

# BVI FINANCIAL SERVICES COMMISSION

*Statistical Bulletin*

**Q4**  
**2010**

**Vol. 21 December 2010**

Legal and Enforcement

Insolvency Services

Banking and Fiduciary

Investment Business

Insurance

Registry of Corporate Affairs

## INTRODUCTION

This is the twenty-first volume of the BVI Financial Services Commission's Quarterly Statistical Bulletin. It provides important statistics, information and analysis on financial services activities for the fourth quarter of 2010. 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.

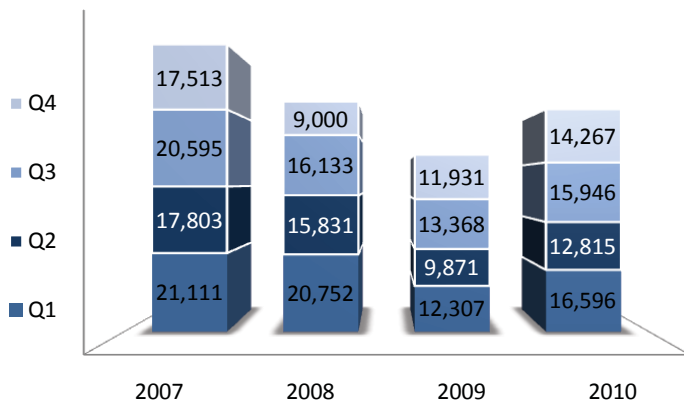
## REGISTRY OF CORPORATE AFFAIRS

### **Incorporations and Registrations**

	<b>Qtr 4 2010</b>	Qtr 3 2010	Qtr 4 2009	Cumulative as at 31 Dec. 2010*
Business Companies	<b>14,267</b>	15,946	11,931	459,364
Limited Partnerships	<b>29</b>	14	17	679

\*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 4 2010 Post Incorporations Transactions (by volume)**

Name Reservation (10 days)	59,613	Notice of Resignation of Registered Agent	482
Request for Certificate of Good Standing	13,038	Registration of Register of Members or Directors	473
Application for Registration of Charge	2,150	Notice of Election to Disapply Part IV Transitional Provisions	381
Notice of Change of Registered Agent	2,136	Notice of Filing of Restated M&A	226
Filing Notice of Completion of Liquidation	1,916	Request for special Certificate	212
Filing of Notice of Appointment of Liquidator	1,745	Discharge of Registered Charge filed under IBC Act	180
Request for Certifications (BC)	1,734	Variation of a Registered Charge	130
Amendments to M&As	1,335	Notice of Continuation out of the Virgin Islands (Discontinuation)	100
Change of Company Name	977	Name Reservation Extension	71
Notice Specifying Property Ceased to be Affected by Registered Charge	613	Notice of Change of Registered Office Address	70
Registered Agent Intent to Resign	577	Name Reservation (90 days)	53
Notice of Change in Number of Shares	532	Request for Certificate of Automatic Re-registration	8

## **BANKING AND FIDUCIARY SERVICES**

### **Licences Issued/Renewed**

	<b>Qtr 4 2010</b>	<b>Qtr 3 2010</b>	<b>Qtr 4 2009</b>	<b>**Cumulative as at 31 December 2010</b>
<b>General Banking</b>	0	0	0	6
<b>Money Services/ Financing Business</b>	1	-	-	1
<b>Restricted Class I Banking</b>	0	0	0	1
<b>Class I Trust</b>	0	0	2	89
<b>Class II Trust</b>	0	0	0	7
<b>Class III Trust</b>	0	0	0	4
<b>Restricted Class II Trust</b>	1	1	1	97
<b>Restricted Class III Trust</b>	0	1	0	0
<b>Company Management</b>	0	0	1	22
<b>Authorised Custodian</b>	0	0	2	12
<b>Total Licensed Entities by Quarter</b>	2	2	6	
<b>Total Currently Licensed Entities as at 31 Mar 2010</b>		-		239

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

### **Quarter 4 2010 Post Licensing Transactions**

Appointment of Directors	30
Appointment of Senior Officers	12
Change in Authorised Agent	8
Change in Particulars (of the licensee)	0
Change in Shareholding/Ownership	10
Approval for the establishment of a subsidiary	0
Change in Auditor	3
Change of Name	14
<b>Total</b>	<b>77</b>

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

### **Banking Sector Quarter 4 2010 (in US '000s)**

Total Assets	\$2,453,133
Cash Items	\$757,786
Loans & Advances	\$1,493,605
Investments	\$1,668
Total Other Assets	\$200,074
Total Shareholders Equity	\$390,489
Total Liabilities	\$2,062,675
Deposits	\$1,662,631
Long Term Debt	\$123,073
Accrued Liabilities	\$11,888
Other Liabilities	\$263,595
Loss Reserves	\$1,457

#### *Statement of Income & Expense*

Net Interest Income	\$45,922
Operating Income	\$53,052
Net Income	\$36,316

#### *Solvency*

Adjusted Risk-Weighted Assets	\$1,219,312
Risk-asset Ratio	30.67%

#### *Asset Quality*

Total Non-Performing Loans in US '000s	\$20,061
Non-Accruing Loans in US '000s	\$19,143
Non-Performing Loans as a percentage of Total Loans	2.23%
Loan Loss Reserves	\$1,457

#### *Liquidity*

Liquid Assets as a percentage of Total Assets	23.29%
Liquid Assets as a percentage of Total Deposits	32.36%
Loans as a percentage of Total Assets	68.93%
Loans as a percentage of Total Deposits	107.51%

#### *Profitability*

Return on Assets	1.89%
Return on Equity	23.00%
Profit Margin	61.51%
Net Interest Margin to Gross Income	83.86%
Non-Interest Expense to Gross Income	43.73%

#### *Concentration*

<i>Deposits</i>	
Ten (10) largest depositors as a percentage of total deposits	29.82%
Demand Deposit as a percentage of total deposits	35.80%
Related Deposits as a percentage of total deposits	7.03%
<i>Loans</i>	
Ten (10) largest loans as a percentage of total loans	19.09%
Market loans as a percentage of total loans	69.35%
Related loans as a percentage of total loans	51.70%
<i>Sensitivity to Market Risk</i>	
Net Open Position	\$265
Net Open Position as a percentage of Capital	0.04%

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

## INVESTMENT BUSINESS

### Licences Granted

	Qtr 4* 2010	Qtr 3* 2010	Qtr 4* 2009	**Cumulative as at 31 December 2010
<b>Functionaries</b>				
Investment Business Licences	3	6	10	527
Authorised Representatives	32	6	-	38
<b>Total</b>	<b>35</b>	<b>12</b>	<b>10</b>	<b>565</b>
<b>Mutual Funds</b>				
Professional	23	27	46	1759
Private	7	4	20	741
Public	1	0	1	206
<b>Total</b>	<b>31</b>	<b>31</b>	<b>67</b>	<b>2706</b>

\*These figures represent new licensees per quarter

\*\*These figures indicate active companies

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

	Qtr 4 2010		Qtr 3 2010		Qtr 4 2009		**Cumulative Totals (2006 – 2010)
	Inc.	Reg.	Inc.	Reg.	Inc.	Reg.	
Professional Mutual Funds	1	0	2	0	4	0	93
Private Mutual Funds	1	0	0	0	1	0	25
Public Mutual Funds	0		0	0	0	1	6
<b>Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>124</b>

Inc. - Incorporated

Reg. - Re-registered

## INSOLVENCY SERVICES

### Licensed Insolvency Practitioners

	Qtr 4 2010	Qtr 3 2010	Qtr 4 2009
<b>Insolvency Practitioners</b> (Full Licence)	19	19	17
<b>Insolvency Practitioners</b> (Restricted Licence)	1	1	0
<b>Total No. of Insolvency Practitioners</b>	<b>20</b>	<b>20</b>	<b>17</b>

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

<b>Q4 2010</b>	<b>20</b>
Q4 2009	17
Q4 2008	16

## INSURANCE

### Insurance and Functionaries Licences Granted

	Quarter 4 2010	Quarter 3 2010	Quarter 4 2009	Cumulative as at 31 Dec 2010
<b>Insurers</b>				
Captive	12	3	5	219
Domestic	4	3	2	36
<b>Total</b>	<b>16</b>	<b>6</b>	<b>7</b>	<b>255</b>
<b>Functionaries</b>				
Agents	0	0	3	16
Brokers	0	0	1	7
Managers	0	0	1	14
Loss Adjusters	0	0	0	4
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>41</b>



## INSURANCE (cont'd)

### Insurance Post Licensing Transactions Quarter 4 2010

Appointment of Directors	31
Change in Shareholding	3
Revocation of Licence	4
Liquidations	2
Mergers	0
Appointment of Designated Representative	1
Appointment of Secretary	0
Approval for Licensing	7
Appointment of Auditor	0
Appointment of Actuary	0

## LEGAL AND INTERNATIONAL COOPERATION

### Legal and International Cooperation Statistics

	Qtr 4 2010	Qtr 3 2010	Qtr 4 2009
<b>International Cooperation Matters</b>			
Formal Requests*	24	32	24
Informal Requests**	2	5	26
<b>Enforcement Matters</b>	25	32	55

\*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 4 2010**

	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
<b>Enforcement Cases Before EC*</b>	<b>12</b>	<b>8</b>	<b>5</b>
Impose Administrative Penalty (Final notice)	-	-	-
Issue Advisory Warning	3	-	1
Appoint Administrator	-	-	-
Appoint Examiner	-	-	-
Appoint Liquidator	-	1	-
Issue Directive	-	1	-
No Action Warranted	1	2	1
Noted for Information	6	3	3
Issue Public Statement	-	2	-
Referral to Director of Public Prosecutions	-	-	-
Referral to Licensing and Supervisory Committee	-	-	1
Revoke Certificate or Licence	-	-	-
Warning Letter	2	-	-
Withdraw Approval of Director/Senior Officer	-	1	-
<b>Total Enforcement Action*</b>	<b>12</b>	<b>10</b>	<b>5</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)

#### Q4 – 2010\* (by division)

Banking and Fiduciary Services	93
Investment Business	455
Insurance	95
Insolvency Services	1
<b>Total</b>	<b>644</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\*

	Q4 2010	Q3** 2010	Q4 2009
<b>Banking and Fiduciary: Banks</b>	0	0	0
<b>Banking and Fiduciary: Trust Companies</b>	5	0	3
<b>Insurance</b>	0	0	2
<b>Insolvency Practitioners</b>	0	0	0
<b>Investment Business</b>	0	0	1
<b>Total</b>	<b>5</b>	<b>0</b>	<b>6</b>

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

\*\* The inspection process has been suspended for the first, second and third quarters of 2010 and will resume thereafter