

Head 116 — OFFICIAL RECEIVER'S OFFICE

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

Estimate 2026–27 **\$234.9m**

Establishment ceiling 2026–27 (notional annual mid-point salary value) representing an estimated 269 non-directorate posts as at 31 March 2026 reducing by seven posts to 262 posts as at 31 March 2027..... **\$162.8m**

In addition, there will be an estimated eight directorate posts as at 31 March 2026 and 31 March 2027.

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

	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	234.9	238.8	235.1 (–1.5%)	234.9 (–0.1%)
				(or –1.6% on 2025–26 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	2024 (Actual)	2025 (Actual)	2026 (Plan)
general enquiries in person at public reception counter (%)	10 minutes	100	100	100
applications for Certificate of Non-bankruptcy (%)	2 working days	100	100	100
lodging Proofs of Debt in person (%)	10 minutes	100	100	100
obtaining assistance of officers to complete a Proof of Debt (%)	30 minutes	100	100	100
request for copies of Statement of Affairs (%)	3 working days	100	100	100

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	Target processing time	2024 (Actual)	2025 (Actual)	2026 (Plan)
distribution of dividends				
completing procedures when the distribution is possible (%)#.....	9 months	100	100	100
sending dividend cheques by mail (%).....	5 working days	100	100	100
holding meetings of creditors in non-summary cases				
winding-up cases				
making decision to hold meetings (%).....	8 weeks	98	100	90
holding meetings (%).....	12 weeks	100	100	90
bankruptcy cases				
making decision to hold meetings (%).....	12 weeks	98	99	98
holding meetings (%).....	16 weeks	99	99	100
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	100
amount between \$10m - \$15m (%).....	5 working days	100	100	100
amount between \$15m - \$20m (%).....	10 working days	100	100	100
funds invested separately (%)	2 working days before maturity of fixed deposit	100	100	100
processing invoices including liquidators' bills and arranging payments (%).....	30 calendar days	100	99	99
putting summary cases with insufficient assets for distribution on release programme (%).....	12 months	99	99	97

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

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
new cases.....	8 996	9 852	9 850
insolvency cases completed (i.e. release orders made by the Court), stayed or rescinded.....	11 279	10 898	9 080
cases put on release programme.....	7 290	7 373	7 370
cases on release programme at year end	2 339	1 968	2 870
cases put on small case programme	3 064	3 400	3 400
cases on small case programme at year end.....	12 408	12 394	12 920
average active in-house case load per Insolvency Officer at year end.....	156	143	190
average active non in-house case load per Insolvency Officer at year end.....	924	855	790
cases put on adjudication programme	1 221	1 392	1 390
proofs of debt adjudicated.....	4 800	4 333	3 560
cases with dividends declared	1 282	1 287	1 060
amount of dividends declared (\$m).....	133.5	115.6	80.8
summons issued	719	723	680
meetings of creditors held	3 391	3 912	3 910
writs issued and other proceedings	21	26	20
non-remunerative cases (i.e. cases with assets of not more than \$50,000).....	8 844	9 713	9 710
proportion of non-remunerative cases to new cases (%)	98	99	99

Matters Requiring Special Attention in 2026–27

5 During 2026–27, 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 Chinese Mainland authorities on insolvency-related matters.

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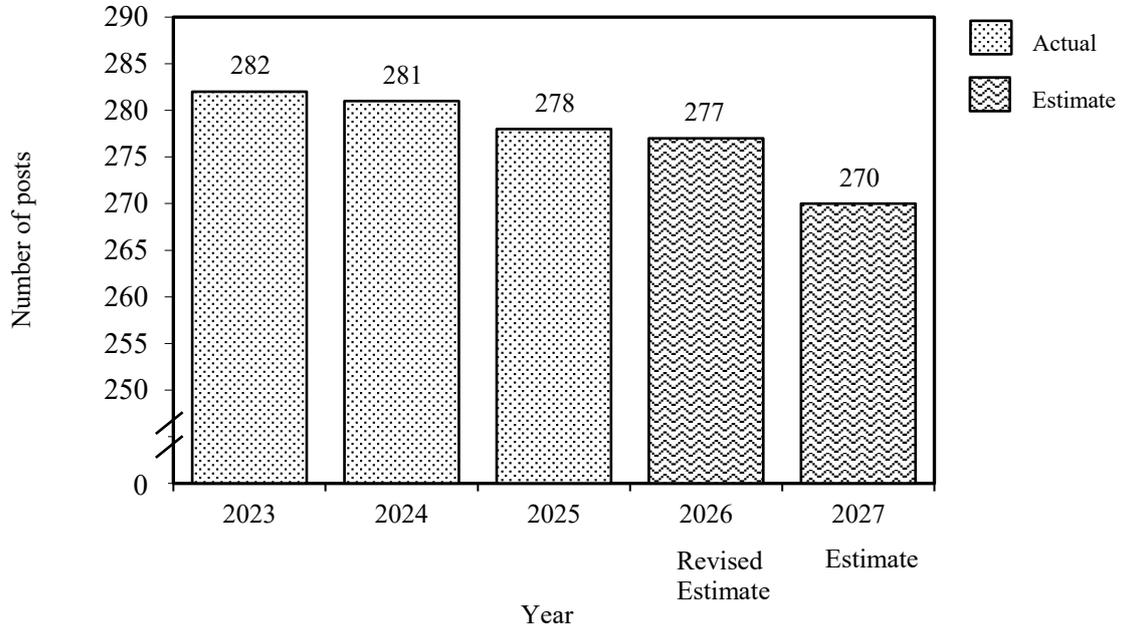
ANALYSIS OF FINANCIAL PROVISION

Programme	2024-25 (Actual) (\$m)	2025-26 (Original) (\$m)	2025-26 (Revised) (\$m)	2026-27 (Estimate) (\$m)
Official Receiver's Office	234.9	238.8	235.1 (-1.5%)	234.9 (-0.1%)
				(or -1.6% on 2025-26 Original)

Analysis of Financial and Staffing Provision

Provision for 2026-27 is \$0.2 million (0.1%) lower than the revised estimate for 2025-26. This is mainly due to the decreased provision for departmental expenses, partly offset by the increased provisions arising from filling of vacancies and staff changes. There will be a decrease of seven posts in 2026-27.

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



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Sub-head (Code)	Actual expenditure 2024–25	Approved estimate 2025–26	Revised estimate 2025–26	Estimate 2026–27	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	234,900	238,783	235,118	234,855
	Total, Recurrent.....	<u>234,900</u>	<u>238,783</u>	<u>235,118</u>	<u>234,855</u>
	Total, Operating Account	<u>234,900</u>	<u>238,783</u>	<u>235,118</u>	<u>234,855</u>
<hr/>					
	Total Expenditure	<u><u>234,900</u></u>	<u><u>238,783</u></u>	<u><u>235,118</u></u>	<u><u>234,855</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2026–27 for the salaries and expenses of the Official Receiver's Office is \$234,855,000. This represents a decrease of \$263,000 against the revised estimate for 2025–26 and \$45,000 against the actual expenditure in 2024–25.

Operating Account

Recurrent

2 Provision of \$234,855,000 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 2026 will be 277 posts. It is expected that there will be a decrease of seven posts in 2026–27. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2026–27, but the notional annual mid-point salary value of all such posts must not exceed \$162,842,000.

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

	2024–25 (Actual) (\$'000)	2025–26 (Original) (\$'000)	2025–26 (Revised) (\$'000)	2026–27 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	172,507	177,439	172,122	175,831
- Allowances.....	3,831	5,896	4,654	5,464
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	609	666	624	609
- Civil Service Provident Fund contribution.....	14,338	17,186	16,633	18,794
Departmental Expenses				
- Hire of services and professional fees	9,231	7,177	7,127	5,349
- General departmental expenses	34,384	30,417	33,956	28,806
	234,900	238,783	235,118	234,855