CORPORATE GOVERNANCE

As a corporate regulator, we acknowledge and promote the importance of good corporate governance as we believe that effective governance is vital to achieving the long term strategic goals of a corporation and safe guarding the interests of all its stakeholders. In this connection, we are committed to maintaining a high standard of corporate governance with a view to achieving the mission and vision of the Registry, taking into account the needs of our customers and public interest as a whole.

In the Registry, effective governance is achieved through a number of measures to ensure accountability, internal control, integrity, transparency and risk management in all of its operations. The Registry's performance in each area is elaborated in the ensuing paragraphs.

公司註冊處
The Companies Registry

股東會議
Shareholder's Meetings

決策局會議
Policy Bureau Meetings

投資策略委員會
Investment Strategy Committee

首長級人員會議
Directorate Meetings

部門編制委員會
Departmental Establishment Committee

審計署
Audit Commission

誠信管理委員會
Integrity Management Committee

發展督導委員會
Development Steering Committee

Accountability

The Registry operates as a trading fund department and provides services on a commercial or quasi-commercial basis. Although trading fund departments do not have the same autonomy as a statutory corporation, we enjoy greater autonomy than traditional government departments. Notwithstanding that, we are accountable to the government for our operations and performance and a strong governance structure is in place.

Meetings with the Financial Services and the Treasury Bureau

Held on a bi-monthly basis, these meetings provide a forum for the Registry's policy bureau, the Financial Services and the Treasury Bureau (Financial Services Branch), to review the Registry's business performance and any major initiatives, both operational and legislative. We also attended meetings with the Financial Services and the Treasury Bureau (Treasury Branch) to review and monitor the financial performance of the Registry every six months.

A visit from the Permanent Secretary for Financial Services and the Treasury (Financial Services)

CORPORATE GOVERNANCE

Internal Control

The Registry recognises the importance of a sound and effective internal control system. On this, there are well-established policies and regulations on administrative, procurement and financial matters which ensure a proper segregation of duties and a clear organisational structure with defined authority.

Directorate Meetings

The Registrar of Companies meets with all her directorate officers at monthly intervals to discuss and review the major activities of the Registry, either in progress or in the pipeline, to ensure proper planning and monitoring of the Registry's business. Through these meetings, policy, operational and legislative issues are identified, deliberated and resolved by the Registry's senior management team in a timely and efficient manner.

Development Steering Committee

The committee, chaired by the Registrar of Companies, comprises members of the Registry's senior management and a representative of the Financial Services and the Treasury Bureau. The committee is tasked to set objectives for the Registry's long term business development and oversee the implementation of key initiatives and projects, in particular the development of the Integrated Companies Registry Information System. Monthly meetings are held to consider new initiatives, review implementation progress, and resolve development issues which require the input and decision of the Registry's senior management. Through the operation of the Development Steering Committee, major decisions in respect of the tendering procedure for Phase II of ICRIS as well as its monitor and implementation have been made in a timely and transparent manner.
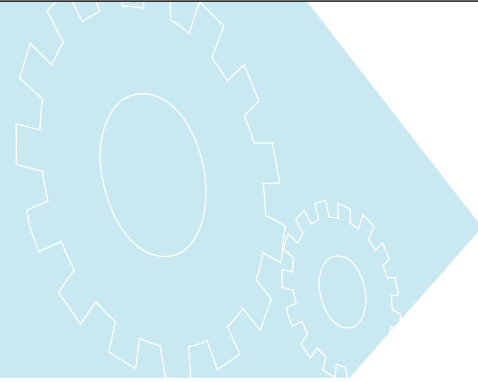
Investment Strategy Committee

Chaired by the Registrar of Companies and comprising senior managers from the Registry's operational and financial divisions, the Investment Strategy Committee has been established to oversee the management of the Companies Registry Trading Fund's investment portfolio, which consisted of various time deposits with licensed banks in Hong Kong, totalling $486 million as at 31 March 2009. At periodical intervals and as and when the need arises, the Committee meets to review the performance of the Registry's investment portfolio, its position and considers alternative investment strategies and proposals.

Integrity
Integrity Management Committee

The Registry attaches great importance to integrity management and supports the Government's sustained efforts to entrench an ethical culture and maintain a clean and honest civil service in Hong Kong. A Companies Registry Integrity Management Committee has been set up since 2007-08 to formulate a long term staff integrity management strategy. The Action Programme for 2008-09 was satisfactorily implemented and promoted staff awareness of and alertness to integrity issues and various regulations and guidelines governing conduct and discipline. The Committee meets regularly to monitor the progress of the Action Programme and review the integrity-management measures of the Registry.

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CORPORATE GOVERNANCE

Transparency
Audit and Report

The Registry has to prepare annual accounts in accordance with generally accepted accounting principles. The annual accounts are audited by the Director of Audit. Pursuant to the provisions of the Trading Funds Ordinance, the audited annual accounts together with the annual report of the Registry have to be tabled in the Legislative Council not later than 31 October next following the end of each financial year.

Code on Access to Information

The Registry has adopted the Code on Access to Information since its introduction by the Government in 1995. The Code provides a formal administrative framework for the provision of information by the Government to members of the public with the objective of keeping the community well informed about the Government, the services which it provides and the basis for policies and decisions that affect individuals and the community as a whole. The Registry is in full compliance with the requirements of the Code in its handling of requests for information.

Risk Management

The business of the Registry is carried out through various information technology (IT) systems, including the Integrated Companies Registry Information System and internal e-mail communication system. To minimise IT risks and to ensure that the systems add value to our business, the Development Steering Committee oversees, inter alia, the Registry's IT functions and its interface with the Registry's core business activities to ensure the alignment of IT systems with the corporate mission, policies and objectives.
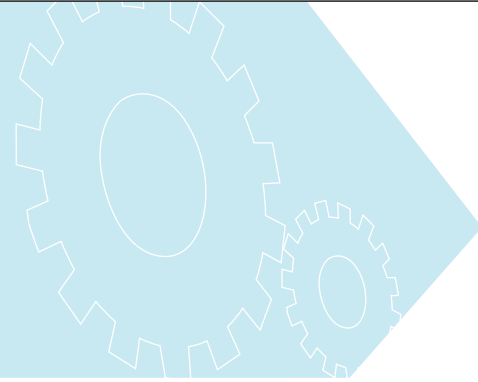
IT security failure is costly to business. To ensure information security, we have developed IT security policy, Disaster Recovery Plan, Contingency Plan, Guidelines on Information Security Incident Handling, End User Instructions on IT Security and Departmental Contingency Plan for compliance by staff. In particular, the Registry keeps in pace with the prevailing guidelines and formulates measures to tighten the security control on the use of portable electronic storage devices, e.g. USB flash drive, to avoid leakage of information.

USB

On top of these instructions and guidelines, we have continued to provide regular updates to staff with a view to fostering security awareness and compliance with various security policies and instructions. Regular IT security audits are also performed by independent auditors to examine the Registry's IT security protection measures.

The Registry has developed a business continuity plan to reduce business risk in the event of a disruption. This includes a disaster recovery system supporting critical functions or operations and ensuring the continuity of a minimum level of services. We have also conducted disaster recovery drills periodically to ascertain the proper functioning of the disaster recovery system. Other than the above measures, we have drawn up contingency plans to tackle with exceptional circumstances, such as the outbreak of infectious disease like the human swine influenza.