

HOW TO SAVE HALF A MILLION HONG KONG DOLLARS FOR START-UP COMPANIES?

The registration of a company, opening a bank account and obtaining a valid working visa is the first step of starting a business in Hong Kong. Many practical problems may surface when you start running the business. As we have many years of experience in assisting entrepreneurs to establish companies in different industries and our senior management have practical experience in building up and running successful start-up companies, we can easily provide you with a solution to your problems and thus, minimizing the time and cost needed.

1 Company Structuring

The first step to start a business is to form a company and therefore, it is important to understand the different types of investment vehicles or business structures and you can benefit from the following by choosing the correct structure that suits your business needs:

- Minimize your company's tax exposure, which includes profits tax and stamp duty;
- Reduce your company's legal liability;
- Obtain credit facilities from the bank when required;
- Maintain confidentiality; and
- Reduce ongoing annual maintenance fee.

We will advise you on the most suitable structure for your company in order to give the optimum outcome of minimum cost and liability with maximum revenue return.

2 Strategic Advisory and Budgeting Services

(a) Business Plan and Budget Model

This is one of the most important things for any start-up companies. The running of a business can be very different in Hong Kong, compared to other countries. We can provide clients with some suggestions on the preparation of business plans and budget models, to help devise a more realistic plan. Sticking to this enables you to achieve the company's goals within the budget that you have committed. It will assist you to manage your financial exposure so as not to end up being liable to millions in debt.

(b) Identify the biggest expenses of your business

Once the company has prepared a budget model, the biggest expenditure of your company can be identified and carefully monitored. For your information, the biggest costs to most businesses are usually (1) Rent; and (2) Salaries. By carefully choosing the location of the office or shop and hiring the right staff you are already halfway to success!

(i) Physical Office Setup

- With only a couple of hours of our consultancy services, we can help you find a reasonably-priced place to rent an office according to the nature of the company and you can easily save half a million Hong Kong dollars by locating your office at the right suburb and building.

- Arrangements for office renovation and furnishings, as well as purchase of equipment can also be done through us, we can advise on the companies to choose. Again, finding the right contractor and shops can assist your company to save millions of Hong Kong dollars on your renovation and furnishings budget!
- (ii) **Hiring Talents**
- We will refer you to our recruitment agency network or show you where to advertise. We offer help in the hiring of talents, conducting job interviews or offering opinions for our clients. For overseas clients with a company based in Hong Kong, this service enables easier further expansion.
 - It is important to set a suitable salary range for each post. A range too high will cut down on the company's profit; too low, you may not be able to hire staff with adequate knowledge or skills for the job. A small discussion with us gets this painful task out of your way, providing you with a team of happy and talented staff.
 - Different people work best at different posts. We believe whether to hire overseas or local staff depends a lot on their cultural difference and different education backgrounds. Focusing on each post in the company, we can suggest people from which background are the most suitable ones. Choosing the right person definitely increases productivity, and has a huge influence towards the running of the company.
 - Different jurisdictions have different labour laws. We can advise you on the relevant compliance and reporting requirements when you start hiring employees for your company. Non-compliance with the relevant local legislations will lead to serious consequences, including fines, penalties and jail terms.

3 Corporate Governance and Accounting

Maintaining good corporate governance and keeping a set of proper accounting records is the key to the success of a company. Our team comprises of Chartered Company Secretary and Certified Practising Accountants and are able to answer any company secretarial, corporate governance and accounting related questions.

4 Chinese Culture

To set up a successful business overseas, it is vital to be familiar with the country's custom. With the huge cultural difference between the East and the West, we offer to familiarize overseas clients with the Chinese culture. Understanding your staff better enables easier management, thus increasing the company's productivity. On the other hand, finding more local customers will be a lot easier with better mutual understanding, broadening the network and increasing the profit of the company.

5 Business Network

A lot of time and effort is needed to set up a new business network, especially in a foreign environment. We can help introduce our clients to other local companies, putting new companies on track in a short period of time.

6 Fee Charges

We charge on a time spent basis or on a fixed fee arrangement. For your information, the hourly rate for consultancy services is USD400.