

DEZAN SHIRA & ASSOCIATES

Corporate Establishment, Tax, Accounting & Payroll Throughout Asia

INTRODUCTION



Welcome to Dezan Shira & Associates and the emerging Asia markets of China, India and Vietnam.

Our mission

At Dezan Shira & Associates, our mission is to guide foreign companies through Asia's complex regulatory environment and assist them with all aspects of establishing and maintaining their business operations in the region. With nearly 20 years of on-the-ground experience and a large team of professional advisers, we are your reliable partner in Asia.

Our services

Dezan Shira & Associates is a specialist foreign direct investment practice, providing business advisory, accounting, tax and payroll services to companies investing in China, Hong Kong, India and Vietnam. Established in 1992, the firm is a leading Asia regional practice with seventeen offices in four jurisdictions, employing over 170 business advisory, tax and accounting, payroll and audit professionals.

Our locations

The countries we work in are evolving rapidly, with legal and tax reforms taking place frequently. As a regional practice, we are not tied to any one sovereign nation and can therefore provide a far better understanding of the regional markets in Asia. We concentrate on the foreign direct investment environment from the legal, tax and operational perspectives in the markets we operate in. We provide a combination of both business advisory and tax services to our clients, giving them the ability to navigate in the local legal regulatory environment as well as the tax and financial implications of doing so.

Our clients

We have over 1,800 clients from more than 80 countries. About 40 percent of our clients come from the United States of America, another 40 percent come from the European Union (mainly from Italy, the United Kingdom, Germany, and Spain), and the rest come from all around the world.

Our clients are small and medium-sized privately-owned enterprises, multinational corporations and subsidiaries of larger listed companies.

Dezan Shira & Associates works with clients coming from a wide range of industries, including automotive, construction, consumer goods, import-export, IT and telecommunications, manufacturing, and textiles.

Within this introductory brochure, you will learn more about our firm, the services we provide, and the considerable China, India and Vietnam resources we possess. We believe they are unmatched in Asia. Coupled with our dedication to our client service, it is the reason our practice has become the market leader it is.

Welcome to Emerging Asia.

Welcome to Dezan Shira & Associates.



We are one of the largest operations in Asia for registering foreign-owned firms in China, Hong Kong, India and Vietnam, advising companies on the best way to structure their entities to meet their business goals while maximizing their tax efficiency. Our business advisors are experienced in corporate restructuring and can advise on all matters related to cross border transfers of assets, relocation and mergers and acquisitions.

Corporate establishment

Dezan Shira & Associates is not only one of the largest operations in the region for registering foreign-owned firms but also a value-added provider of registration services. Before undertaking a registration, we seek to understand what the company will be used for so that we can determine if the type of entity being requested is the most appropriate type for our client's needs. We also advise our clients on the best way to hold entities, allowing them to meet their goals and maximize tax efficiency.

We assist with the establishment of:

- Representative offices
- Liaison offices
- Wholly foreign-owned enterprises
- Private limited companies
- Branch offices
- Joint ventures
- Foreign-invested partnerships
- Fund management companies
- R&D centers
- Holding companies
- Hong Kong and other offshore incorporations

Mergers and acquisitions

Dezan Shira & Associates assists clients with their mergers, acquisitions, or joint ventures with Asian-based companies. Our associates evaluate the prospective business or potential merger or

acquisition via various methods including performing a thorough due diligence, investigating their human resource practices and evaluating the overall health of the company. We also help clients spot any discrepancies or potential issues they may face when trying to merge or acquire the target company. Our firm is able to draft the necessary paperwork that conform to various regulations and complete a successful deal.

Structuring transactions

We have the ability to structure cross-border contracts and ventures. It is important that the full tax implications and payment mechanisms are understood in several markets, and whether it is a one time transaction or an ongoing business, we have the ability to understand the client's needs and to structure the transaction or business so that these requirements are met safely and tax efficiently.

Intellectual property

Dezan Shira & Associates maintains a specialist IP department that processes multiple cross border applications and coordinates trademark and patent registrations in the countries we operate in. There are differences in the administration aspect to this in each country. We are commonly asked to process marks for protection in Mainland China, Hong Kong, Macau, Taiwan, India, and Vietnam as well as other jurisdictions upon request.

Due diligence

With a combined business advisory and audit practice, Dezan Shira & Associates is particularly well suited to conduct comprehensive and cost effective due diligence reviews. Our firm identifies issues of concern and potential liabilities.

TAX ADVISORY AND COMPLIANCE



Once registered, all companies, whether or not they are operational or profit centers, must file tax declarations. In addition to reducing the administrative burden of compliance with local tax regulations, our tax and accounting maintenance services prevent a company's exposure to tax-related risks.

Pre-entry tax advisory

We advise on the suitability of an investment by comparing local market entry capabilities and analyzing the differing tax and legal incentives of each market. China, India and Vietnam offer very different investment opportunities; we can find the best options across the region, something one-country firms cannot do.

Monthly and quarterly tax filing and compliance

All registered companies must file tax declarations in a timely manner. Such requirements differ from country to country. We make sure that our clients comply with the regulations in their place of operation.

Cross border structuring

We provide cross-border structuring and tax planning advice and offer tax consolidation services between overseas subsidiaries and the parent company. We also advise on local and international reporting standards and guarantee that compliance standards such as Sarbanes Oxley are met.

Annual tax reconciliation

Corporate tax considerations are an important part of any company's annual tax reconciliation and year-end account closings. Dezan Shira & Associates assists in filing them, ensuring that all expenses and deductions are properly handled.

Transfer pricing advice and documentation preparation

Our transfer pricing team assists clients to review, document, manage, and defend their transfer pricing policies and the related business processes. Together with our clients, we develop value-added, integrated strategies that address the tax exposure of their global businesses in order to achieve their business objectives. We assist mainly with transfer pricing health checks, contemporaneous documentation, transfer pricing schemes, comparative analysis, advanced pricing agreements, cost sharing agreements, justification of controlled foreign corporations, dispute resolution, and representation at the tax authority.

Hong Kong secretarial services

We provide specific Hong Kong secretarial services including company set up, annual maintenance and tax return filing, bookkeeping, annual audits, annual registration fees, and annual business license renewals.

Additional services

Dezan Shira & Associates provides a variety of bespoke services including:

- › International and domestic tax planning
- › Tax equalization
- › Individual income tax assessments
- › Regional tax comparisons
- › Welfare and financial obligation monitoring
- › CFO services
- › Statutory company chops management services
- › Stock-taking services
- › Financial personnel evaluations
- › De-registrations and dis-investments
- › Internal tax training

ACCOUNTING AND BOOKKEEPING



Although there have been advancements in establishing international accounting standards, measures still vary greatly from country to country and Asia is no exception. Taking advantage of our local and international expertise, our team of accountants is able to provide expert knowledge on a vast range of country-specific GAAP issues in China, India, and Vietnam. With years of experience in these countries, we understand the complexities involved and keep our clients' accounting practices in compliance with the rapidly evolving accounting systems, letting them concentrate on their firms' core operations.

Hiring and retaining reliable finance staff in a developing market can be difficult. High staff turnover rates cause companies to suffer from skill gaps and shortages, which affects recently established companies seriously and reflects on the quality and reliability of their financial statements.

We have dedicated staff to whom our clients outsource their financial accounting and bookkeeping services regardless if the business is purely local or multi-national. While other firms would only perform regular bookkeeping services to comply with laws and regulations, we work closely with the clients to keep

the financials accurate as their businesses grow. Our accounting team provides a wide array of services according to individual requirements.

We perform:

- General bookkeeping
- Accounting system setup and training
- Accounting maintenance
- Annual compliance services
- Tax reporting
- Financial report reconciliation
- Treasury and fund administration

We offer cash and fund management services and can provide cash forecasting and processing of payments. We act primarily as an independent party in order to ensure that the company funds are used following management guidelines and approval. For small businesses where separation of duties is an issue, we act as an additional internal control, reporting on internal corporate financial administration and arranging settlements if needed to suppliers, payroll and employee reimbursement.

AUDIT AND REVIEW

We provide internal audit and assist with statutory audit work in the countries in which we are present. Our regional audit teams are qualified professionals, with many possessing both local country and international audit qualifications. They are familiar with the GAAP standards applicable in each of the countries they operate in and can adjust to U.S., EU or other GAAP standards. We are commonly called upon to provide on-the-ground expertise for work that is subsequently consolidated by the Big Four auditing firms.

We assist with the following audit and review work:

- Financial due diligence
- Annual statutory audit assistance
- Annual stock taking
- Internal and management audit
- Financial health checks
- Statutory audit documentation arrangement and preparation
- Internal control and fraud prevention
- Special purpose review

PAYROLL AND OTHER LABOR MANAGEMENT SERVICES



Dezan Shira & Associates provides payroll administration services for global clients. Outsourcing of payroll duties ensures accurate, reliable processing and improves confidentiality of salary information within the company as fewer internal resources are involved in the process. By passing the responsibility and liability for this time-consuming processing work onto a specialist third-party, HR departments can be streamlined, concentrating their resources on the core roles – setting strategy, finding excellent employees and ensuring good communication between management and staff.

Payroll administration is provided from a location remote from where the client is based, and staff members at Dezan Shira & Associates familiar with confidential salary information contact only with clients' designated HR staff. Various reports required by HR departments, finance departments and government agencies can be produced using powerful payroll administration software. All the reports produced can be customized to meet the specific requirements of the client.

This service is available for SMEs as well as multinationals with a large pool of employees.

We can assist with:

- Outsourced payroll processing
- Salary package structuring
- Social welfare administration
- Individual income tax filing
- Remittance of salary to employees

We also provide a range of associated legal advisory services relating to the area of labor management.

Labor contract template drafting

It is important to make sure that the terms of the labor contracts signed with employees adequately protect the company's interests and also stay in compliance with various labor-related laws and regulations. We help companies to draft templates that contain provisions relevant to their business, which may include clauses relating to non-competition, non-disclosure or other important issues.

Company rulebook drafting

The company rulebook defines the behavior that a company expects to see from its employees. It is a key component in managing labor relationships. The company rulebook is particularly important when it becomes necessary to dismiss an employee. We work with companies to draft rulebooks to meet their specific industry requirements, and ensure none of the rules infringe various employment laws.

Stock option plan structure advice

One popular way of motivating employees critical to an organization is to offer them stock options. We help our clients structure their plans as well as managing their subsequent implementation.

Labor contract dispute consultation

When a labor dispute arises it is important that the employer is aware of what action he may or may not take. After gaining a clear understanding of the causes of the labor dispute and the situation of each party involved, we provide advice to the employer on a strategy that achieves the desired resolution.

Other resources from the firm



www.asiabriefingmedia.com

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