



UNITRUST CAPITAL CORP.

HONG KONG OFFSHORE COMPANY FILINGS

Please see page 2 for information about annual filing procedure for a Hong Kong company.

About our company:

For over 10 years, Unitrust Capital Corp provides quality competitively-priced offshore company formation and offshore bank account opening services in various jurisdictions. Offshore incorporation in Anguilla, BVI, Belize, Seychelles, Nevis, Hong Kong, Costa Rica, Dominica, Gibraltar, Mauritius, Panama, Cyprus. Companies formation in UK and Canada. Corporation and LLC registration in various USA states, including Delaware, Arkansas, Oregon, Nevada and others. Offshore accounts in Belize, Cyprus, Switzerland, Anguilla, Hong Kong and other jurisdictions. We also provide nominee directors and shareholders and virtual office services.



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ANNUAL FEES AND REPORTING REQUIREMENTS FOR A HONG KONG PRIVATE LIMITED COMPANY

FIXED ANNUAL FEES TO BE PAID IN A MONTH BEFORE THE ANNIVERSARY OF THE COMPANY FORMATION:

Registered Office Fee: **US\$590**

HK Company Secretary Fee: **US\$225**

Business Registration fee: **US\$340**

Reporting Requirements of a Private Limited Company

There are three reporting requirements for a Hong Kong limited company: Annual Return, Employer's Return, and Profits Tax Return.

ANNUAL RETURNS – FILING DEADLINES & LATE FILING PENALTIES

An annual return for reporting the details of directors, shareholders, registered address, etc. is required to be submitted to the Companies Registry within 42 days from the anniversary date of incorporation every year. This return is not intended for reporting any financial information, and it's usually prepared by the company secretary.

This return is automatically filed by the company secretary within the maintenance period.

Registration of annual returns

	HK\$ / US\$
If delivered within 42 days after the anniversary of incorporation	105 / 15
more than 42 days after but within 3 months after the anniversary of incorporation	870 / 113
more than 3 months after but within 6 months after the anniversary of incorporation	1,740 / 226
more than 6 months after but within 9 months after the anniversary of incorporation	2,610 / 340
more than 9 months after the anniversary of incorporation	3,480 / 452

A company which fails to file Annual Returns within the prescribed time period is in breach of the Companies Ordinance and is liable to prosecution. The Registrar of Companies may consider taking striking off action having regard to the circumstances of each case.

In addition, companies which fail to file annual returns or file annual returns late are liable to prosecution and, if convicted, pay the fines imposed by the court. The maximum level of fine for a company which failed to comply with the requirements for completing and filing annual return is a fixed penalty of HK\$50,000 and a daily default fine of HK\$700.

Upon deregistration of the Company, all the company's property (including credit balance in the company's bank accounts) shall vest in the Government of the HKSAR as bona vacantia.

If the company intends to restore the company after deregistration, it has to apply to the High Court and the Director's Declaration for such an application must be signed in front of a Hong Kong Lawyer.

OUR FEES: We charge **US\$95** for the Annual Return filing inclusive the government fee

Employer's Return

The Inland Revenue Department issues an employer's return to a company for reporting salaries paid to staff subject to HK taxes in April every year. The return has to be completed and filed with the Department within one month from the date of issue whether there are such salaries paid or not.

OUR FEES: We charge **US\$95** for a '**NIL**' **Employer's Return**. If any salaries have been paid to the HK staff during the reporting period, our fees for the return preparation will be based on the actual time spent basis. If the company hasn't employed and/or paid salaries to any officers resident in HK just a '**NIL**' **Employer's Return** has to be filed.

Profits Tax Return

There is only one kind of tax for a Hong Kong company i.e. Profits Tax which is at

16.5% on its assessable **local** net profits for the year of assessment 2008/09 onwards. There is no VAT, and no tax on dividend or interest income in Hong Kong. Hong Kong adopts a territorial source principle of taxation. Only profits which have a source in Hong Kong are taxable there. **There is no Profits Tax on the offshore profits (outside of Hong Kong) received by the company due to its business activities outside of the jurisdiction.**

Newly Registered Business

Generally, a newly registered business will receive its first profits tax return some 18 months after the date of commencement of business or the date of incorporation. The subsequent profits tax returns will be issued on the first working day of April every year.

A Hong Kong company is required to submit a Profits Tax Return (detailed information on Profits Tax) Return and audited accounts to the Inland Revenue Department every year. Its first financial year end date can be fixed at any date within 18 months from the date of incorporation and the same financial year end date needs to be followed in subsequent years. The commonly used financial year end dates in Hong Kong are 31 March and 31 December. The deadline for submitting a profits tax return depends on the year end date chosen, but in general the profits tax return should be filed within 1 month from the date of issue.

The following source documents are required for preparation of the audited accounts by a Hong Kong Certified Accountant:

- 1) All sales invoices
- 2) All expenditure invoices
- 3) Bank statement copies
- 4) All contracts and agreements
- 5) Detail Ledger
- 6) General Ledger
- 7) Profit and Loss accounts
- 8) Balance sheet

We can arrange the accounts audit by our affiliate partner in Hong Kong.

The audit costs depend on the transactions volume, e.g. the auditor's fees would be **from US\$1,190** (for a small number of transactions).

If the company did not have any business/transactions in the assessment year, the director of the company can authorize the company secretary to file the NIL profit tax return (no audited account compulsory require in that year) but when the company commenced business in the subsequent year, the accounts have to be audited from the very beginning.

Also, we can provide the accounts preparation through a HK based accountant. The fees will be competitive in HK, and will depend on the number of transactions and actual time spent by the auditor.

OUR FEES: HK Company 'NIL' profits Tax Return: **US\$95**

In case of an active company the auditor's fees and the fees for the accounts preparation depend on the total number of in and out transactions and actual time spent by the auditor and/or accountant preparing the accounts. We may be able to give a quote if supplied by the source financial documents.

DISCLAIMER

Government taxes, fees, laws, and regulations as well as our own fees and costs subject to change from time to time without notice.