

MINISTRY PAPER NO: _____

**PERFORMANCE OF THE OFFICE OF THE REGISTRAR OF COMPANIES (ORC)
FOR THE 2003/2004 FINANCIAL YEAR AND
FOCUS FOR THE 2004/2005**

1. Purpose of the Ministry Paper

This Ministry Paper is intended to provide highlights of the performance of the Office of the Registrar of Companies (ORC) during the 2003/2004 Financial Year and the main focus for the 2004/2005 Financial Year.

2. Mission

The mission of the ORC is to enable the legal creation of companies, sole proprietorships, partnerships and industrial and provident societies in an environment of trust and commitment to all its stakeholders in order to foster trade, commerce and wealth.

3. Role and Functions

The ORC is responsible for the administration of the Companies, Registration of Business Names and the Industrial and Provident Societies Acts. Consequently, it is responsible for the registration and regulation of companies, business names and industrial and provident societies. It is also the repository of information pertaining to those entities.

4. Priority Targets and Objectives for the year 2003/2004

Four (4) priority targets were identified for the 2003/2004 Financial Year:

- Maintenance of guaranteed registration and search services
- Completion of the upgrade of the Image Management System
- Education of the public about the provisions of the new Companies Act and services carried out by the ORC
- Training of staff

5. Highlights of Performance/Achievements for 2003/2004

5.1 Summary of Achievements

At the beginning of the year ORC embarked on a campaign to market its new web-based services. Advertisements relating to the new services were placed in both the print and electronic media. The campaign proved to be quite successful. At the end of March 2004 there were four hundred and fifteen (415) subscribers to the ORC website. Those subscribers undertook eleven thousand five hundred and fifty nine (11,559) transactions at a value of seven hundred and sixty-six thousand, six hundred and fifty-five dollars (\$766,655) up to that date. The ORC's return on its investment in the website has been positive.

Early in the year an audit of the project to re-engineer the Agency's Image Management System was conducted. It revealed that while the project was technically sound it needed to be strengthened administratively. The project auditor's recommendation was accepted and a Project Manager was hired in November 2003.

The Agency participated in several discussions preparatory to the passage of the Companies Bill 2004 in both Houses of Parliament. Prior to receiving the Governor General's assent, the Bill was reviewed by the legal staff of the ORC.

5.2 Maintenance of Guaranteed Registration and Services

The ORC maintained its service levels relating to all its services including those, which have money-back guarantees. In addition, the registration turn-around time for charges was reduced from fifteen (15) to thirteen (13) days and a new target of fifteen (15) minutes maximum as customer waiting time for attendance was introduced.

5.3 Upgrade of the Image Management System

At the beginning of the review year the Information Technology personnel focused primarily on the development of the DPMIS. On the employment of the Project Manager development work on several modules was completed and user testing of those modules commenced. As at March 2004, development of the Customer Service, Compliance, Information Technology and Cashiering Modules was completed. User testing of these modules has also been undertaken. The Business Registration Module is seventy five percent (75%) complete.

Staff training is shortly to commence while the writing of procedures manuals for all modules is in progress. It is planned that when the DPMIS is implemented it will run in parallel with the present system until the Agency is certain of its viability and feasibility. Thereafter, there will be a complete cutover to the DPMIS.

5.4 Public Education

The ORC continued its efforts to establish itself as an entity separate from the Registrar General's Department in the public's eye and to inform and educate business entities as to their statutory obligations. To that end it continued with its major outreach effort, the ORC Mobile. The Mobile visited the parishes of Portland, St. Thomas, St. Mary, St. Ann, Clarendon, Hanover, Westmoreland, St. James, Trelawny, Manchester and St. Catherine.

Throughout the year, the Agency utilized the print and electronic media to get messages to the public. Officers conducted seven (7) presentations to various interest and business groups, and participated in six (6) seminars and nine (9) interviews. The Agency also placed sixty-six (66) advertisements in the media.

In-house personnel conceptualised the ORC's Radio Programme "Keeping Company with the Registrar of Companies" to inform the public of the products and services offered by the Agency. The programme is aired bimonthly on the "Independent Talk" Radio Programme on Hot 102 FM.

5.5 Staff Training

Early in the year a training plan was developed but had to be revised when it was determined that the Companies Bill would not be passed into law early in the Financial Year. Nonetheless, one thousand two hundred and eighty two (1,282) man-hours of training were administered to all levels of staff.

6.0 Operations

6.1 Business Registration

At the commencement of the 2003/04 year, the Agency revised the registration turnaround time target for charges from fifteen (15) working days to thirteen (13). Despite this new target and the larger volumes of business names and local companies received for registration, the Business Registration Unit was able to meet all of its time targets.

TIME TARGETS

Guaranteed Service	Targeted Delivery Time	Actual Delivery Time
New company (regular)	5 wk. days	3 wk. Days
New company (expedited)	1 wk. day	1 wk. day
Business Name (regular)	2 wk. days	2 wk. days
Business Name (expedited)	1 wk. day	1 wk. day
Registered Office Notice	3 wk. days	3 wk. days
Change of Directors	3 wk. days	3 wk. days

REGISTRATION SERVICES – SUMMARY OF VOLUMES AS AT MAR. 2004

Registration Service	Planned Volume	Actual Volume	Variance (%)
Local companies (regular)	1,105	1,643	48.69
Local companies (expedited)	595	1,073	80.34
Business Names	3,700	4,687	26.68
Registered Office Notice	1,700	1,769	4.06
Change of Directors	1,400	2,076	48.29

6.2 Compliance

During the first half of the year it seemed that the hard work of the officers of the Compliance Unit bore little fruit. However, during the third quarter results showed some improvement. The Compliance Unit is set to meet all of its targets except those relating to the number of companies filing annual returns, the volume of incoming annual returns received for registration and the number of delinquent companies removed from the Register.

The ORC Mobile contributed two million five hundred and eighty nine thousand six hundred dollars (\$2,589,600) to revenue.

The Agency initiated legal action against two hundred and thirty-six (236) delinquent companies and received three million six hundred and twenty-six thousand five hundred and forty dollars (\$3,626,540) during the review year. This sum of money represented filing and legal fees and fees for the restoration of companies to the Companies Register.

SUMMARY OF COMPLIANCE TARGETS AS AT MARCH 2004

Performance Objective	Targeted Volume	Actual Volume	Variance(%)
Companies filing Annual Returns	7,600	7,467	(1.75)
Companies filing Registered Office Notices	1,800	1,960	8.8
Companies filing Particulars of Directors	1,704	1,796	5.65
Delinquent Companies Removed	1000	596	(40.47)

6.3 Information Technology

Concurrent with the completion exercise for DPMIS, operational activities proceeded apace. Conversion of the larger public company files as well as correspondence files continued and attention was also paid to the cleansing of computerized files. The conversion and cleansing will aid in the provision of more accurate and complete information on the Agency's website.

Both the number of new subscribers to the website and the volume of transactions on the site exceeded projections. The ORC earned approximately two hundred and seventy two thousand eight hundred dollars (\$272,800) from those transactions.

IT UNIT – PERFORMANCE AGAINST TARGETS AS AT MARCH 2004

Performance Objective	Target (Vol)	Actual (Vol)	Variance(%)
Residual Conversion of co. files	2,000	2,113	5.65
Conversion of correspondence files	7,000	7,187	2.67
New incoming documents ¹	-	44,656	-
Cleansing of computerized files	3,500	3,552	1.48
% Upgrade of the DPMIS	100	90	(10)
Volume of website transactions	8,000	11,559	44.49

6.4 Customer Service

Over the review period, the ORC interacted with twenty nine thousand one hundred and fifty eight (29,158) persons and undertook seventy three thousand nine hundred and thirty two (73,932) transactions on their behalf. During the second quarter a customer waiting period of fifteen (15) minutes maximum, was introduced as an operational target. Initially there were some difficulties with meeting the target but with time has been able to meet the target on average.

In that same quarter a "drop off" service whereby customers could leave their documents for processing, if they did not need to be attended to by a customer service officer right away, was brought on stream.

All time targets and all but one volume target were met. A customer satisfaction survey conducted in the third quarter revealed that ninety seven percent (97%) of customers surveyed were satisfied with the services offered by the Agency. This is in keeping with established customer satisfaction levels enjoyed by the ORC.

¹ The planned volume of incoming documents is that received by the ORC for registration.

CUSTOMER SERVICE UNIT – TIME SENSITIVE TARGETS

Performance objective	Target	Actual	Variance (%)
Certified copies	25 mins.	15 mins.	40
Uncertified copies	25 mins.	10 mins.	60
Public Search (online)	15 secs.	10 secs.	33

CUSTOMER SERVICE UNIT- VOLUME TARGETS AS AT MARCH 2004

Performance Objective	Target	Actual	Variance (%)
Certified copies	40,000	58,104	45.26
Uncertified copies	10,000	18,079	80.76
Public Search (online)	2,000	2,050	2.5

6.5 Human Resources

Throughout the year the ORC maintained emphasis on staffing, staff welfare and conditions of service issues. A small employee satisfaction survey revealed that overall job satisfaction had increased to sixty nine percent (69%) from sixty seven and a half percent (67.5%) in the previous year.

6.6 Finance and Administration

Revenues collected up to March 2004 amounted to \$104.4M, which is 8.8% above budget while expenditure for the same period was \$116.3M, which is 19.8% above projections. The expenditure overrun can be attributed to the macroeconomic environment, with higher-than-anticipated costs prevailing for goods and services procured.

SUMMARY OF FINANCIAL DATA UP TO MARCH 2004

REVENUE & EXPENSE CATEGORY	ACTUAL TO MAR 2003/04	BUDGET TO MAR 2003/04	VARIANCE	% VAR BUDGET
Companies	85,096,000	82,235,000	2,861,000	3.5%
Business Name	10,581,000	6,638,000	3,943,000	59%
Searches, Copies & Others	8,694,000	7,100,000	1,594,000	22%
Sub- Total	104,371,000	95,973,000	8,398,000	8.8%
Interest Income	7,866,000	4,600,000	3,266,000	71%
Total Revenues	112,237,000	100,573,000	11,664,000	12%
Op Expenses	116,345,000	98,687,000	17,658,000	18%
Op Income	(4,108,000)	1,886,000	(5,994,000)	-318%
Op Income Cover + Interest	96.5%	101.9%		
Funding From GOJ	38,436,000	38,700,000		
ORC's Contribution to Consol. Fund	56,119,000	50,286,000		
Net Contribution to Consol. Fund	17,683,000	11,586,000		

7. Strategic Focus/Summary of Main Programmes with Targets for 2004/2005

Over the course of the 2004/2005 Financial Year, ORC will undertake the following programmes:

- Maintenance of guaranteed registration and search services to customers
- Implementation of the re-engineered Image Management System – the Document Processing Management Information System (DPMIS). It is expected that the full transition will take place early in the second quarter of the 2004/05 Financial Year. The new DPMIS system, will allow for the almost complete automation of the company registration and regulation process.
- Preparation of the Agency for the administration of the new Companies Act which will involve:
 - The development of forms and subsidiary legislation
 - Staff training and the creation of a comprehensive procedures manual to aid in the administration of the new Act
 - Public education on the Act and its effect on businesses.

8. Budgetary Allocation

The budgetary allocation for the FY 2004/05 is \$38.834 M compared with the budget of \$38.436 for FY 2003/04

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May 12, 2004