



香港中樂團
HONG KONG CHINESE ORCHESTRA

HKCO/ED/023/2010

4 May 2010

Ms Macy Ng
Clerk
Public Accounts Committee
Legislative Council
Hong Kong

Dear Ms Ng

**The Director of Audit's Report on the
Results of Value for Money Audits (Report No. 54)
Hong Kong Chinese Orchestra Limited ("HKCO") (Chapter 6)**

Thank you for your letter of 28 April 2010 requesting for information.

Adopting the same numbering as set out in your letter, we are pleased to present the required information as follows:-

- (a) A copy of the Memorandum and Articles of Association ("M & A") of HKCO is attached.
- (b) In addition to the 5 subscribers to the M & A of HKCO Orchestra who automatically became the first Voting Members of the HKCO, 22 persons applied to be Members of the HKCO since its establishment in Feb 2001. All applications had been accepted. As of today, there are altogether 23 Voting Members in the HKCO.
- (c) A copy each of the Corporate Governance Guidelines, Accounting Policies and Procedures Manual, Human Resources Policies and Procedures Manual, and Marketing and Development Policies and Procedures Manual are attached. **Please note that some of the contents may be commercially sensitive hence should not be divulged in public. We respectfully ask the same be kept in strict confidence and disclosure be limited to the Honourable Members of the Public Accounts Committee in order to protect the interests of HKCO.**

名譽贊助人
HONORARY PATRON
中華人民共和國
香港特別行政區
行政長官曾蔭權先生
THE HON DONALD TSANG, GBM
THE CHIEF EXECUTIVE
HONG KONG SPECIAL
ADMINISTRATIVE REGION OF
THE PEOPLE'S REPUBLIC OF CHINA

前任主席 FOUNDING CHAIRMAN
徐蔚玲博士太平紳士(2001-2006)
DR CARLYE W L TSUI BBS MBE JP

前任主席 PAST CHAIRMAN
黃天祐博士(2006-2008)
DR KELVIN WONG
羅顯榮律師(2008-2009)
MR HENRY LAI

理事會 COUNCIL
主席 CHAIRMAN
徐蔚玲博士太平紳士
DR CARLYE W L TSUI BBS MBE JP

副主席 VICE - CHAIRMEN
梁廣灝太平紳士
IR EDMUND K H LEUNG SBS OBE JP
陳偉佳博士
DR CHAN WAI KAI

總務秘書 HON SECRETARY
李榮強先生
MR RUCKY W K LI

理事 MEMBERS
陳永華教授太平紳士
PROF CHAN WING WAH JP
丘日謙先生
MR PAUL Y H YAU MH
鄒小磊先生
MR JACK S L CHOW
梁善為先生
MR SAMSON LEUNG
黃家倫先生
MR ALAN K L WONG

藝術總監 / 首席指揮
ARTISTIC DIRECTOR /
PRINCIPAL CONDUCTOR
關嘉昌先生
MR YAN HUICHANG BBS

行政總監
EXECUTIVE DIRECTOR
饒敏華女士
MS CELINA M W CHIN

香港中樂團有限公司
HONG KONG CHINESE ORCHESTRA LTD
香港皇后大道中345號
上環市政大廈7樓
7/F, SHEUNG WAN MUNICIPAL
SERVICES BUILDING,
345 QUEEN'S ROAD CENTRAL
HONG KONG
TEL (852) 3185 1600
FAX (852) 2815 8615
E-MAIL inq@hkco.org
WEBSITE www.hkco.org



2002最佳由弘揚現代中樂榮譽大獎
THE MOST OUTSTANDING ACHIEVEMENT IN ADVANCING CONTEMPORARY CHINESE MUSIC

2004傑出董事獎-法定/非分配利潤組織董事會
DIRECTORS OF THE YEAR - STATUTORY/NON-PROFIT-DISTRIBUTING ORGANIZATION BOARD

2004最佳企業管治資料披露大獎-公營/非分配利潤類別
BEST CORPORATE GOVERNANCE DISCLOSURE GOLD AWARD OF PUBLIC SECTOR/NOT-FOR-PROFIT CATEGORY



香港精微
企業品質獎 2008-08

2001健力士世界紀錄 - 最大型胡琴合奏
GUINNESS WORLD RECORD - LARGEST HUQIN ENSEMBLE

2003健力士世界紀錄 - 最大型鼓樂合奏
GUINNESS WORLD RECORD - LARGEST DRUM ENSEMBLE

2005健力士世界紀錄 - 最大型笛子合奏
GUINNESS WORLD RECORD - LARGEST DIZI ENSEMBLE

2005第二十八屆十大中文金曲金針獎
THE 28th TOP TEN CHINESE GOLD SONG AWARD - THE GOLDEN NEEDLE AWARD



商界
caring company 2005-09
Awarded by The Hong Kong Council of Social Service
香港社會服務發展局

- (d) The pre-defined audience capacity was discussed and agreed under the broad principle of optimising viewing and most favorable acoustics effect for the audience. It is done generally on a case-by-case basis, especially when the concert involves additional equipment such as an image projector, and other theatrical elements such as a dance or live performance of calligraphy. The less favorable seats (sold at a lower price) would only be released when all the other tickets have been sold, or the sightline problem proves to be acceptable during the final rehearsals. These measures are especially essential in ensuring a good experience for novice concert-goers who may otherwise be discouraged from coming back for more HKCO events in future.

We understand that the case-by-case variation in the seating capacity of each concert may create difficulties for HKCO's **internal evaluation** of programming and marketing effectiveness. Therefore, we have adopted a pre-defined audience capacity of 1,496 seats and 1206 seats for the Hong Kong Cultural Centre Concert Hall and Hong Kong City Hall Concert Hall respectively (most of our concerts are held at these two venues). This defined capacity is for internal reference in our Self-evaluation report only. Attendance figure instead of attendance rate is used to better reflect the full picture of attendance. The attendance rate may however be different, depending on the physical setting of the venue and the nature of the art form. The said practice had been approved by the HKCO Council after long and detailed discussions in a number of meetings where representatives from the Leisure and Cultural Services Department were present.

- (e) The two media firms mentioned in Case 4 were local dailies. The complimentary tickets were provided to the newspapers in exchange for promotion and publicity in their papers. This is a common PR and marketing bartering strategy to promote HKCO's concerts and to feed first-hand experience in the appreciation of Chinese orchestral music to their readers. The net benefits of such arrangements are far greater than the income from the sale of the tickets concerned.
- (f) Regarding the two concerts mentioned in Case 5 and Case 6 in paragraph 3.23 of the Audit Report, the respective numbers and percentages of the tickets sold in the first session of the concerts are as follows:

| | Case 5 | Case 6 |
|--|----------------|----------------|
| Number of tickets sold (in public only) | 905 (57.57%) | 1592 (92.02%) |
| Total Number of tickets sold (including Promotional Tickets bought by HKCO) | 1,039 (66.09%) | 1,663 (96.12%) |

- g) There are one large hall and two small rehearsal rooms at HKCO's base at the Sheung Wan Municipal Services Building. The facilities are unfortunately grossly insufficient for all of the Orchestra's sectional rehearsals and self-practices. Very often musicians have to make use of any space at the Sheung Wan base, such as sitting or standing in the corridors to practise. The smaller rehearsal rooms are extremely inadequate for instruments like *Suona*, *Sheng* or Percussion due to their high volume.

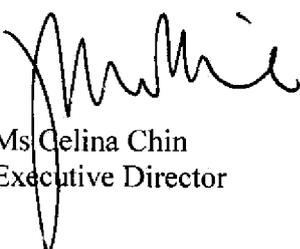
In view of a lack of space for rehearsals and self-practice sessions, we have submitted a document to the West Kowloon Cultural District Authority dated 11 December 2009, proposing to the Authority, among other suggestions, to designate a regular and appropriate venue for the HKCO for rehearsals and practice sessions, which will be instrumental to the professional development of the Orchestra.

- (h) In order to manage the performance of our musicians and to conduct thorough reviews, HKCO has adopted a 360 degree performance assessment system. The assessment not only encompasses a review of each musician's performing artistic capability, but also gives an indication on the musician's professionalism, team spirit, cooperation with others, discipline and demeanor etc. Depending on the assessed musician's position and grade, an assessment is done by at least 2 tiers of immediate supervisors. Contract renewal or salary adjustment cases are discussed thoroughly at the Human Resources Committee and the Council of the HKCO.

On top of the assessment of individual musician's performance, HKCO also adopts a system whereby senior musicians of the artistic department starting from assistant principals upwards will appraise, for virtually each concert, the performance of other musical sections or individual musicians from other musical sections. The senior musicians will also be asked to evaluate the guest conductors and soloists, as well as the venue facilities and score preparation for future reference.

As per your letter dated April 30, requesting the duties of each of the 20 artistic staff whose actual working hours were less than the conditioned working hours in 2008-2009, as mentioned in Table 9 in paragraph 4.4 of the Audit Report, and the musical instruments they played, the relevant information is attached.

Yours sincerely
HONG KONG CHINESE ORCHESTRA LIMITED


Ms. Celina Chin
Executive Director

***Note by Clerk, PAC:**

Memorandum and Articles of Association of HKCO, Corporate Governance Guidelines, Accounting Policies and Procedures Manual, Human Resources Policies and Procedures Manual, Marketing and Development Policies and Procedures Manual, as well as the minutes of meetings mentioned in paragraph (d) not attached.

| Musician | Musical instrument played | Duties |
|-----------------------|----------------------------------|---------------------------------------|
| Principal 1 | Gaohu | Please see Appendix 1 and notes below |
| Principal 2 | Liuqin | |
| Principal 3 | Sheng | |
| Assistant principal 1 | Erhu | Please see Appendix 2 and notes below |
| Assistant principal 2 | Suona | |
| Assistant principal 3 | Percussion | |
| Musician 1 | Gaohu | Please see Appendix 3 and notes below |
| Musician 2 | Erhu | |
| Musician 3 | Zhonghu | |
| Musician 4 | Gehu | |
| Musician 5 | Bass Gehu | |
| Musician 6 | Yangqin | |
| Musician 7 | Pipa | |
| Musician 8 | Sanxian | |
| Musician 9 | Zhongruan | |
| Musician 10 | Daruan | |
| Musician 11 | Zheng | |
| Musician 12 | Bangdi | |
| Musician 13 | Guan | |
| Musician 14 | Percussion | |

Note: Apart from activities mentioned in appendices, other duties also includes time devoted in regular self-practice, practicing new scores, media interviews, shooting and programme meetings, these are not considered by Audit Commission in conditioned hours.

Principal Player

During each session of work, the appointee's duties include performance, accompaniment, rehearsal, recording, shooting for film production, shooting for video recording, other recording work, broadcasting, employee training, promotional activities and all such duties as may be reasonably arranged by the Orchestra.

The duties of a Principal Player of the Orchestra also include the followings:

1. To serve as lead player in ensemble playing;
2. To be responsible for training and maintaining the uniformity of the performance of all the instruments within the section of which he/she is a Principal, in terms of, for example, bowing, fingering, etc., and to be responsible for pitch accuracy and uniformity of timbres, in order to achieve the artistic standard required by the conductor;
3. To execute work involved in the distribution of duties to players as assigned by the Orchestra, the Artistic Director/Conductor, or any other authorised person(s) of the Orchestra, to assist the players concerned in enhancing their performance standards, and to execute other duties;
4. To convene and attend meetings of his/her section, and to make proposals for instrument reforms pertaining to the section, for works to be performed at concerts, for the acquisition of instruments, and for the enhancement of the artistic standard of the section;
5. To participate in all performances of the Orchestra and educational activities and, when required, to conduct demonstration talks;
6. To lead an ensemble of the Orchestra on school and community touring performances as and when required;
7. To maintain discipline among members of his/her section, to take a leading role, and to ensure that the players behave in a proper, appropriate manner and with professionalism when engaged in Orchestra activities;

8. To perform duties pertaining to recruitment and assessment for human resources of the Orchestra; and to attend all meetings pertaining to Orchestra business;
9. To assist the Artistic Director in the planning and promotion of various Orchestra activities, and execute duties thereto related;
10. To perform any other duties as assigned by the Orchestra and/or the Artistic Director.

Assistant Principal Player

During each session of work, the appointee's duties include performance, accompaniment, rehearsal, recording, shooting for film production, shooting for video recording, other recording work, broadcasting, employee training, promotional activities and all such duties as may be reasonably arranged by the Orchestra.

An Assistant Principal Player is also required to assist the Principal Player, and as and when required, to perform the Principal Player's role, in the execution of the following duties.

1. To assist the Principal Player of the section in maintaining the uniformity of the performance of all the instruments, in terms of, for example, bowing, fingering, timbres, etc, in order to achieve the artistic standard required by the Conductor;
2. To assist the Principal Player of the section, or any other authorised person(s) of the Orchestra, in the distribution of duties to players and to assist the players concerned in enhancing their performance standards, and to execute other duties;
3. To assist the Principal Player in maintaining discipline among players of his/her section, to take a leading role, and to ensure that they behave in a proper, appropriate manner and with professionalism when engaged in Orchestra activities;
4. To assist in convening meetings of his/her section, and to attend such meetings; also to assist in making proposals for instrument reforms pertaining to the section, for works to be performed at concerts, for the acquisition of instruments, and for the enhancement of the artistic standard of the section;
5. To act on behalf of the Principal Player and perform his/her duties under special circumstances;
6. To serve as lead player in ensemble playing;
7. To participate in all performances of the Orchestra and educational activities and, when required, to conduct demonstration talks;

8. To lead an ensemble of the Orchestra on school and community touring performances as and when required;
9. To assist the Artistic Director in the planning and promotion of various Orchestra activities, and execute duties thereto related;
10. To perform any other duties as assigned by the Orchestra and/or the Artistic Director.

Players

1. During each session of work, the appointee's duties include performance, accompaniment, rehearsal, recording, shooting for film production, shooting for video recording, other recording work, broadcasting, employee training, promotional activities and all such duties as may be reasonably arranged by the Orchestra.