

# BVI FINANCIAL SERVICES COMMISSION

*Statistical Bulletin*

**Q2**  
2009

**Vol. 15 June 2009**

Legal and Enforcement

Insolvency Services

Banking and Fiduciary

Investment Business

Insurance

Registry of Corporate Affairs

## INTRODUCTION

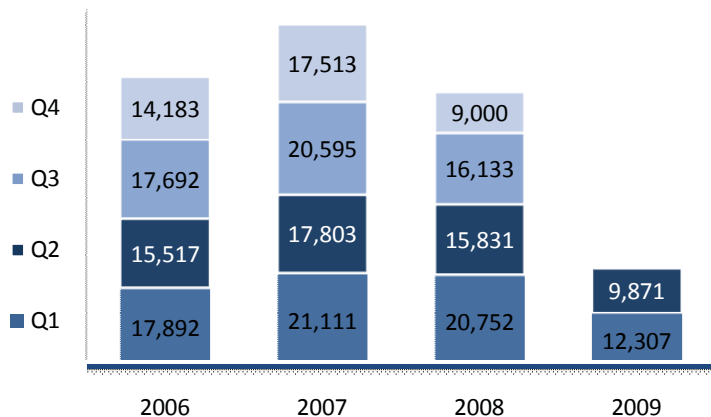
This is the fifteenth volume of the BVI Financial Services Commission's Quarterly Statistical Bulletin. It provides important statistics, information and analysis on financial services activities for the first quarter of 2009. The FSC's Statistical Bulletin is just one mechanism by which the FSC communicates the progress that has been made within several different sectors of our industry.

## REGISTRY OF CORPORATE AFFAIRS

### Incorporations and Registrations

	Qtr 2 2009	Qtr 1 2009	Qtr 2 2008	Cumulative as at 30 June 2009
<b>Business Companies</b>	9,871	12,307	15,831	405,873
<b>Limited Partnerships</b>	24	14	26	702

### 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 2009 Post Incorporations Transactions** (by volume)

Name Reservation (10 days)	44,084	Notice of Change in Number of Shares	428
Request for Certificate of Good Standing	11,086	Notice Specifying Property Ceased to be Affected by Registered Charge	339
Notice of Change of Registered Agent	2,411	Notice of Filing of Restated M&A	331
Request for Certifications (BC)	1,784	Registration of Register of Members or Directors	256
Filing Notice of Completion of Liquidation	1,733	Discharge of Registered Charge filed under IBC Act	220
Filing of Notice of Appointment of Liquidator	1,598	Request for special certificate	130
Application for registration of Charge	1,307	Notice of Change of Registered Office Address	109
Registered Agent intent to Resign	793	Notice of Resignation of Registered Agent	91
Change of Company Name	748	Variation of a Registered Charge	89
Amendments to M&A	715	Name Reservation (90 days)	83
Notice of Election to Disapply Part IV Transitional Provisions	605	Notice of Continuation out of the Virgin Islands (Discontinuation)	73

## **BANKING AND FIDUCIARY SERVICES**

### **Licences Issued/Renewed**

	<b>Qtr 2 2009</b>	<b>Qtr 1 2009</b>	<b>Qtr 2 2008</b>	<b>**Cumulative as at 30 June 2009</b>
General Banking	0	0	0	6
Restricted Class I Banking	0	0	0	3
Class I Trust	0	2	0	100
Class II Trust	1	0	0	3
Class III Trust	0	1	1	6
Restricted Class II Trust	0	3	1	108
Restricted Class III Trust	0	0	0	0
Company Management	1	0	1	21
Authorised Custodian	0	0	0	7
<b>Total Currently Licensed Entities</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>254</b>

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

### **Quarter 2 2009 Post Licensing Transactions**

Appointment of Directors	5
Change in Authorised Agent	4
Appointment of Senior Officers	3
Change in Shareholding/Ownership	3
Change in Particulars (of the licensee)	2
Change in Auditor	1
Approval for the establishment of a subsidiary	0
Change of Name	0
<b>Total</b>	<b>18</b>

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

### **Banking Sector Quarter 2 2009 (in US '000s)**

Total Assets	\$2,479,983
Cash Items	\$967,408
Loans & Advances	\$1,331,665
Investments	\$2,741
Total Other Assets	\$178,169
Total Shareholders Equity	\$339,592
Total Liabilities	\$2,140,391
Deposits	\$1,837,188
Long Term Debt	\$97,393
Accrued Liabilities	\$6,097
Other Liabilities	\$198,021
Loss Reserves	\$1,692

### *Statement of Income & Expense*

Net Interest Income	\$41,739
Operating Income	\$50,115
Net Income	\$33,442

### *Solvency*

Adjusted Risk-Weighted Assets	1,128,403
Risk-asset Ratio	29.82%

### *Asset Quality*

Total Non-Performing Loans in US '000s	\$15,937
Non-Accruing Loans in US '000s	\$11,199
Non-Performing Loans as a percentage of Total Loans	1.98%
Loan Loss Reserves	\$1,692

### *Liquidity*

Liquid Assets as a percentage of Total Assets	29.32%
Liquid Assets as a percentage of Total Deposits	46.48%
Loans as a percentage of Total Assets	61.75%
Loans as a percentage of Total Deposits	98.71%

### *Profitability*

Return on Assets	1.37%
Return on Equity	23.43%
Profit Margin	62.42%
Net Interest Margin to Gross Income	84.03%
Non-Interest Expense to Loans Income	37.99%

### *Concentration*

<i>Deposits</i>	
Ten (10) largest depositors as a percentage of total deposits	29.06%
Demand Deposit as a percentage of total deposits	30.83%
Related Deposits as a percentage of total deposits	0.95%
<i>Loans</i>	
Ten (10) largest loans as a percentage of total loans	23.64%
Market loans as a percentage of total loans	95.13%
Related loans as a percentage of total loans	86.06%
<i>Sensitivity to Market Risk</i>	
Net Open Position	\$39,793
Net Open Position as a percentage of Capital	7.73%

## INVESTMENT BUSINESS

### Licences Granted

	Qtr 2 2009		Qtr 1 2009		Qtr 2 2008		**Cumulative as at 30 June 2009
<b>Functionaries</b>							
Managers	3		10		9		495
Administrators	0		0		0		39
Managers and Administrators	0		0		1		46
<b>Total</b>	<b>3</b>		<b>10</b>		<b>10</b>		<b>580</b>
<b>Mutual Funds</b>							
Professional	33		49		83		1885
Private	12		9		11		816
Public	1		3		6		221
<b>Total</b>	<b>46</b>		<b>61</b>		<b>100</b>		<b>2922</b>

\*These figures represent new licensee per quarter

\*\*These figures indicate active companies

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

	Qtr 2 2009		Qtr 1 2009		Qtr 2 2008		**Cumulative Totals (2006 – 2009)
	Inc.	Reg.	Inc.	Reg.	Inc.	Reg.	
<b>Professional Mutual Funds</b>	7	3	4	0	0	1	70
<b>Private Mutual Funds</b>	1	0	1	0	0	1	21
<b>Public Mutual Funds</b>	0	0	0	1	0	0	5
<b>Total</b>	<b>8</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>96</b>

Inc. - Incorporated

Reg. - Re-registered

## INSOLVENCY SERVICES

### Licensed Insolvency Practitioners

	Qtr 2 2009	Qtr 1 2009	Qtr 2 2008
<b>Insolvency Practitioners</b> (Full Licence)	17	17	15
<b>Insolvency Practitioners</b> (Restricted Licence)	0	0	1
<b>Total No. of Insolvency Practitioners</b>	<b>17</b>	<b>17</b>	<b>16</b>

## INSURANCE

### Insurance and Functionaries Licences Granted

Quarter 2 2009	Issued	Renewed	Total	Lapsed/ cancelled	2008
<b>Insurers</b>					
Captive	2	275	277	44	319
Credit Life	0	7	7	7	14
Domestic	1	31	32	0	31
<b>Total</b>	<b>3</b>	<b>313</b>	<b>316</b>	<b>51</b>	<b>364</b>
<b>Functionaries</b>					
Agents	2	14	16	0	14
Brokers	0	7	7	0	7
Managers	0	16	16	1	17
Loss Adjusters	0	5	5	0	5
<b>Total</b>	<b>2</b>	<b>42</b>	<b>44</b>	<b>1</b>	<b>43</b>



## INSURANCE (cont'd)

### Insurance Post Licensing Transactions Quarter 2 2009

Appointment of Directors	9
Change in Shareholding	4
Revocation of Licence	1
Liquidations	2
Mergers	1
Approval of Licensing	0 (captives)
	1 (domestic)

## LEGAL AND INTERNATIONAL COOPERATION

### Legal and International Cooperation Statistics

	Qtr 2 2009	Qtr 1 2009	Qtr 2 2008
International Co-operation Matters			
Formal Requests*	27	27	15
Informal Requests**	18	15	4
Enforcement Matters	53	38	27
Advisory Warnings	9	2	1

\*Requires the disclosure of non-public information

\*\*requires the disclosure of public information



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

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

	<b>Quarter 1 2009</b>			<b>Quarter 2 2009</b>		
	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>April</b>	<b>May</b>	<b>Jun</b>
Impose Administrative Penalty**	-	7	1	5	2	6
Issue Advisory Warning	-	1	1	-	7	4
Appoint Administrator	1	-	-	3	-	-
Appoint Examiner	-	-	-	-	-	-
Appoint Liquidator	-	-	-	-	3	-
Directive (Issue)	1	2	-	-	1	-
No Action Warranted	-	-	-	-	3	2
Noted for Information	10	10	9	10	9	5
Issue Public Statement	2	-	2	-	-	1
Refer to Director of Public Prosecutions	-	-	-	-	-	-
Refer to Licensing and Supervisory Committee	-	-	-	1	-	-
Revoke Certificate or Licence	-	-	-	1	-	-
Warning Letter	4	4	5	3	3	3
Withdraw Approval of Director/Senior Officer	1	-	-	-	-	-
<b>Total Enforcement Action</b>	<b>19</b>	<b>24</b>	<b>18</b>	<b>23</b>	<b>28</b>	<b>21</b>

### **Enforcement**

	<b>Quarter 1 2009</b>			<b>Quarter 2 2009</b>			<b>Total</b>
	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>April</b>	<b>May</b>	<b>Jun</b>	
<b>Matters before the Enforcement Committee*</b>	<b>14</b>	<b>14</b>	<b>12</b>	<b>16</b>	<b>27</b>	<b>18</b>	<b>101</b>





## ON-SITE COMPLIANCE INSPECTIONS

### Number of On-site Inspections\*

	Q2 2009	Q1 2009	Q2 2008
Banking and Fiduciary: Banks	0	1	4
Banking and Fiduciary: Trust Companies	5	2	2
Insurance	7	0	0
Insolvency Practitioners	1	1	1
Investment Business	2	2	1
<b>Total</b>	<b>15</b>	<b>6</b>	<b>8</b>

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

## ONGOING SUPERVISION

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

#### Q2 – 2009 (by division)

Banking and Fiduciary	37
Investment Business	208
Insurance	36
Insolvency Services	3
<b>Total</b>	<b>284</b>

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