

# BVI FINANCIAL SERVICES COMMISSION

*Statistical Bulletin*

**Q2**  
**2011**

**Vol. 23 June 2011**

Legal and Enforcement

Insolvency Services

Banking and Fiduciary

Investment Business

Insurance

Registry of Corporate Affairs

## INTRODUCTION

This is the twenty-third volume of the BVI Financial Services Commission's Quarterly Statistical Bulletin. It provides important statistics, information and analysis on financial services activities for the second quarter of 2011. The FSC's Statistical Bulletin is just one mechanism by which the FSC communicates the progress that has been made within several different sectors of our industry.

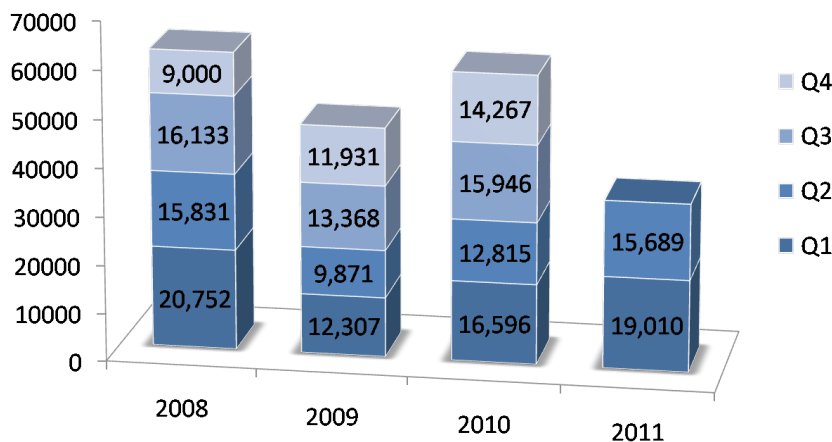
## REGISTRY OF CORPORATE AFFAIRS

### **Incorporations and Registrations**

	<b>Qtr 2 2011</b>	Qtr 1 2011	Qtr 2 2010	<b>Cumulative as at 30 Jun. 2011*</b>
<b>Business Companies</b>	<b>15,689</b>	19,010	12,815	434,658
<b>Limited Partnerships</b>	<b>13</b>	25	16	531

\*This figure represents active companies.

### **BVI Business Company Incorporations**



### **About the Commission**

The Financial Services Commission Act, 2001 which came into force on 1 January, 2002, established the Financial Services Commission.

The Commission is an autonomous regulatory authority responsible for the regulation, supervision and inspection of all financial services in and from within the British Virgin Islands.

### **Hours of Operation**

8:30 a.m. to 4:30 p.m.  
Monday through Friday

### **Enquiries**

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## **REGISTRY OF CORPORATE AFFAIRS (cont'd)**

### **Quarter 2 2011 Post Incorporations Transactions (by volume)**

Name Reservation (10 days)	64,188	Registered Agent Intent to Resign	317
Request for Certificate of Good Standing	12,977	Request for special certificate	255
Application for Registration of Charge	2,317	Notice of Election to Disapply Part IV Transitional Provisions	241
Request for Certifications (BC)	1,840	Notice of Resignation of Registered Agent	222
Notice of Change of Registered Agent	1,718	Notice of Filing of Restated M&A	197
Filing Notice of Completion of Liquidation	1,696	Discharge of Registered Charge filed under IBC Act	149
Filing of Notice of Appointment of Liquidator	1,604	Variation of a Registered Charge	145
Amendments to M&As	962	Notice of Change of Registered Office Address	108
Change of Company Name	881	Notice of Continuation out of the Virgin Islands (Discontinuation)	89
Registration of Register of Members or Directors	631	Name Reservation (90 days)	51
Notice Specifying Property Ceased to be Affected by Registered Charge	553	Name Reservation Extension	48
Notice of Change in Number of Shares	463	Request for Certificate of Automatic Re-registration	14

## **BANKING AND FIDUCIARY SERVICES**

### **Licences Issued/Renewed**

	<b>Qtr 2 2011</b>	<b>Qtr 1 2011</b>	<b>Qtr 2 2010</b>	<b>**Cumulative as at 30 June 2011</b>
<b>General Banking</b>	<b>0</b>	0	0	6
<b>Money Services/ Financing Business</b>	<b>0</b>	0	0	1
<b>Restricted Class I Banking</b>	<b>0</b>	0	0	1
<b>Class I Trust</b>	<b>0</b>	2	0	83
<b>Class II Trust</b>	<b>1</b>	0	0	12
<b>Class III Trust</b>	<b>0</b>	0	0	5
<b>Restricted Class II Trust</b>	<b>0</b>	0	0	84
<b>Restricted Class III Trust</b>	<b>0</b>	0	0	1
<b>Company Management</b>	<b>0</b>	0	0	19
<b>Authorised Custodian</b>	<b>0</b>	0	0	12
<b>Total Licensed Entities by Quarter</b>	<b>1</b>	2	0	
<b>Total Currently Licensed Entities as at 31 Mar 2011</b>	<b>-</b>	-	-	224

*\*\*These figures reflect new licences granted and licences: renewed, surrendered and not renewed.*

### **Quarter 2 2011 Post Licensing Transactions**

Appointment of Directors	36
Appointment of Senior Officers	16
Change in Authorised Agent	8
Change in Particulars (of the licensee)	0
Change in Shareholding/Ownership	8
Approval for the establishment of a subsidiary	3
Change in Auditor	2
Change of Name	2
<b>Total</b>	<b>75</b>

## **BANKING AND FIDUCIARY SERVICES (cont'd)**

### **Banking Sector Quarter 2 2011 (in US '000s)**

Total Assets	\$2,418,932
Cash Items	\$717,028
Loans & Advances	\$1,529,878
Investments	\$2,311
Total Other Assets	\$169,715
Total Shareholders Equity	\$410,725
Total Liabilities	\$2,008,207
Deposits	\$1,611,898
Long Term Debt	\$119,016
Accrued Liabilities	\$12,054
Other Liabilities	\$263,970
Loss Reserves	\$1,269

#### *Statement of Income & Expense*

Net Interest Income	\$40,257
Operating Income	\$47,544
Net Income	\$28,507

#### *Solvency*

Adjusted Risk-Weighted Assets	\$1,153,339
Risk-asset Ratio	32.95%

#### *Asset Quality*

Total Non-Performing Loans in US '000s	\$95,582
Non-Accruing Loans in US '000s	\$94,161
Non-Performing Loans as a percentage of Total Loans	7.03%
Loan Loss Reserves	\$1,269

#### *Liquidity*

Liquid Assets as a percentage of Total Assets	22.39%
Liquid Assets as a percentage of Total Deposits	32.43%
Loans as a percentage of Total Assets	70.47%
Loans as a percentage of Total Deposits	108.50%

#### *Profitability*

Return on Assets	1.25%
Return on Equity	21.54%
Profit Margin	61.15%
Net Interest Margin to Gross Income	84.43%
Non-Interest Expense to Gross Income	42.99%

#### *Concentration*

<i>Deposits</i>	
Ten (10) largest depositors as a percentage of total deposits	27.25%
Demand Deposit as a percentage of total deposits	35.92%
Related Deposits as a percentage of total deposits	9.10%
<i>Loans</i>	
Ten (10) largest loans as a percentage of total loans	20.29%
Market loans as a percentage of total loans	73.39%
Related loans as a percentage of total loans	49.99%
<i>Sensitivity to Market Risk</i>	
Net Open Position	\$296
Net Open Position as a percentage of Capital	0.05%

\*All Figures are aggregate totals and averages for commercial banks only

## INVESTMENT BUSINESS

### Licences Granted

	Qtr 2* 2011	Qtr 1* 2011	Qtr 2* 2010	**Cumulative as at 30 Jun 2011
<b>Functionaries</b>				
Investment Business Licences	7	4	5	517
Authorised Representatives	2	4	-	43
<b>Total</b>	<b>9</b>	<b>8</b>	<b>5</b>	<b>565</b>
<b>Mutual Funds</b>				
Professional	44	45	39	1720
Private	4	12	13	725
Public	2	0	0	186
<b>Total</b>	<b>50</b>	<b>57</b>	<b>52</b>	<b>2631</b>

\*These figures represent new licensees per quarter

\*\*These figures indicate active companies

### Mutual Funds Incorporated or Re-registered as Segregated Portfolio Companies

	Qtr 2 2011		Qtr 1 2011		Qtr 2 2010		**Cumulative Totals (2006 – 2011)
	Inc.	Reg.	Inc.	Reg.	Inc.	Reg.	
Professional Mutual Funds	4	1	0	0	3	2	98
Private Mutual Funds	1	0	0	0	0	0	26
Public Mutual Funds	0	0	0	0	0	0	6
<b>Total</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>130</b>

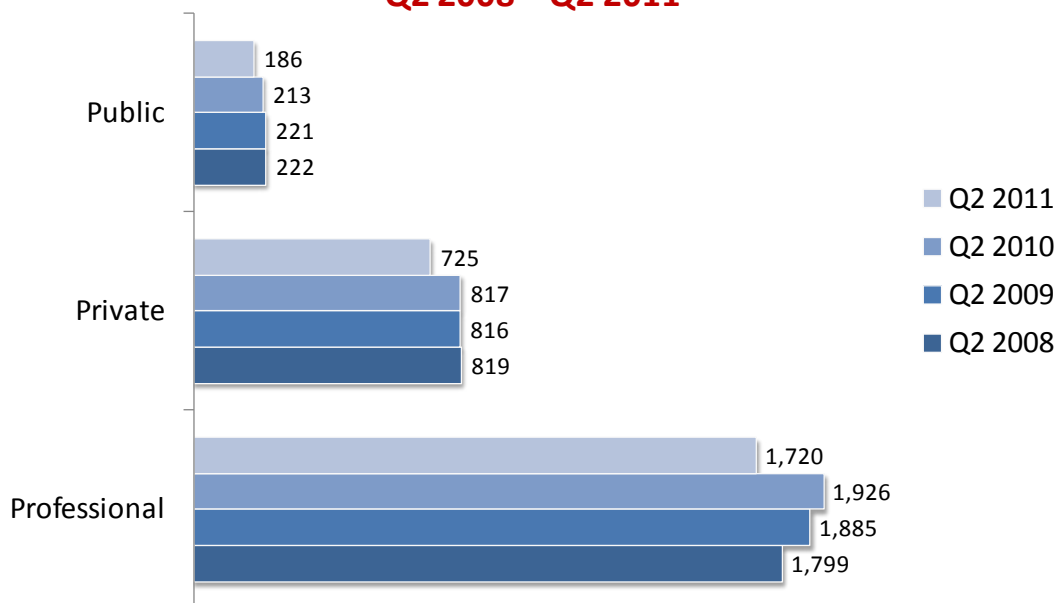
Inc. - Incorporated

Reg. - Re-registered



## INVESTMENT BUSINESS (cont'd)

**Active Mutual Funds (Cumulative)  
Q2 2008 – Q2 2011**





## INSOLVENCY SERVICES

### Licensed Insolvency Practitioners

	Qtr 2 2011	Qtr 1 2011	Qtr 2 2010
<b>Insolvency Practitioners</b> (Full Licence)	24	20	19
<b>Insolvency Practitioners</b> (Restricted Licence)	1	1	1
<b>Total No. of Insolvency Practitioners</b>	25	21	20

### Total Number of Insolvency Practitioners (Full and Restricted licenses)

Q2 2011	25
Q2 2010	20
Q2 2009	17

## INSURANCE

### Insurance and Functionaries Licences Granted

	Quarter 2 2011	Quarter 1 2010	Quarter 2 2010	Cumulative as at 30 Jun. 2011
<b>Insurers</b>				
Captive	0	0	2	176
Domestic	1	1	0	33
<b>Total</b>	1	1	2	209
<b>Functionaries</b>				
Agents	1	0	0	15
Brokers	0	0	0	5
Managers	0	0	0	12
Loss Adjusters	0	0	0	5
<b>Total</b>	1	0	0	37



## **INSURANCE (cont'd)**

### **Insurance Post Licensing Transactions Quarter 2 2011**

Appointment of Directors	1
Change in Shareholding	4
Revocation of Licence	2
Liquidations	1
Mergers	0
Appointment of Designated Representative	0
Appointment of Secretary	0
Approval for Licensing	1
Appointment of Auditor	8
Appointment of Actuary	0

## **LEGAL AND INTERNATIONAL COOPERATION**

### **Legal and International Cooperation Statistics**

	<b>Qtr 2 2011</b>	<b>Qtr 1 2011</b>	<b>Qtr 2 2010</b>
<b>International Cooperation Matters</b>			
Formal Requests*	<b>23</b>	17	23
Informal Requests**	<b>1</b>	4	2
<b>Enforcement Matters</b>	<b>44</b>	28	31

*\*Requires the disclosure of non-public information*

*\*\*Requires the disclosure of public information*





## **LEGAL and INTERNATIONAL COOPERATION (cont'd)**

### **Decisions of the Enforcement Committee**

#### **Quarter 2 2011**

	<b>Apr</b>	<b>May</b>	<b>Jun</b>
<b>Enforcement Cases Before EC*</b>	<b>7</b>	<b>19</b>	<b>18</b>
Impose Administrative Penalty (Final notice)	1	-	11
Issue Advisory Warning	-	-	8
Appoint Administrator	-	-	-
Appoint Examiner	-	-	-
Appoint Liquidator	-	-	-
Issue Directive	-	-	-
No Action Warranted	-	4	1
Noted for Information	5	11	6
Issue Public Statement	-	-	1
Referral to Director of Public Prosecutions	-	-	-
Referral to Licensing and Supervisory Committee	-	-	-
Revoke Certificate or Licence	-	-	-
Warning Letter	-	1	-
Withdraw Approval of Director/Senior Officer	-	-	-
<b>Total Enforcement Action*</b>	<b>6</b>	<b>16</b>	<b>27</b>

*\*NB: - Each case before the Enforcement Committee may result in more than one enforcement action.*



## **ONGOING SUPERVISION**

### **Matters before the Licensing and Supervisory Committee (LSC)**

#### **Q2 – 2011\* (by division)**

Banking and Fiduciary Services	95
Investment Business	375
Insurance	63
Insolvency Services	5
<b>Total</b>	<b>538</b>

*\*Figures include a series of approvals, refusals and cancellations reviewed by the Licensing and Supervisory Committee*

## **ON-SITE INSPECTIONS**

### **Number of On-site Inspections\***

	<b>Q2 2011</b>	<b>Q1 2011</b>	<b>Q2 2010</b>
<b>Banking and Fiduciary: Banks</b>	0	1	0
<b>Banking and Fiduciary: Trust Companies</b>	1	0	0
<b>Insurance</b>	0	0	0
<b>Insolvency Practitioners</b>	0	0	0
<b>Investment Business</b>	0	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>

*\*Figures represent concluded inspections, i.e. inspections for which the close-out Meeting have been held.*