TOTALSERVE

ANNUAL RETURNS

Effective January 1st, 2023, amendments to the BVI Business Companies Act introduced a new requirement for business companies to file annual returns or financial statements on a yearly basis.

EXEMPTIONS

The following types of entities are exempt from the annual return filing requirement:

- Companies listed on a public exchange.
- Entities regulated by the BVI Financial Services Commission (FSC) that are already required to submit financial statements.
- Entities that already file annual returns with the BVI Inland Revenue; and
- Entities that enter liquidation before the deadline for filing their annual return.

FINANCIAL YEAR AND FILING PERIOD

While the standard financial year under the BC Act runs from January to December, companies have the flexibility to select an alternative financial period. We recommend aligning the financial year with the company's renewal cycle (for example, May to April, with filings due starting the following May, or November to October, with filings due starting the following November). This alignment synchronizes Registry renewals with annual return filings, streamlining administrative processes and reducing the frequency of client interactions. Should a company choose to change its financial period, a formal resolution must be passed to approve the adjustment.

The deadline for submitting Annual Returns is within nine months following the conclusion of the financial year or period. Significant penalties apply for non-compliance, affecting both the company and us as the Registered Agent.

AUDITED FINANCIALS

There is no requirement for financial statements to be audited. The Annual Return form can be completed directly by the company.

ANNUAL RETURN FORM AND FEES

Fillable versions of the Annual Return forms are available in both PDF and Excel formats for your convenience.

As of January 1st, 2024, annual return filings must be current before a Certificate of Incumbency can be issued. Such certificates will only be provided if the nine-month filing window remains open.

Annual Return fees should ideally be settled alongside the renewal invoice to prevent filing delays. If a separate invoice is requested, payment must be made at the time the Annual Return form is submitted for filing.

While a signature is not strictly mandatory for the Annual Return, we recommend that at least one director signs the document for internal record-keeping purposes.

PENALTIES

If a company fails to submit its annual return within nine months of the end of its financial period, the Registered Agent is obligated to notify the Registry. The following penalties will be applied:

(a) A fine of $300 for the first month (or part thereof) that the return is overdue; and

(b) A fine of $200 for each subsequent month (or part thereof), up to a maximum total penalty of $5,000.

Furthermore, if a Registered Agent fails to report a company that has missed its filing deadline, the agent will be subject to a penalty of $3,000 per non-compliant company.