

Practical Compliance Checklist for BVI Companies

In light of the recent amendments to the **BVI Business Companies Act**, enhanced registry filing obligations, and economic substance requirements, directors should implement a structured internal compliance framework. The following checklist serves as a practical governance tool to maintain good standing with the BVI Company Registry and mitigate regulatory risk.

1. Annual Government Fees & Good Standing

- ✓ Pay **annual government registration (licence) fees** on time.
- ✓ Settle all outstanding penalties or late payment fees.
- ✓ Pay the prescribed **government fee when applying for a Certificate of Good Standing**.
- ✓ Ensure no outstanding compliance deficiencies that may prevent issuance of the certificate.

Failure to pay annual fees may result in strike-off and eventual automatic dissolution.

2. Mandatory Annual Financial Return (AFR)

- ✓ Confirm the company's financial year-end.
- ✓ Prepare summary balance sheet and profit and loss statement.
- ✓ Submit the **AFR to the Registered Agent within 9 months** of financial year-end.
- ✓ Confirm no Registered Agent notification of AFR non-submission.

Non-compliance may affect Good Standing status and increase regulatory exposure.

3. Statutory Register Filings

✓ Register of Members (ROM)

- File initial ROM within 30 days of incorporation or continuation.
- Update within 30 days of any changes.
- Ensure nominee shareholder details are fully disclosed.

✓ Register of Directors (ROD)

- Appoint first directors within 15 days of incorporation.
- File ROD and update within 30 days of changes.
- Disclose additional information where FSC-licensed directors are appointed.

✓ Register of Beneficial Owners (ROBO)

- File beneficial ownership information within 30 days of incorporation or change.
- Verify accuracy before submission.

- Maintain supporting documentation for BO determinations.

4. Economic Substance (ES) Compliance

- ✓ Conduct annual review to determine whether the company carries on a **relevant activity**.
- ✓ Document analysis where the company is out of scope.
- ✓ If in scope:
 - Ensure adequate direction and management in the BVI.
 - Maintain adequate employees, premises, or outsourcing arrangements.
 - Perform Core Income Generating Activities (CIGA) in the BVI.
- ✓ File annual ES report within 6 months of the end of the financial period.

Failure to comply may result in financial penalties and information exchange with foreign authorities.

5. Strike-Off Risk Management

- ✓ Monitor payment deadlines for annual licence fees.
- ✓ Respond promptly to Registry strike-off notices.
- ✓ Avoid the 90-day automatic dissolution trigger.
- ✓ If dissolved, assess eligibility for **Fast Track restoration within 5 years**.

Note: Assets of a dissolved company may vest in the Crown if not properly addressed.

6. Statutory Record-Keeping

- ✓ Maintain accounting records sufficient to explain transactions and determine financial position.
- ✓ Retain records for at least 5 years.
- ✓ Notify the Registered Agent of the physical location of records.

7. Governance & Structural Controls

- ✓ Maintain a licensed **Registered Agent and registered office** at all times.
- ✓ Review corporate structure annually for transparency compliance.
- ✓ Confirm elimination of bearer shares (automatically converted to registered shares).
- ✓ Ensure voluntary liquidators meet BVI residency requirements (if applicable).
- ✓ Establish a compliance calendar covering all statutory deadlines.

Final Thought

This checklist is provided for general informational purposes only and does not constitute legal, regulatory, or professional advice. While care has been taken to ensure accuracy at the time of publication, laws and regulatory requirements in the British Virgin Islands may change, and their application may vary depending on specific circumstances.

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