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A local company is required to have an audit of the turnover of the company exceeds Vt20,000,000 (approximately US\$150,000) in any one year.

International companies are not required to be audited.

(o) Information on public record

The information in respect of local companies may be searched at the Registrar of Companies' office.

Any information which is provided to the Registrar in respect of international companies is also available for public inspection. However, as there are no requirements for the disclosure of the underlying beneficial ownership of international companies, anonymity can be preserved.

By contrast, if there is a requirement for information that would otherwise be available to the public to be maintained on a confidential basis, it is possible to use the exempted company structure. The use of an exempted company allows statutorily required information to be maintained confidentially, as the right of search is not available to the public.

3.3 Branch of a foreign company

(a) Authorisation and procedure

A branch of a foreign company may be registered and is known as an 'overseas company'. An application for an overseas company may proceed when the following information is provided:

- (i) the names and addresses of all directors and the secretary of the company;
- (ii) a copy of the certificate of incorporation of the company certified by the equivalent of the Registrar of Companies;
- (iii) a copy of the Memorandum and Articles of Association of the company certified by the equivalent of the Registrar of Companies; and
- (iv) a letter signed by a director or the secretary of the company requesting registration of the company as an overseas company in Vanuatu.

It is also necessary to have two resident authorised agents and a local registered office so that notices can be served. These are normally provided by local professional advisers.

When the procedures are complete the company is treated as if it is a local company. The only other requirement is that the company's (not the branch's) financial statements must be lodged with the

Registrar of Companies within three months of the company's annual general meeting.

(b) Information on public record

As the company is treated as a local company, information regarding the company is on public record.

4. Recognition of trusts

Trusts may be created in Vanuatu by or for persons resident in any part of the world. The applicable law derives from English statutes of general application as at 1 January 1961 and English common law principles and equitable precedents as amended by local regulations.

It should be noted that significant amendments were made to the trust law in the United Kingdom by the Perpetuity and Accumulations Act 1964. These amendments also apply to Vanuatu.

A trust deed must be in writing and must be signed. There is, however, no requirement to register a trust. Once established, a trust is not subject to any government fees or taxes. The perpetuity period that applies to a Vanuatu trust is 80 years.

There are companies based in Vanuatu which provide trust facilities and act as trustees. Such companies usually base the fees for their services on annual fixed charges plus administration costs. Typically, the trust companies will provide the following services:

- (i) wills, executors and trustees;
- (ii) trustees of *inter vivos* trusts and settlements;
- (iii) administration of estates;
- (iv) trust and company registration and administration; and
- (v) management of trusts.

4.1 Taxation of trusts

There is no taxation of trusts. The only fee payable to the government is the stamp duty on establishment. This fee is 0.5% of the initial sum settled, subject to a minimum fee of US\$60. As subsequent additions to the trust fund do not attract stamp duty, the initial settlement into the trust is usually for a nominal amount.