

KEY FACTS COMPANIES

COMPANIES ARE INCORPORATED UNDER THE COMPANIES (GUERNSEY) LAW 2008 AND REGISTRATION IS EFFECTED THROUGH THE REGISTRAR OF COMPANIES IN GUERNSEY. A COMPANY IS EITHER NON-CELLULAR OR CELLULAR (PROTECTED CELLS OR INCORPORATED CELLS) AND IN RESPECT OF THE LIABILITY OF ITS MEMBERS CAN BE LIMITED BY SHARES OR GUARANTEE, UNLIMITED OR MIXED.

NON-CELLULAR COMPANIES

A Guernsey company must have a registered office and resident agent in Guernsey and must maintain at least a copy of its minute book, financial records and registers of directors and members at such an office.

There is a requirement for a minimum of one director and shareholder, but they need not be resident in Guernsey. There is no requirement for a secretary.

Every company must hold an annual general meeting of its shareholders every calendar year, although this requirement may be waived by a 90% majority of the shareholders.

An annual validation must be filed with the Registrar in February of each year, confirming the company details such as directors, resident agent, business activity, subsidiaries and whether the company is exempt from audit and/or holding an annual general meeting. This information is available for inspection by members of the public. The annual validation fee payable is dependent on the type of company. The majority of financial product companies pay £500 per annum.

The resident agent must maintain complete records of the beneficial owner, but these details are not part of the company's public record.

Guernsey companies are required to produce accounts for each financial year although these are not filed with any external bodies. Companies can obtain exemption from the requirement to have their accounts audited providing that they meet certain requirements which are not onerous.

Taxation of Companies

Most Guernsey companies will be charged income tax at the standard rate of zero per cent (0%). There are exceptions to this, and certain companies will be charged an intermediate rate of ten per cent (10%) or a higher rate of twenty per cent (20%) but those tend to be companies which carry out certain regulated activity or trading activity. In particular, income deriving from Guernsey real estate will incur income tax at the higher rate.

CELLULAR COMPANIES

Protected Cell Companies (PCCs) & Incorporated Cell Companies (ICCs)

Guernsey was the first offshore jurisdiction to provide, through its corporate laws, the ability for companies to create protected cells within the capital of the company to segregate the assets within that cell from unrelated claims.

Both PCCs and ICCs can be used for most business purposes provided that they are administered by an entity licensed by the Guernsey Financial Services Commission. They are popular as asset-holding vehicles and segregated investment vehicles.

The PCC structure is a single legal entity with separate and distinct "cells" within it (which cannot contract in their own name). It allows multiple uses of the cells within the one company, and also allows for additional cells to be launched cost effectively.

The ICC has the same benefits as the PCC, but also allows for cells to operate as limited liability companies in their own right (which contract in their own name). Despite the cells in an ICC operating as separate companies, they share the same directors, secretary and registered office. A cell in an ICC is able to spin-off or convert into a stand-alone company if required.

Creditors who have contracted with a PCC or an ICC in respect of one particular cell will only be able to make claims against the assets of that cell and against the general non-cellular assets of the company but not against the assets in other protected cells in the PCC or other cells in the ICC, which operate as distinct corporate entities.

Limited Partnerships

The Limited Partnerships (Guernsey) Law, 1995 provides for the establishment of limited partnerships. Partnerships will consist of one or more general partners – who will be jointly and severally liable for all partnership debts – and one or more limited partners who will not be liable for any debts beyond the amount they have contributed toward the partnership.

Limited Liability Partnerships (LLPs)

The Limited Liability Partnerships (Guernsey) Law, 2013 provides the legal framework for establishing LLPs. An LLP combines certain features of a Limited Partnership with the benefit of limited liability. An LLP must have a minimum of two members and the liability of each member is limited to that which is set out in the membership agreement.

Companies Limited by Guarantee (LBG)

LBGs are private limited companies where the members' liability is limited to the amount that they have undertaken to contribute to the assets of the company in the event of it being wound up while they are a member or within one year of their ceasing to be a member.

The guaranteed amount can be as little as £1.00 and will be stated in the company's articles of incorporation.

LBGs may also have shareholders whose liability for the company's debt is limited to the amount unpaid on the shares they hold. A guarantee member may or may not also be a shareholder.

LBGs are commonly used for non-profit organisations and/or charities requiring corporate status. Its profits are not distributed to its members but are retained to be used for the purpose of the guarantee company.

DISCLOSURE OF BENEFICIAL OWNERSHIP

There is no requirement for the ultimate beneficial ownership of Guernsey companies to be publicly disclosed. In 2017, the Guernsey Registry adopted a 'closed' beneficial ownership register, which requires disclosure to the registrar of ultimate beneficial ownership. This information is not publicly accessible and is available only to the registrar or law enforcement agencies.

The name, usual residential address, nationality, date of birth and source of wealth of the ultimate beneficial owners must be disclosed to Trident Trust Company (Guernsey) Limited as the resident agent. This information is not a matter of public record and will be maintained in strict confidence.

International anti-money laundering standards require financial service providers to obtain and maintain an accepted level of due diligence on new and existing clients, their activity and source of funds. Trident Trust has developed internal procedures to assist in this process of document collection.

DISCLOSURE OF IDENTITY

It may be necessary for Trident Trust to release information concerning the identity of clients, to service providers such as banks, solicitors or investment managers. These institutions have obligations under anti-money laundering legislation to request such information prior to being able to provide services.

STRUCTURING

Trident Trust requires that clients obtain credible and effective legal and tax advice when structuring their affairs. Trident Trust can assist clients to obtain the required advice through an introduction to a network of highly reputable international legal and tax advisors.

FORMATION OF COMPANIES

Guernsey's new online company registry permits the incorporation of companies by corporate service providers within 24 hours as standard (or in as little as 15 minutes at an additional cost). Standard articles of incorporation can be provided, but special articles can be drafted to meet your specific needs. Non-cellular companies will require special articles.

ADMINISTRATION SERVICES

As a leading international provider of corporate trust and fund services, Trident Trust aims to take the worry out of the responsibility that wealth brings. By focusing on client needs and desires, employing experienced professional staff, and drawing on the depth of resource available in the wider Trident Trust Group, we seek to be known both for the quality of our service, and for the responsive manner by which we deliver it. Good relationships are maintained with a variety of banks, investment managers, lawyers and property agents, in order to achieve this.

In remaining vigilant to changing laws, Trident Trust endeavours to keep clients aware of these as they apply to their affairs.

A variety of investment/asset reporting is available to clients, including the preparation of financial statements in accordance with United Kingdom or International accounting standards.

GUERNSEY REGISTERED OFFICE SERVICES

Registered office address facilities for Guernsey companies can be provided when a Trident office is providing full administration services or where the Directors of the Company are sufficiently skilled and experienced.

- ▶ PEOPLE LED
- ▶ TECH ENABLED
- ▶ GLOBAL COVERAGE
- ▶ TAILORED SERVICE

- ▶ 1,100 STAFF
- ▶ 25 JURISDICTIONS
- ▶ 47,000 ENTITIES
- ▶ \$177BN AUA

- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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