

Jersey

(Fees quoted are exclusive of VAT)

Introduction

The British Channel Islands are situated in the English Channel, approximately 14 miles from the coast of Northern France near the Cherbourg peninsula. Jersey, the largest and most southerly of the Islands is fully autonomous and is independent in all matters of domestic law and taxation.

Jersey has negotiated a special association with the EEC, which recognises preserves and guarantees its fiscal autonomy thereby ensuring that European Economic Community policies on domestic taxation are not applicable. Jersey therefore continues with taxation policies determined by the island government.

Jersey companies are governed by the Companies (Jersey) Law 1991 which came into effect on 30 March 1992.

Requirements

- The names of Jersey companies must end with the word *Limited* or the abbreviation *Ltd* or the French equivalent *avec responsabilité limitée* or the abbreviation *a.r.l.*
- All Jersey companies must have a registered office in Jersey. This address must be used on all company letterhead and stationery.
- The authorised share capital of a company incorporated in Jersey may be denominated in any currency. Jersey companies are usually formed with an authorised share capital of £10,000 divided into 10,000 shares of £1 each.
- Only registered shares may be issued; Bearer shares are not available.
- Minimum of one director who must be a natural person (corporate entity not acceptable). Directors do not have to be resident in Jersey. For practical purposes it is recommended that at least two directors be appointed, and our standard Articles of Association require a minimum of two directors. Clients wanting single director companies should notify us. The sole director may not also be the company secretary.
- A company secretary (corporate is acceptable) is required. Secretary does not have to be resident in Jersey.
- A minimum of one shareholder is required.
- Full details of the ultimate beneficial owner must be provided to the Registrar, including full name, date of birth, residential address, together with details of occupation or profession. Evidence of identity will be required. Details of a 25% or more beneficial interest in the shares of any other Jersey company must also be disclosed.
 - If the proposed Jersey company is to be owned by another company, details of the ultimate beneficial owners of that company are required. In the event that the holding company is a public company quoted on a Recognised Investment Exchange, (eg: The London Stock Exchange) the Registrar will accept submission of audited Financial Statements of the holding company in support of the application.
 - Where the proposed Jersey company is to be owned by a Trust, full details of the settlor or principal provider of capital has to be supplied.
 - Although such disclosure is made to the Registrar, this information is not available to the general public and not disclosed in company searches.
- A Register of Directors and Secretary must be maintained to include the full name, address, nationality, business occupation, date of birth, date of appointment and date of resignation. This register must be kept at the registered office. The Register of Members can be at a location in Jersey different from the registered office.
- Directors' meetings may be held in any part of the world and can be conducted by telephone.
- Every company shall in each year hold an annual general meeting, first annual general meeting must be held within 18 months of its incorporation. Requirement for Annual General Meetings may be dispensed with if all members of a private company agree in writing (in advance).

- Every company is required to have a seal on which its name must be engraved in full.
- Every company must maintain accounting records. The directors must prepare financial accounts for an accounting period not greater than 18 months. The accounts must be prepared in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the company. No Annual accounts to be filed, however the Financial Services Commission reserves the right to call for accounts at any time. Only public companies must file a set of accounts with the Registrar.
- Accounts of all public companies must be audited. Private companies do not require auditors if the articles of the company so determine.

Filing Requirements

Every company shall before the last working day February in every year after its formation deliver to the Registrar an annual return in the approved format.

- A filing fee of £150 is payable in respect of each Annual Return. Penalties are levied automatically by law if Annual Returns are not submitted by the end of February.
- The penalty is £100 for returns delivered in March or April; £200 after the end of April. This is payable in addition to the basic fee. Failure to deliver returns by July will result in the company being struck off automatically.

Taxation

All Jersey registered companies formed will be resident for tax purposes in Jersey (paying a 0% rate), so long as no beneficial owner is resident in Jersey. With effect from June 2008, Jersey Exempt Tax has been discontinued.

Information required for registration

- Proposed name(s) for approval from Registrar. It is advisable to give several alternatives.
- Jersey due diligence questionnaire
- Main objects

Time taken to incorporate

The name approval takes 48 hours. Once approved and reserved, incorporation normally takes 14 working days.

Dissolution

A company incorporated in Jersey is dissolved:

- at the end of the period of its existence laid down in its Memorandum; or
- voluntarily by special resolution as a summary winding up; or
- as a creditors winding up; or
- at the direction of the Court.

The Registrar has the power to dissolve and strike off a company in the case where a Company has failed to file its Annual Return. The company will normally be struck off in October of that year. This will mean that the beneficial owner will not be able to incorporate another Jersey company. The fees for registered office / agent will be required to be paid until company has been struck off.

Reinstatement

Company which has been struck off may be restored to the register upon application being made to the Court whose order will require that all outstanding documents be filed and all outstanding payments be made.

Any company which has been dissolved may be reinstated *within 10 years* of the company being dissolved. Companies may not be reinstated after ten years.

Fees	
Incorporation cost (subject to all necessary documents being submitted to the satisfaction of the Jersey authorities)	£1,750 plus disbursement to the Registry (between £150 and £550)
Registered office/Agent fee (to include the provision of directors, secretary, shareholders and registered office) Disbursements – JFSC Annual Return fee £210 ISE Fee £220	£3,000 minimum
Compliance take on fee upon incorporation or transfer of existing companies	£1,750 minimum
Annual costs thereafter include:	
Registered office/Agent fee (to include the provision of directors, secretary, shareholders and registered office)	£3,000 minimum
Submission of applications for: *Filing of Annual return (annual return fee of £210, per annum to be filed in January each year, penalties will be levied for late filing)	Time spent basis
Yearly review of due diligence	Time spent basis
Administration fee (chargeable annually on all full administration clients in advance, to cover up to the first £1,150 of time costs associated with client administration including administration, bookkeeping, secretarial, compliance work, periodic reviews and other administration)	£1,500 minimum

Other Services	
Maintenance and Accounting Services	Fees will be charged on a time-spent basis.
Strike off (takes up to 5 months for the company to be struck off) Registered office will require to be paid and cannot be pro-rated	£250
Summary winding up – to dissolve the company	£1,750 minimum

PLEASE NOTE WE REQUIRE ALL CLIENTS TO SATISFACTORILY COMPLETE OUR DUE DILIGENCE REQUIREMENTS AND COMPLY WITH THE MONEY LAUNDERING REGULATIONS 2007.