

Have you officially decided to expand to Lesotho? If so, congratulations! A global expansion is something to celebrate, as you'll soon start new employment relationships, benefit from business contracts, and hopefully improve your bottom line. However, many companies need as much time as a year to establish a subsidiary and cannot perform any actions until completing the process.

Globalization Partners offers an easier way to expand through Lesotho subsidiary outsourcing. Instead of establishing your own entity, you can use our infrastructure in the country to start working in as little as a day or two. Our team will take on compliance as the Employer of Record and handle hiring, payroll, benefits, and compensation. While we handle the Lesotho subsidiary setup process, you can manage your company.

## How to Set up a Lesotho Subsidiary

Lesotho's One-Stop Business Facilitation Centre has made it easier and less time-consuming to establish a subsidiary in the country. However, there's still a lengthy process to learn how to set up a Lesotho subsidiary and figure out which laws you have to follow. We recommend first looking at a prospective location for your subsidiary. Different cities or regions can have separate Lesotho subsidiary laws, just like states in the US often have different regulations. Always choose a location with the most favorable laws.

Next, choose the type of subsidiary that will best support your business goals. A limited liability company (LLC) is the most popular entity and will give you the most freedom and the greatest range of activities. That said, you may consider a different incorporation structure if you need to do only a few things in Lesotho.

The Lesotho subsidiary setup process includes these steps:

- Creating a letter of intent to do business in Lesotho
- Drafting a letter of appointment from your company's headquarters
- Providing the company representative's resume, work permit, and proof of identity
- Submitting an application for the company's incorporation
- Writing articles of incorporation
- Reserving a unique company name with the Registrar
- And more

## Lesotho Subsidiary Laws

Lesotho's subsidiary laws require all LLCs to have at least one shareholder, with a maximum of 50 for registration. Under the Companies Act, your company's directors will be liable for

shareholders' breach of duties. Shareholders must also approve any major transactions through a special resolution.

The country wants to promote the employment of Lesotho citizens, so they must hold at least 51% of a company's shares for specific trading licenses or acquisition of a title to land by lease from the country. A registered auditor needs to audit your company's financial statements each year.

## Benefits of Establishing a Subsidiary

Completing the Lesotho subsidiary setup process will ensure that you get to work in the country legally. Shareholders are typically limited in liability by how much they contribute in shares, which can protect their interests. Your parent company can also benefit from the LLC structure, as it won't be affected by any litigation or financial issues.

Unfortunately, these benefits take weeks or months to materialize, leaving you without a way to work in Lesotho. The solution is Lesotho subsidiary outsourcing with Globalization Partners. You can use our subsidiary to work in Lesotho instead of establishing your own entity. We act as the Employer of Record, so we'll take care of all Lesotho subsidiary laws while you handle running your company each day.

## Everything You Need to Set up a Lesotho Subsidiary

Setting aside everything you need for success will benefit you throughout the Lesotho subsidiary setup process. If you don't already employ a Lesotho expert, try finding an accountant, attorney, or consultant who can make sure you don't incur any fines or delays.

Next, talk to your finance department about how much money you need to incorporate. They can walk you through all the necessary costs and make sure your company is ready for a global expansion.

Finally, work with other executives to delegate tasks and keep running your parent company while you expand to Lesotho.

## Work With Globalization Partners Today

Globalization Partners will act as your partner during an expansion to give you the help you need fast. [Contact us today](#) to learn more about Lesotho subsidiary outsourcing and our Global Expansion Platform™.