

British Virgin Islands Regulatory Obligations and Filing Deadlines 2022

Key Dates

30 June 2022 – AUDITED ACCOUNTS (for private, professional, public, private investment funds and British Virgin Islands investment business licence holders with 31 December 2021 financial year end)

30 June 2022 – UNAUDITED ACCOUNTS (for approved funds, incubator funds and approved managers with 31 December 2021 financial year end)

30 June 2022 – MUTUAL FUND ANNUAL RETURN (for private, professional and public funds)

Pursuant to the Securities and Investment Business Act (2013 Revision) ("SIBA"), the Mutual Funds Regulations (2013 Revision) and the Private Investment Funds Regulations, 2019, all British Virgin Islands ("BVI") private, private investment, professional and public funds ("Funds") and all BVI investment business licence holders ("Licensees") are required to appoint, and at all times have, an auditor for the purposes of auditing their financial statements, unless expressly exempted from this requirement.

All Funds and Licensees are required to submit a copy of their audited financial statements to the Financial Services Commission (the "Commission") within six months of the end of each financial year. Funds and Licensees with a financial year ending

on 31 December are therefore required to submit their audited financial statements for the 2021 financial year to the Commission on or before 30 June 2022.

Funds and Licensees are likely to be faced with administrative penalties and / or enforcement action if they fail to meet the deadline.

Accounting Standards

Funds, Licensees, Approved Funds, Incubator Funds and Approved Managers must prepare financial statements for each financial year in accordance with one of the following prescribed accounting standards:

- (a) US GAAP;
- (b) International Standards on Accounting (UK);
- (c) International Standards on Auditing;
- (d) Hong Kong Standards on Auditing;
- (e) Canadian Auditing Standards; or
- (f) such other recognised international accounting standards as may be approved by the Commission on a case-by-case basis.

Exemptions and Extensions

Funds and Licensees that have not appointed an auditor will need to make a written application to the Commission for an exemption from the requirement to appoint an auditor and submission of audited financial statements. Alternatively, Funds and Licensees that are not in a position to file the audited financial statements by the annual filing deadline may apply to the Commission for an extension. The Commission may, in normal circumstances, grant a maximum extension of up to nine months following the end of the relevant financial year. Please note that in respect of a Licensee, an application for exemption must be submitted to the Commission at least three months prior to the relevant filing deadline.

Approved Funds, Incubator Funds and Approved Managers

All Approved and Incubator Funds under the Securities and Investment Business (Incubator and Approved Funds) Regulations, 2015, and all Approved Managers under the Investment Business (Approved Managers) Regulations, 2012 (as amended), are required to submit a copy of their financial statements to the Commission within six months of the end of each financial year. Approved Funds, Incubator Funds and Approved Managers with a financial year ending on 31 December are therefore required to submit their financial statements for the 2021 financial year to the Commission on or before 30 June 2022.

Approved Funds, Incubator Funds and Approved Managers are not required to appoint an auditor but must submit financial statements to the Commission in accordance with SIBA and which comply with required accounting standards as noted above.

Procedure for Submission

Funds, Licensees, Approved Funds, Incubator Funds, Approved Managers and PIFs should submit their financial statements to the Commission through their appointed authorised representative, Maples Authorised Representative Services (BVI) Limited.

Annual Returns for Funds

All Funds are subject to an annual reporting regime under which a mutual fund annual return ("MFAR") must be submitted to the Commission.

Information to be Disclosed in the MFAR

Each Fund must report on the following:

- (a) Basic prudential and governance information, which includes information on its registered agent and functionaries.
- (b) Summary financial information for the relevant reporting period, which includes: opening NAV, total subscriptions, total redemptions, net income / net loss, dividends / distributions, ending NAV and year-end gross assets.

Asset allocation details are also required, but there is no need to set out specific details of individual investments. Details of investors do not have to be disclosed in the MFAR.

When do MFARs need to be filed?

The reporting period for the MFAR is every calendar year, ending on 31 December. Funds are required to submit the MFAR within six months of the end of each reporting period (i.e. on or before 30 June).

Purpose of MFARs

The Commission intends to use the information filed in the MFAR to measure and develop the BVI funds industry while at the same time meeting international reporting standards. We understand that the Commission will not make the MFAR publicly available, but may share information gathered from the MFAR on an aggregate basis.

Filing Procedure for the MFAR

The MFAR must be submitted through the dedicated portal¹ and the Maples Group can assist with this filing.

If you have not previously filed your MFAR electronically then you will need to register as a new user on the Commission's website and obtain log in details by email. A user manual can be found on the portal which may be of assistance.

For further information, please liaise with your usual Maples Group contact or one of the individuals listed below.

British Virgin Islands

Richard May
+1 284 852 3027
richard.may@maples.com

Amel Wehden
+1 284 852 3034
amel.wehden@maples.com

Claire Potter
+1 284 852 3031
claire.potter@maples.com

Dubai

Philip Ireland
+971 4 360 4073
philip.ireland@maples.com

Hong Kong

Ann Ng
+852 3690 7475
ann.ng@maples.com

Andrew Wood
+852 3690 7490
andrew.wood@maples.com

Sharon Yap
+852 2971 3079
sharon.yap@maples.com

London

Heidi de Vries
+44 20 7466 1651
heidi.devries@maples.com

Singapore

Michael Gagie
+65 6922 8402
michael.gagie@maples.com

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¹ <https://returns.bvifsc.vg>