

Financial Services Commission

Statistical Bulletin

Vol. 1 March 2006

Legal & Enforcement

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Insurance

ROCA

Introduction

Welcome to the first issue of the BVI Financial Services Commission's quarterly Statistical Bulletin. This periodical aims to provide accurate figures and timely analysis on the various sectors of the financial services industry. The Commission views the publication of this periodical as an important part of its public education function and as an

integral tool in its important partnership with financial services practitioners.

This bulletin presents the annual statistics for each financial services sector at the end of the 2005 financial year. Subsequent issues of the periodical will be published by the Commission at the end of each quarter.

Legal/Enforcement, Supervision

As a part of its on-going supervision, the Commission conducted 15 on-site inspections in 2005. Inspections are carried out by FSC personnel at the place of business of current licence-holders.

Licensing and Supervisory Committee (LSC)

The LSC, is responsible for assessing and granting all applications for licences and certificates to conduct financial services

business within and from the BVI. In 2005, the LSC refused 14 applications that failed to meet the Commission's 'fit and proper' test for licensing.

Legal and Enforcement Division Statistics	2005
Advisory Warnings	5
Enforcement Matters	8
International Co-operation Matters (Formal Requests)	14



About the Commission

The Financial Services Commission Act, 2001 which came into force on January 1st 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

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Insolvency Services

Number of New Cases Opened by Type:

Type of Case	Number of Cases
Receiverships	1
Administrative Receiverships	2
Company Creditor Arrangements	0
Administrations	0
Provisional Liquidations	4
Liquidations - appointed by members	7
Liquidations - appointed by the Court	9
Bankruptcies	0
Individual Creditor Arrangements	0
Total	23

The insolvency regime had its first full calendar year of operation in 2004. The FSC issued a cumulative total of 15 licences to insolvency practitioners as at the end of 2005.

Receiverships and court and member appointed liquidations accounted for the majority of new insolvency cases following the enactment of the new legislation in 2004.

Insolvency Cases (by Jurisdiction)



Jurisdiction	No. of Cases
Caribbean (other than the BVI)	0
BVI	5
European Union Countries	8
North America	1
Far East	5
Rest of the World	4
Total	23

Banking & Fiduciary Services

During 2005, the number of banking licences reduced by 30%. Following the immobilisation of bearer shares and the introduction of the authorised custodian regime, the FSC licensed 3 authorised custodians.

*Total Deposits held by the Commission
(as required by the Banks and
Trust Companies Act, 1990)
(\$8.36 Billion)*

*Total Assets in BVI Banking System
(\$2.52 Billion)*

*48% - Cash
39% - Loans & Advances*

*Total Liabilities
(\$2.32 Billion)*

Banking and Fiduciary	2002	2003	2004	2005
General Banking Licences	8	7	7	5
Restricted Banking Licences	5	4	3	3
General Trust Licences	91	94	102	101
Restricted Trust Licences	95	109	114	111
Company Management Licences	18	18	19	20
Authorised Custodian				3

Investment Business

The BVI, as a prominent jurisdiction for the registration and recognition of mutual funds, in 2005 continued to experience overall growth in its fund industry.

The most popular BVI mutual fund continues to be the professional fund; 58% of active funds are professional funds, 33% are private funds and 9% are public.

Cumulative Active Mutual Fund Entities

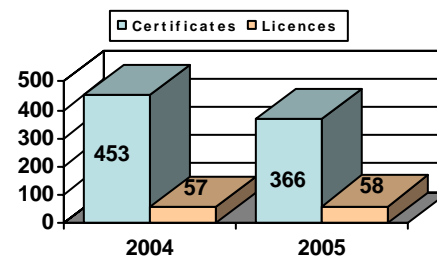
	2002	2003	2004	2005
Manager	386	373	391	428
Administrator	32	34	34	36
Manager & Administrator	51	50	50	50
Professional Fund	986	1028	1192	1376
Private Fund	799	723	764	799
Public Fund	192	183	182	197

Mutual Fund Entities Granted (by Type)	2004	2005
Professional	273	246
Private	156	102
Public	24	18
Manager	47	54
Administrator	3	3
Manager & Administrator	5	1

Private and professional funds account for approximately 82% of all mutual fund business in the BVI.

Cumulative data compiled by the FSC illustrates that 63% of BVI domiciled funds and 74% of licensed fund managers and administrators have remained active since first being recognised, registered or licenced.

Certificates and Licences granted in 2005

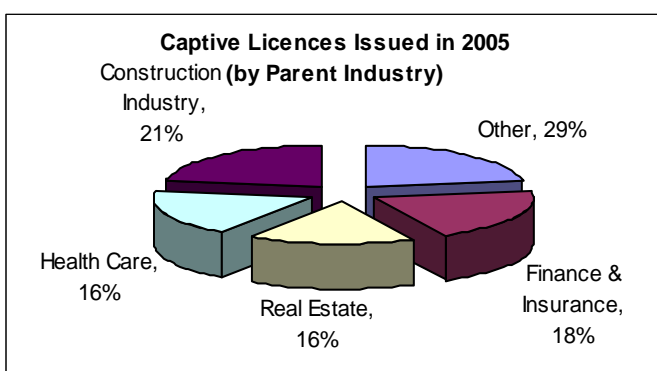
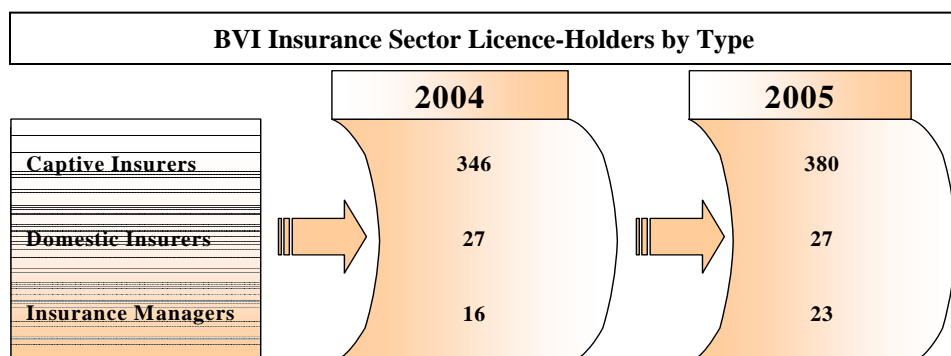


BVI Mutual Funds			
Product Segment	Cumulative granted	Active	Percentage Active of Total granted
Mutual Funds	3791	2372	63%
Manager/Administrator	699	514	74%

Insurance

During 2005, the Captive sector of the BVI Insurance industry continued to grow and the FSC licensed its 500th captive insurer since the enactment of the 2004 Insurance Act.

The total number of captives licensed now stands at 543 of which 380 renewed or were issued licences during 2005. A total of 68 new captive licenses were issued by the Commission during the year.



Following the trend of earlier years, the region of origin for most BVI-domiciled captives was again the United States. Other popular countries/regions of origin include Guernsey, Taiwan, Switzerland, Middle East and South America.

Segregated Portfolio companies continue to gain momentum in

2005. At the end of the year, the FSC recorded 9 segregated portfolio companies with 27 segregated portfolios between them following the 2002 introduction of SPC legislation.

The FSC also licensed 6 new insurance managers in 2005.

Registry of Corporate Affairs

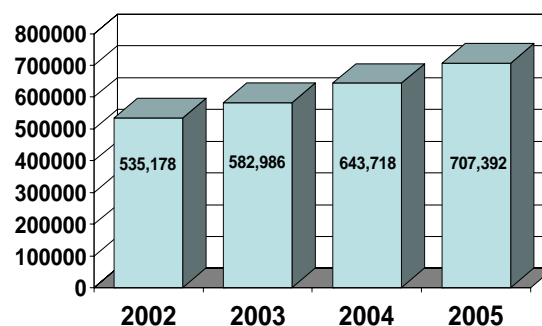
Company incorporations in the final year of the FSC's flagship product, the International Business Company (IBC) exceeded expectations with some 57,000 new companies added to the Register during 2005.

The number of new incorporations in 2005 translates to the second best year in the Registry's history with respect to the number of

incorporations. The newly introduced BVI Business Company was utilised in approximately 1,100 new corporate structures.

At the end of 2005, the total number of companies on the BVI Register was 707,392, including IBCs, domestically operating companies (Cap. 291), and limited partnerships.

Total Number of Companies on the BVI Register



New Incorporations	2002	2003	2004	2005
IBCs	51,464	47,537	60,451	57,017
BCs				1,167
Local Companies (Cap. 285)	207	203	217	153
Limited Partnerships	34	68	64	56