

VIRGIN ISLANDS
BVI BUSINESS COMPANIES (FINANCIAL RETURN) ORDER, 2023
ARRANGEMENT OF SECTIONS

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VIRGIN ISLANDS
STATUTORY INSTRUMENT 2023 NO. 18
BVI BUSINESS COMPANIES ACT
(2020 Revised Edition)

BVI Business Companies (Financial Return) Order, 2023

[Gazetted 2nd March, 2023]

The Financial Services Commission, acting in accordance with the powers conferred by section 98A(2)(b) of the BVI Business Companies Act, Revised Edition 2020, makes the following Order:

Citation and commencement

1. (1) This Order may be cited as the BVI Business Companies (Financial Return) Order, 2023.

(2) This Order shall be deemed to have come into force on the 1st day of January, 2023.

Definition

2. (1) In this Order, a reference to

- (a) “Act” means the BVI Business Companies Act, Revised Edition 2020;
- (b) “annual return” shall be construed in accordance with section 98A(1) of the Act, and “financial return” shall be construed accordingly; and
- (c) “year” shall be construed in accordance with section 98A(7) of the Act.

(2) The reference in the Schedule to the denomination “US\$” (the USA currency) may be substituted by any other currency in which a company prepares its financial statements.

Form of annual return

3. (1) Subject to subsection (2), every company shall, in respect of each year, file with its registered agent an annual return in the form, and containing the information, specified in the Schedule.

[Guideline: By virtue of section 98A(7) of the Act, the reference to “year” relates to a company’s fiscal or financial year which may be a calendar year. If a company’s fiscal or financial year does not correspond to a calendar year, the reference to “year” relates to the company’s stated fiscal or financial year. Thus, the requirement to file an annual return relates to the company’s fiscal or financial year, however that is determined and applied by the company.

The earliest date an annual return becomes **due** (as opposed to when it must be filed) from a company is 1st January, 2024, considering that section 98A of the Act and this Order came into

effect on 1st January, 2023. This will relate to a company that has a calendar year as its financial year. The company has until 30th September, 2024 to **file** its annual return that became due on 1st January, 2024.

If a company has a fiscal or financial year that does not correspond to a calendar year, its annual return becomes **due** in 2024, depending on the month in which the commencement of its financial year falls. However, it may have until any period in 2025 to file its first annual return. For example, **Company A's** fiscal or financial year is from March to February. For the purposes of complying with its annual return filing under the Act, **Company A's** first annual return becomes **due** on 1st March, 2024, but it has until 30th November, 2024 to **file** the annual return.

If, on the other hand, **Company A's** fiscal or financial year is from May to April, its first annual return becomes **due** on 1st May, 2024, but the Company has until 31st January, 2025 to file the annual return.]

(2) Subsection (1) does not apply to a company that is exempted by virtue of section 98A of the Act.

[Guideline: The companies exempted under section 98A(5) of the Act are the following:

- (a) a listed company, meaning a company that is listed on a stock exchange;
- (b) a company that is regulated under a financial services legislation and provides financial statements to the Commission in accordance with the requirements of that financial services legislation;
- (c) a company that files its annual tax return to the Inland Revenue Department accompanied by the company's financial statements; and
- (d) a company in liquidation, except that this exemption does not apply if the company's annual return becomes due prior to the commencement of the liquidation.

[Guideline (in relation to a company in liquidation): **Company A** has a calendar year (January – December) as its financial year. Its annual return becomes due from 1st January to 30th September of the ensuing year. In June of that ensuing year, the company decides to go into liquidation before it has filed its annual return. The company is bound to file its annual return because its liquidation commenced after the annual return became due.

On the other hand, **Company B** has a calendar year (January – December) as its financial year. However, in June of that calendar year **Company B** goes into liquidation before its annual return for that year becomes due. **Company B** is not required to file an annual return for that calendar year.

The same rule applies if a company's fiscal or financial year is different from a calendar year. For example, if **Company C's** fiscal or financial year commences on 1st April in a particular year ("the First Year") and ends in March of the following year ("the Second Year"), the company's annual return becomes due on 1st April of the Second Year (even though the company has until 31st December of the Second Year to file its annual return). Consequently, if **Company C** goes into liquidation in May of the Second Year, it is liable to file its annual return as the annual return would have become due on 1st April of the Second Year. If, on the other hand, **Company C** goes into liquidation in November of the First Year, it is not liable to file an annual return for that Year.]

SCHEDULE

[Section 3(1)]

ANNUAL FINANCIAL RETURN

FINANCIAL INFORMATION FOR YEAR ENDING,
(insert company's financial year end)

**BALANCE
SHEET/STATEMENT
OF FINANCIAL
POSITION**

ASSETS

Cash and cash equivalents
Loans and receivables
Investments and other financial
assets
Tangible fixed assets
Intangible assets
Other assets



US\$

TOTAL ASSETS

-

LIABILITIES

Accounts payable
Long-term debts
Other Liabilities



US\$

TOTAL LIABILITIES

-

US\$

SHAREHOLDER'S EQUITY

-

INCOME STATEMENT

REVENUE

COST OF SALES

GROSS PROFIT

EXPENSES

Operating expenses

Other expenses

Income tax expense

TOTAL EXPENSES

NET INCOME

US\$

-

US\$

-

US\$

-

US\$

-

Issued by the Financial Services Commission this 1st day of March, 2023.

(Sgd.) Kenneth Baker
Managing Director/CEO
Financial Services Commission