

Guernsey Registry Newsletter - Annual Validation and Beneficial Ownership

You have received this Industry Update because you submitted an annual validation for a non-regulated company in 2017.

Please feel free to share this information with your co-directors/resident agent.

If you are no longer associated with a Guernsey company please disregard this information.

Annual validation checklist:

[Log in/sign up for the Online Services Portal](#)

[Find your Entity PIN \(or request a new one\)](#)

[File your beneficial ownership information](#)

[Check your audit/AGM waiver status](#)

[File your annual validation submission](#)

Other information:

[Contact Details & Useful Links](#)

Introduction

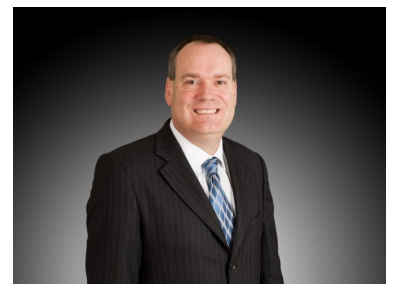
At Guernsey Registry we are gearing up for the year end and this newsletter is intended to remind directors and resident agents of Guernsey companies of key dates, and advise you of recent changes to Registry processes.

The main change for this year is the introduction of the register of beneficial ownership. This newsletter will provide you with information on what beneficial ownership is and how to make the required submission.

We have also extended the deadline for filing annual validations from 31 January to the last day of February to give Registry users additional time to populate the beneficial ownership register prior to filing their annual validations.

As we are expecting the Registry to be busy during January and February it would help us all if submissions were not left to the last minute, and so we hope this information will help you plan ahead to make the process straightforward.

Alan Bougourd, Registrar



Disclaimer

The purpose of this document is to provide information and guidance for Registry users.

However, the interpretation of the legislation is a matter on which the Guernsey Registry cannot advise and individuals will need to form their own view on compliance.

Independent legal advice is advised where there is any uncertainty.

Filing requirements for companies - Jan/Feb 2018

Due to the introduction of the beneficial ownership register in August, the filing requirements for companies in January/February 2018 are different from previous years. Companies will need to file:

Beneficial ownership submission

The Beneficial Ownership of Legal Persons (Guernsey) Law, 2017 came into force earlier this year, and it requires that Guernsey companies file a declaration of beneficial ownership ('Add/remove BO Entity Details' form) with the Registrar by **28 February 2018**.

Further information on beneficial ownership submissions is available on [pages 3 & 4](#) of this newsletter and at www.guernseyregistry.com/beneficialownership.

Please note that companies incorporated from 15 August onwards have already filed a beneficial ownership submission so do not need to file again, unless we have not already been advised of any changes since incorporation.

Annual validation submission

All Guernsey companies must file an annual validation with the Registry between 1 January and the last day of February each year (except companies incorporated in December the previous year).

Further information on annual validation submissions is available on [page 5](#) of this newsletter and at www.guernseyregistry.com/annualvalidation.

Online Services Portal

Submissions to the Registry are made using the Online Services Portal - www.greg.gg.

If you have not used the Portal before you will need to register by clicking the 'Register' link at the top right of the page.

[Further information on registering/logging in is available here.](#)

Once logged in you can make submissions for all of your companies using the same online account, provided you have the Entity PINs for each company (see below for more information).

Entity PINs

To make company submissions on the Online Services Portal you will need an Entity PIN.

The Entity PIN is a 4 digit number which would originally have been sent to the company's registered office address on Registry headed paper.

If you have lost the Entity PIN for your company or have never received one, a new one can be requested using the Online Services Portal (select 'Registered Person/Entity PIN Request') or by emailing the Registry at enquiries@guernseyregistry.com, stating the name and registered number of the company.

PINs can also be changed to something more memorable if you wish.

[Details of how to change a PIN are available here.](#)

Beneficial ownership register

This information is primarily aimed at local trading companies or other companies such as those established to hold a house or similar property where the shareholding or other ownership arrangements are straightforward.

For companies and other legal persons that involve more complex ownership structures, [please see our full guidance on the definition of beneficial ownership here](#).

Do I need to file my beneficial ownership information?

The **resident agent** (or an authorised officer thereof) of each company is required to submit a declaration of beneficial ownership before **28 February 2018**, and to keep the information up to date within 14 days of becoming aware of any changes.

Full Guidance on how to file your beneficial ownership submission ('Add/remove BO Entity details' form) is available on the website, including a step by step guide to filing the submission online and information on beneficial ownership categories.

[Click this link to see the full guidance on how to file your beneficial ownership submission.](#)
(www.guernseyregistry.com/beneficialownership)

Who do I need to include in the submission?

The definition of beneficial owner is set by [The Beneficial Ownership \(Definition\) Regulations, 2017](#).

A beneficial owner of a non-regulated company is almost always a natural person(s).

This will be very straightforward where the director(s) and beneficial owner(s) are the same, and the online submission allows users to select directors and automatically populate their information where this is the case.

The beneficial owner of a non-regulated company is usually the person(s) who control the company through ownership. For the purposes of registration, ownership is defined as any one or more of the following:

- Where a member holds (directly or indirectly) more than 25% of the company's shares
- Where a member holds (directly or indirectly) more than 25% of the voting rights in a company
- Where a member holds the right (directly or indirectly) to appoint or remove a majority of the board of directors

If there are no individuals that meet any of the above criteria, then the beneficial owner is considered to be the person (or persons) who control the company through other means, for example on behalf of someone else.

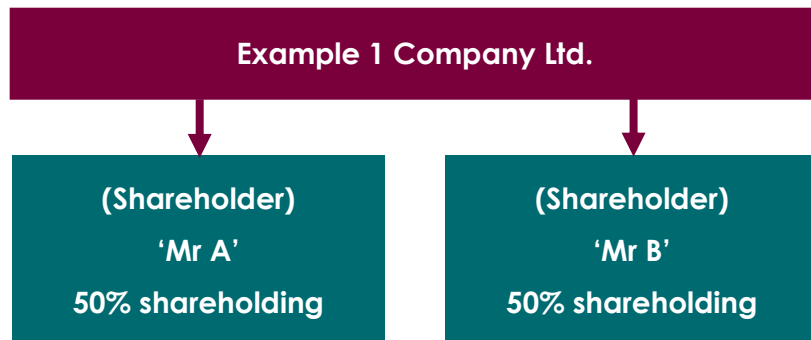
Also, where an individual meets one or more of the above criteria but there is reason to believe that another person is in fact the person ultimately controlling the company, (for example, where more than 25% of the shares in a company with considerable assets are held by an associate who has no obvious source of wealth), both the person meeting the criteria and the other person should be treated as the beneficial owners.

If none of the above criteria apply, then the beneficial owner is the person(s) who are senior managing officials of the company (such as a director).

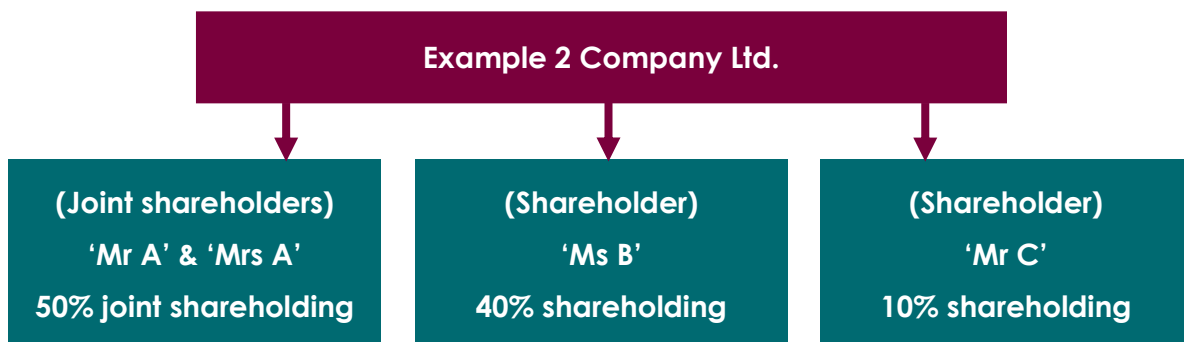
Example ownership structures

Below are some simple ownership structures that are typical of many local trading or asset holding companies.

Please note that these structures are provided as an example only and not all companies will be structured like this. Please [see our full guidance](#) for information on complex ownership structures.



In the above case, both Mr A and Mr B need to be registered as beneficial owners, because they both own over 25% of the shares in Example 1 Company Ltd.



In the above case, **both** Mr A and Mrs A need to be registered as beneficial owners, because they jointly own over 25% of the shares in Example 2 Company Ltd.

Ms B also is required to register as she has sole ownership of over 25% of the shares.

If Mr C does not hold more than 25% of the voting rights or the right to appoint or remove the directors, then he is **not** required to register as he owns less than 25% of the shares.

Do I need to keep a record of the beneficial owners at the registered office?

Yes, you will need to keep a record of the beneficial owners of your company with your company files. A template record of beneficial owners is [available on our website here](#).

When do I need to make my beneficial ownership submission?

You can file the submission now, and submissions must be made by **28 February 2018**.

Annual validation submissions (due between 1 January and 28 February 2018) can only be filed for companies that have declared their beneficial ownership information.

The system will not allow annual validation filings to be made for companies that have not already filed their beneficial ownership information.

Annual Validation - January and February 2018

Company annual validations background

All Guernsey companies must file an annual validation with the Registry between 1 January and the last day of February each year (except companies incorporated in December the previous year).

This is a change from previous years, where the deadline for annual validation filing was 31 January.

The annual validation contains details of the company as they were on 31 December the previous year - please note that any changes made to the company details with an effective date after 31 December 2017 will **not** show up on the annual validation in January/February.

The annual validation filing fees remain unchanged - £250 for a Non-Regulated Company, £100 for a registered Non-Profit Organisation and free of charge for Registered Charities.

A late filing fee of £100 per month will apply for all submissions made from 1 March.

Failure to file an annual validation will result in the company being listed for strike off.

Do I need to file beneficial ownership information before my annual validation?

Yes - you must have filed your beneficial ownership information before you can submit your annual validation submission.

The system will not allow users to submit an annual validation if the beneficial ownership information has not been filed.

Further information on how to file beneficial ownership submissions is available on [pages 2 & 3](#) of this newsletter, and on the Registry website - www.guernseyregistry.com/beneficialownership.

How do I file an annual validation?

All annual validation submissions are made online at www.greg.gg.

Further information and guidance on how to file the submission is available on the Registry website here: www.guernseyregistry.com/annualvalidation.

Please note that submissions can be drafted now but **cannot be submitted before 1 January 2018**.

Companies in voluntary strike off or winding up

Companies in voluntary strike off:

Any company which has applied for a voluntary strike off by 31 December 2017 will not be required to file an annual validation in 2018.

Companies in voluntary winding up:

If the company has appointed a liquidator before 31 December 2017 and remains on the register as at 31 December 2017, an annual validation submission will be required but there will be no charge for the submission.

If the final meeting of the liquidator has been held by 31 December 2017, there is no requirement to make an annual validation submission.

Other Registry Information

Waiver resolutions

AGM Waiver

The Companies (Guernsey) Law, 2008 requires that every company holds an annual general meeting (AGM) of its members.

However, the members of a company may pass a waiver resolution to waive the requirement to hold an AGM.

The waiver may be for a year, several years or indefinitely.

If your company does not wish to hold an AGM it is important that members pass an AGM waiver resolution and submit it to the Registry.

Audit Waiver

The Companies (Guernsey) Law, 2008 requires that a company's accounts for a financial year must be audited, unless that company is exempt from audit.

The members of a company may pass a waiver resolution exempting the company from the requirement to have their accounts audited. The waiver resolution must be passed in the financial year before the financial year to which it relates.

The waiver may be for a year, several years or indefinitely.

If your company does not wish to audit its accounts it is important that members pass an audit waiver resolution and submit it to the Registry.

Further information on waiver resolutions, including pro-forma resolutions, is available on the Registry website: www.guernseyregistry.com/resolutions.

Charity and Non-Profit Organisation Renewals

Registered Charities and Non-Profit Organisations (NPOs) must renew their registration annually.

The Registry will send out pre-populated renewal forms to the contact address of all charities/NPOs during November.

For those charities/NPOs that are also registered companies, the charity/NPO renewal documentation must be submitted **as well as** the online company annual validation as they are requirements under two separate pieces of legislation.

Completed renewal forms can be returned to the Registry by post or email (enquiries@guernseyregistry.com).

Submissions must be received by **31 January 2018**.

Office Opening Hours & Contact Details

Office Opening Hours:

9:30am - 4pm Monday to Friday (with the exception of Wednesday when the office opens at 10am due to staff training).

Telephone Enquiries:

9:30am (10am on Wednesdays) - 5pm Monday to Friday.

Telephone: (+44) 1481 743800

Office Address: Market Building, PO Box 451, Fountain Street, St Peter Port, Guernsey, GY1 3GX

Email: enquiries@guernseyregistry.com

Online Services Portal: www.greg.gg (available 24/7) **Website:** www.guernseyregistry.com

Useful links



Locate Guernsey -

Information to help businesses and individuals looking to relocate to Guernsey

www.locateguernsey.com



Startup Guernsey -

Information and advice on setting up a business in Guernsey

www.startup.gg



Digital Greenhouse -

Focused on growing Guernsey's digital and creative sectors and provides co-working space, meeting rooms and event hosting for digital/creative startups

www.digitalgreenhouse.gg

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03/11/2017