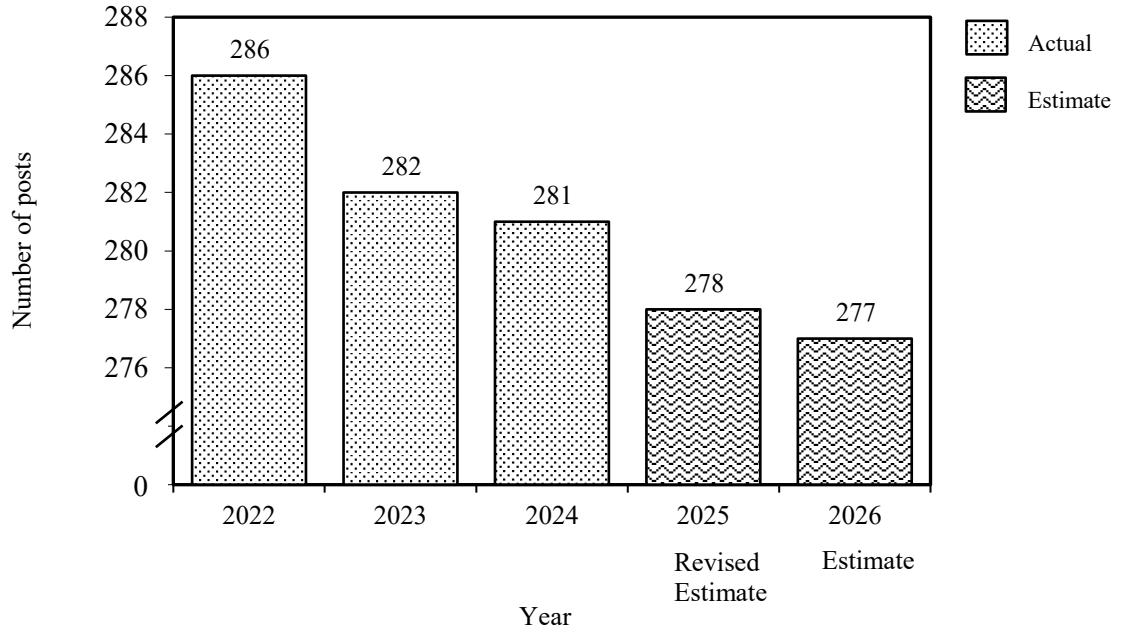
**ANALYSIS OF FINANCIAL PROVISION**

	2023–24 (Actual) (\$m)	2024–25 (Original) (\$m)	2024–25 (Revised) (\$m)	2025–26 (Estimate) (\$m)
<b>Programme</b>				
Official Receiver's Office.....	229.1	236.2	237.0 (+0.3%)	238.8 (+0.8%)
				(or +1.1% on 2024–25 Original)

**Analysis of Financial and Staffing Provision**

Provision for 2025–26 is \$1.8 million (0.8%) higher than the revised estimate for 2024–25. This is mainly due to increased provisions arising from filling of vacancies and staff changes, partly offset by the decreased provision for departmental expenses and a decrease of one post.

*Changes in the size of the establishment  
(as at 31 March)*



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Sub-head (Code)	Actual expenditure 2023–24	Approved estimate 2024–25	Revised estimate 2024–25	<b>Estimate 2025–26</b>	
	\$'000	\$'000	\$'000	<b>\$'000</b>	
<b>Operating Account</b>					
Recurrent					
000	Operational expenses .....	229,053	236,123	237,031	<b>238,783</b>
	Total, Recurrent.....	229,053	236,123	237,031	<b>238,783</b>
Non-Recurrent					
	General non-recurrent .....	—	60	—	—
	Total, Non-Recurrent.....	—	60	—	—
	Total, Operating Account .....	229,053	236,183	237,031	<b>238,783</b>
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	Total Expenditure .....	229,053	236,183	237,031	<b>238,783</b>

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### Details of Expenditure by Subhead

The estimate of the amount required in 2025–26 for the salaries and expenses of the Official Receiver's Office is \$238,783,000. This represents an increase of \$1,752,000 over the revised estimate for 2024–25 and \$9,730,000 over the actual expenditure in 2023–24.

#### *Operating Account*

#### Recurrent

**2** Provision of \$238,783,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Official Receiver's Office.

**3** The establishment as at 31 March 2025 will be 278 posts. It is expected that there will be a decrease of one post in 2025–26. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2025–26, but the notional annual mid-point salary value of all such posts must not exceed \$166,829,000.

**4** An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2023–24 (Actual) (\$'000)	2024–25 (Original) (\$'000)	2024–25 (Revised) (\$'000)	<b>2025–26 (Estimate) (\$'000)</b>
Personal Emoluments				
- Salaries .....	171,715	177,830	172,731	<b>177,439</b>
- Allowances .....	2,312	6,997	4,355	<b>5,896</b>
- Job-related allowances.....	—	2	—	<b>2</b>
Personnel Related Expenses				
- Mandatory Provident Fund contribution .....	590	693	633	<b>666</b>
- Civil Service Provident Fund contribution .....	13,369	14,939	14,775	<b>17,186</b>
Departmental Expenses				
- Hire of services and professional fees .....	5,170	3,831	10,436	<b>7,177</b>
- General departmental expenses .....	35,897	31,831	34,101	<b>30,417</b>
	229,053	236,123	237,031	<b>238,783</b>