



Data Partner FAQ China



Pippa Newbury/PMO

Data Sources

What are the main original sources of information? E.g. Chambers of commerce, local courts, yellow pages etc

NOTE - This should apply to, registered companies and sole traders/none registered companies.

Financial data: In China, many government agencies collect company financial data, however, not for public view purpose. Any inquiry for company credit reports, theoretically, requires a legitimate reason or subject's consent. Government agencies that collect financial data include:

AIC (Administration of Industry and Commerce): Chinese companies file financial data (often just highlights) voluntarily.

Tax Bureau: Chinese companies report on monthly basis mandatorily. Data considered audited.

NSB (China National Statistic Bureau): NSB monitors major Chinese companies that matter much to GDP. They are mainly manufactures and trading services.

Banks: Companies submit their financial statements when they apply for utilizing bank facilities.

Many other sources such as CPA firms, industry associations, etc. also collect financial info.

Depending on the data availability, we collect data in image files. Format from different sources are different. It normally takes us 48 hours to obtain data and another 48 hours to process and conduct credit analysis.

We only take financial information from reliable sources. We always contact the subject to verify the data we obtain or collect more data through an interview.

Negative data: We check and collect negative info that include bankruptcy, litigations, judgment enforcement information through different courts local and nationwide. These records cover historic and current ongoing cases.

We have full coverage in China.

We process the negative data collected and sort out those that may affect company credit performance.

Demographic data: This data is gathered from NSB publications as well as related industry associations.

Payment Data: This data is collected from customers and vendors through interview or voluntary submission.

Collection data: From our collection database that our collection company possesses.

Shareholders data: The Shareholders data is captured from the data from AIC. It captures any registry changes. This data we provide is always up to date.

The information covers:

Shareholder names

Share values

Percentage of their participations

Paid-up capitals

Group Structure/ corporate hierarchy: Company family or network structures that include parent, subsidiary, branch and other types of related companies will be reported when the data is available.

Other key information: Industry codes, main business activities.

How often the above data is updated e.g. daily, weekly etc.?

The core data such as registry records and changes are updated daily. Negative info is also monitored daily depending on what has been published. Financials on individual companies will be updated upon an inquiry.

Do you contact companies via a telephone interview or site visits at regular intervals e.g. once a year?

We always contact companies via phone interview even field visits when there is an inquiry for detailed reports, monitoring services, business process verification, etc.

Regulations/ Legal requirements

Which types of company have to file financial data e.g. registered companies, public companies only etc.?

Theoretically all private limited companies will file their accounts at AIC voluntarily. Unlimited companies are not required to file financial data. Public companies will file audited financials on quarterly or semi-annually basis with the corresponding stock exchanges depending on the nature of the public companies. Foreign companies must be audited. Branches or representative offices or liaison offices are not required to file.

However, all active companies doing business in China are required to file tax with financials to tax bureau on monthly basis.

List any filing exemptions and thresholds (e.g. companies of certain size may only have to file a balance sheet, large companies have to file a Profit & loss etc.)

Chinese company can be categorized into different group based on their size and associated industry. Size can be determined by either revenue or number of employees. There are 4 types that include large enterprises, Medium size companies, Small size companies and Micro entities.

How long after the financial year end do companies have to file financials?

Chinese companies' financial information normally will be available after April tax season if filed. It also can be extended until October.

What is the penalty for not filing the financial data? Is it likely a company would prefer the penalty rather than filing them?

Except public companies, all companies file financial data on voluntary basis. The penalty for not reporting tax will be 0.05% of tax amount daily plus a fine from CNY200 to 10,000. The worst scenario is that the company license might be revoked and the owner or shareholders may be listed in government's black list in the social credit construction system.

Negative Data

What type of negative data is available in your country e.g.

Bankruptcies/Insolvencies: Yes

Court Cases/ Actions: Yes

Debt Collection cases: Yes

Any other negative data specific to your country: Negative info published by local governments on Chinese Social Credit Construction System.

How often is this negative data updated?

Whenever a subject company is inquired, the negative data gets updated automatically.

Credit Rating Limit

Do you give a credit rating & limit on all companies?

Yes, we provide a credit rating and limit on the most of the companies in China when information gathered is sufficient.

If not, what are the exceptions?

N/A

What is the credit rating intended to predict? E.g. insolvency, ability to pay etc.

Solvency and PD

Is Payment data included in your credit scoring model?

No

What does the credit limit mean? E.g. amount of credit you can extend in a 30 day period etc.?

We focus on short term liquidity. Our rating determines the possibility of default within 12 months.

General

What version of activity codes are used in the reports?

China's Industry Code applied is the 2011 version of the National Industry Classification issued by the China National Bureau of Statistics; North American Industry Code uses a 2012 version of NAICS code; European Industry Code uses NACE Rev. 2 approved by the European Commission.

What company ID numbers are available (e.g. local registration number, VAT number, etc.)?

Chinese company's Organization Code, local registration number and VAT number.

CHINA

Report Details	
Reports Available	40,000,000
Risk Tracker Available	No
Risk Indicator	Yes
Limit Recommendation	Yes
Payment Information	No
Country details	
Population	1,350,000,000
Number of Companies	35,000,000
GDP	11,380,000
Currency	Renminbi

Go

Close