

Guernsey Registry Update - November 2022

You have received this Industry Update because you are currently registered as a Corporate Services Provider (CSP) or Regulated Presenter on the Guernsey Registry Online Services Portal.

Contents:

IT Transformation Project

Company Annual Validation

- The Companies (Annual Validation) (Amendment) Regulations, 2022

Civil penalties for failure to file annual validation in 2022

2023 AV summary/timeline

Limited Partnerships, Limited Liability Partnerships and Foundations

- The Limited Partnerships (Annual Validation) (Striking off) Regulations, 2022

Guernsey Finance Levy

Charity/NPO renewals

Registry notices

Guernsey Registry—Vision, Mission, Strategic Purpose & Goals

Contact details and opening times

Introduction

2022 has been the year for the Registry to embark on a transformation process.

You should all be familiar with the changes introduced in 2021 around the annual validations, necessary to ensure that the Registry can support the jurisdiction in evidencing that we meet all the international standards by which we are judged and assessed.

With this in mind we have now commenced a large scale IT transformation that will result in the launch of a new Guernsey Registry customer portal. This new enhanced IT system is being designed to improve the user experience and take advantage of enhanced IT technologies, to ensure that we can continue to maintain our Registers in an accurate and timely manner whilst maintaining data security.

This transformation is being delivered in two phases. Phase one developments are being launched in increments over the coming weeks, namely some further adjustments to the annual validation form, plus additional minor amendments to some functionality, and the launch of a full online digital charity and NPO Register.

The phase 2 developments are expected to be launched during 2024, and these will provide a new online portal and improved functionality for all users. We are engaging with the various sector representative organisations to develop a stakeholder forum, through which we can update on progress and seek volunteers to assist with user acceptance testing. Further information can be found in this update, we will continue to issue further updates via newsletters and also on our website.

Whilst all the above transformation is ongoing the team at the Registry continue to assist with all ongoing business as usual. Please be mindful of staffing constraints, especially during the ongoing transformation.

Helen Gains, Registrar

IT Transformation Project

The project has been split into 2 phases to allow certain development work to be prioritised.

Phase 1A – has now been launched

This is an upgrade to the current Registry IT system, the changes are:

- The main change users will see is to the Annual Validation, further information can be found on [page 3](#).
- Addition of fiduciary licence exemption questions to the company incorporation form and add/remove directors form when adding individuals as directors.
- Change to incorporation form and add/remove beneficial owners form to require users to enter a person number when adding a beneficial owner who is an individual (this is in preparation for the upcoming person register)
- Addition of nationality/second nationality to the person registration form and change person details form when registering individuals

Phase 1B – Estimated launch date 1 December 2022

This is the build of the new Charities and NPO platform. The Charity and NPO Ordinance has been repealed and replaced to ensure that International Standards are being met.

A new IT solution is being developed to replace the old paper based system. This new system is based in the same software that will be deployed in Phase 2 to replace the existing registers of companies, partnerships, beneficial ownership etc.

The new Charity and NPO platform will help the Registry meet the requirements of the upcoming MoneyVal assessment in Q1 2024.

Phase 2 – Launch date Q2 2024

The current system is now over 10 years old and in need of replacement to meet future requirements. It will include the following:

- New customer portal
 - New front and back office functions
 - Integrated reporting
 - Controlled and limited API development for external customer and agencies bulk filing
 - All products that the Registry utilise will move online.
 - Allow the Registry to operate in a more efficient manner to provide a better service to its clientele
 - Improve the user experience with up to date standards compared to other jurisdictions
 - Essential for the long-term sustainability of the Registry system
-

Company Annual Validation

Annual validation information

The annual validation dates remain unchanged. Annual validation fees also remain unchanged.

The 2023 company annual validation form is now available for users to draft submissions online.

Annual validations will be able to be submitted from 1 January 2023 and the deadline for filing will be 28 February 2023.

**Company annual
validation deadline:
28 February 2023**

The Companies (Annual Validation) (Amendment) Regulations, 2022

The above regulations have updated some of the requirements in relation to company annual validations.

These updates expand some of the questions asked of companies, removing the need to state whether they are an investment company, equity holding company, etc. Companies are still asked to confirm if they have subsidiaries and if so the location of those subsidiaries, they will also be asked to indicate if they hold assets. The definition of assets has been extended beyond focusing just on real property and now includes any high value assets that have a market value of over £10,000,000. Companies are also asked to indicate whether any subsidiaries hold assets.

The annual validation now also requires all companies to advise an address for service for a resident agent, the length of time the resident agent has been a director or otherwise associated with the company, whether the resident agent is also a beneficial owner of the company, and whether the resident agent has served a section 9 notice under the Beneficial Ownership Law.

Unfortunately, because we have needed to introduce these amendments to the form it does mean that both the above information and the directors questions explained below, will not be pre-populated from data input in previous annual validations. **The Annual validation submission form is now available to draft through the online services portal.**

Annual Validation - Director Questions

Please note that we have made some amendments to how these questions are now asked and have consolidated the reasons for not holding a personal fiduciary licence into one list.

We have undertaken an analysis exercise and noted that some exemption reasons may have been applied incorrectly. In particular we noted that a large number of persons stated that they acted as a director for no reward, however the company in question was not an NPO and we would normally expect to see this exemption being used in those circumstances.

We also noted a higher than expected use of the 6 directorships exemption, and we would recommend companies and those completing the annual validations on behalf of companies, to ensure that they are appropriately using this exemption.

We will continue to monitor the response being given in this area and will contact any companies where we think there may be some confusion.

[Full guidance on how to complete the annual validation along with a list of all the possible additional questions on the AV is available on our guidance notes page here](#)

Company Annual Validation - continued

Voluntary strike off - deadline for filing ahead of annual validation

Companies that intend to apply for voluntary strike off must have filed a voluntary strike off application by 31 December 2022 otherwise it will be necessary to file and pay for the annual validation in January/February 2023. Any voluntary strike off applications made after 31 December 2022 will not be registered until an annual validation submission is submitted and paid for.

Voluntary winding up - deadlines for filing ahead of annual validation

Companies in voluntary winding up part 1 (liquidator appointed) as at 31 December 2022

If a company has appointed a liquidator by 31 December 2022 and has a status of 'Voluntary Winding Up Part 1 - Liquidator appointed' as at 31 December, an annual validation submission must be made but this will be free of charge.

Where a liquidator is appointed with effect from 1 January 2023 onwards, a voluntary windup submission will only be accepted if the company has filed and paid for an annual validation in January/February 2023.

Companies in part 1 voluntary winding up that fail to file an annual validation submission will be liable to a civil penalty.

Companies in voluntary winding up part 2 (liquidator final meeting) as at 31 December 2022

Companies which have held the final meeting by 31 December and are in 'Voluntary winding up part 2 - liquidator final meeting' status as at 31 December 2022 are not required to file an annual validation submission in 2023.

Annual validations for companies in compulsory winding up or administration

Companies in compulsory winding up as at 31 December 2022

Companies in compulsory winding up as at 31 December 2022 must file an annual validation submission by 28 February 2023, however there will be no charge for the submission.

Companies in compulsory winding up that fail to file an annual validation submission will be liable to a civil penalty.

Companies in administration as at 31 December 2022

Companies in administration as at 31 December 2022 must file **and pay** for the annual validation by 28 February 2023.

Companies in administration that fail to file an annual validation submission will be liable to a civil penalty.

Annual validations for companies intending to migrate out of Guernsey

Companies on the Register as at 31 December 2022 will be required to file and pay for an annual validation in January/February 2023 before a migration out can be processed.

Annual validations for companies intending to amalgamate

Companies intending to amalgamate after 31 December 2022 must have filed and paid for an annual validation in January/February 2023 before the amalgamation can be completed.

Company Annual Validation - continued

Filing ineffective registered office submissions ahead of annual validation

Where a CSP needs to file a registered office ineffective submission in respect of a company, this must be done on/before 31 December 2022 to not be required to file an annual validation.

Companies that are already in 'registered office not effective' status as at 31 December 2022 will not need to file an annual validation. If the company subsequently files a change of registered office it would need to then file and pay for its annual validation and any civil penalty that may be due.

Ineffective registered office submissions received after 31 December 2022 will be accepted, but if no annual validation is filed by 28 February 2023 the company will still be liable to civil penalties.

Removal of directors/resident agents and annual validation

Registry users are reminded that companies (unless they are resident agent exempt) must have at least one director and a resident agent at all times, including while in voluntary winding up.

Companies that have no directors/no resident agent are liable to be struck off under section 355 of The Companies (Guernsey) Law, 2008. However, where an annual validation is due to be filed the company will not be struck off until either an annual validation is filed or the civil penalty process has been completed ([see page 6 for further information on the process](#)).

Strike off of companies that fail to file an annual validation

The Registry has previously received a number of queries from corporate services providers intending to remove companies from the register by not filing the annual validation and allowing the company to be struck off.

We would remind CSPs that this is not an appropriate course of action.

A company which fails to file an annual validation is guilty of an offence and liable to a civil penalty.

Where a civil penalty is issued for failure to file an annual validation, the company will not be struck off until the civil penalty process has been completed ([see page 6 for further information on the process](#)).

CSPs wanting to remove companies from the Register should follow the appropriate process (voluntary strike off, voluntary winding up, compulsory winding up, etc.) prior to 31 December 2022. Further information on deadlines and procedures for filing voluntary strike off/voluntary winding up submissions is available on [page 4](#) of this document and in our [guidance notes here](#).

Beneficial ownership information on annual validation

There is no requirement to re-file beneficial ownership information before filing an annual validation, as the beneficial ownership details are required to be kept up to date throughout the year.

Please note that the company's record of beneficial ownership must be current as at the date the annual validation is filed.

The annual validation form does not display the current beneficial ownership information held by the Registry. If there is any doubt as to the contents of the beneficial ownership register you can file a new statement of beneficial ownership by submitting an 'Add/Remove BO Entity Details' form and selecting the option to 'file a new statement of beneficial ownership'. The Registry is not able to provide copies of previously submitted beneficial ownership filings.

[Further information and guidance on beneficial ownership can be found here.](#)

Civil penalties for failure to file annual validation

Background

Following the coming into force of The Companies (Registrar) (Fees and Penalties) Regulations, 2020 on 1 January 2021, **all companies that fail to file an annual validation will be liable to a civil penalty.**

This replaces the previous system of late filing fees.

The civil penalties are per company or incorporated cell and will be applied from 1 March 2023 and thereafter, as follows:

- **£250** for companies filing up to one week late, i.e. on or before 7 March 2023,
- **£500** for companies filing up to one week to one month late, i.e. on or before 31 March 2023,
- **£1000** for companies filing up to one month or more late, or failing to file at all.

Please note that companies wanting to be removed from the register must follow the appropriate process (voluntary strike off, voluntary winding up, compulsory winding up, etc.) prior to 31 December 2022.

Companies that fail to file an annual validation will be liable to a civil penalty and will not be struck off until the civil penalty process has been concluded.

Civil penalty process

Every company that fails to file an annual validation by 28 February 2023 will be sent a letter to their registered office address on 1 March 2022 advising that they are now liable to a civil penalty.

The status of every company that fails to file an annual validation will be changed to 'In Default' until the annual validation is filed.

Where the Registrar is satisfied that a civil penalty should be issued, a civil penalty order will be sent to the registered office of the company by recorded delivery. The order will set out how the civil penalty should be paid (please note that civil penalties cannot be paid using a Registry account) and the company will have 28 days from the date of the order to pay the civil penalty.

Failure to pay a civil penalty

If a company fails to pay a civil penalty the Registrar may proceed to enforce payment as if the amount were a civil debt.

Appeals against a civil penalty order

A company can apply to the Court to set aside or modify an order to pay a civil penalty made by the Registrar in accordance with section 511 of [The Companies \(Guernsey\) Law, 2008](#).

An application must be made within 21 days of receipt of the order and the applicant should give notice of the application to the Registrar.

Once a civil penalty order is issued it is not possible to appeal directly to the Registrar.

Civil penalties for failure to file annual validation as at 31 December 2021

The Registrar has issued civil penalty orders to a number of companies this year for failure to file the annual validation due by 28 February 2022.

The number of civil penalties issued to date this year is as follows:

- £250 civil penalty (annual validation filed up to one week late) - **82**
- £500 civil penalty (annual validation filed up to one week to one month late) - **50**
- £1000 civil penalty (annual validation up to one month or more late or not filed at all) - **56**

All companies that failed to file an annual validation in 2022 have been issued with a £1000 civil penalty.

2023 company annual validation summary/timeline

1 December 2022

Companies incorporated on/after 1 December 2022 will not be required to file an annual validation submission.

The company annual validation form will be available for users to draft submissions.

31 December 2022

Deadline for filing voluntary strike off, voluntary winding up, ineffective registered office applications. Any company that files one of these applications after 31 December 2022 will be required to file and pay for the annual validation.

Any company that files a voluntary strike off application on/before 31 December 2022 will not need to file an annual validation.

Companies which have appointed a liquidator before 31 December 2022 and are in part 1 voluntary winding up as at 31 December 2022 must file an annual validation but there will be no charge.

Companies which have held the final meeting before 31 December 2022 in part 2 voluntary winding up as at 31 December 2022 do not need to file an annual validation.

Companies in administration as at 31 December 2022 must file **and pay** for an annual validation.

Companies in compulsory winding up as at 31 December 2022 must file an annual validation but there will be no charge.

1 January 2023

Annual validation submissions will be accepted by the Registry.

28 February 2023

Annual validation deadline.

1 March 2023

All companies that have not filed an annual validation submission by 28 February 2023 will be liable to a civil penalty from 1 March 2023.

Limited Partnerships, Limited Liability Partnerships & Foundations

Please note that the annual validation filing period for limited partnerships, limited liability partnerships and foundations will remain 1 June 2023 - 30 June 2023 as in previous years.

Further information will be provided closer to the time.

The Limited Partnerships (Annual Validation) (Striking off) Regulations, 2022

The Limited Partnerships (Annual Validation) (Striking Off) Regulations, 2022 were made by the Economic Development Committee in October 2022. These regulations now provide for the striking off of Limited Partnerships that fail to submit an annual validation.

Currently those failing to file the annual validation have remained on the Register with the Greffier being unable to sanction the failure, these regulations now address this. However it is anticipated that a civil penalty regime, similar to that applied for companies will be adopted in the near future.

Any Limited Partnerships that are no longer required must be dissolved using an appropriate process.

Guernsey Finance Funding Levy

The Guernsey Finance Funding Levy is due in January 2023 for all companies licenced by the Guernsey Financial Services Commission.

A late filing fee of £250 per month will apply to all Guernsey Finance funding submissions made from 1 February 2023.

Licensees who have made a 'nil' return in a previous year do not need to file again (unless they now have employees).

New licensees (first licenced during 2022) will be notified of their GFF reference number by post from early December 2022.

Further information on the Guernsey Finance Funding Levy, including how to calculate the number of FTE and how to make the submission, is available here: <http://www.guernseyregistry.com/GFF>.

**Guernsey Finance
Funding Levy
deadline:**

31 January 2023

Charity and NPO Renewals

The Charities etc. (Guernsey and Alderney) Ordinance, 2021 came into force on 29 April 2022.

This means that Charities and NPOs in Guernsey and Alderney are now subject to some new or enhanced requirements. The various legal requirements set out in the Ordinance and regulations will be phased in to allow time for awareness and adaptations to be made where necessary.

On 1 December 2022 a new Charities and NPO online portal will be launched, allowing for a new digital Register similar to that of companies. All submissions will be made online via this new portal and paper submissions will no longer be accepted.

This means that the upcoming annual validation for Charities and NPO's will be an online process.

More information will be sent out to charities over the coming weeks along with guidance notes and video tutorials explaining how to access and use the online portal.

If you administer a charity that is also a Guernsey incorporated company (LBG or Ltd.) you will need to complete an AV for both the company and the charity. This will involve you having to complete the relevant separate AV forms via two separate portals.

**Charity/NPO renewal
deadline:**

28 February 2023

Registry notices and updates

Online search update

Following feedback from Registry users, annual validation forms (which are no longer available for purchase due to the additional information collected) now show up in the 'Documents' list on the online search. This change will also apply to subsequent annual validations. These documents remain unavailable for purchase by the public and show up as below:

Please note: documents showing 'n/a' are not publicly available so cannot be purchased.

Show records per page

Sub Ref Num	Sub Status	Sub Type	Doc Type	Rec Date	Reg Date	Scanned	Num Pages	Buy Electronic	Buy Certified
905700	Registered	Change Address	Change of Reg Office Address Form	13-Apr-2021	13-Apr-2021	Yes	2		
915228	Registered	AV Non Regulated Companies	Annual Validation Form - Additional Information	22-Jun-2021	22-Jun-2021	Yes	18	n/a	n/a

Displaying 21 - 22 of 22 records. ◀ Page 5 of 5 ▶

Account balances and statements

Registry account holders are reminded of the payment terms for credit accounts. **The closing balance on the account is due in full within 30 days of the account statement being issued.** Failure to pay may result in the account being frozen until payment is made.

Where payments are made by BACS please include a clear reference with the payment (i.e. the account number or name) to help us apply the payment to the correct account as quickly as possible. It would also be useful if you could email a remittance advice to enquiries@guernseyregistry.com.

Account statements are issued on the first working day of every month, and a reminder email is sent to all account contacts when the statements become available to view on the Online Services Portal.

Please note that account credit limits will be increased as appropriate during December for the upcoming annual validations. Please contact us if you would like to inform us of the credit limit you are likely to need.

Further information on credit accounts is available here: <http://guernseyregistry.com/creditaccounts>.

Registry notices and updates - Continued

Company classifications - Category 5 - CSP Administered Companies (inc. res agent and/or reg office)

CSPs are reminded that any companies which are in receipt of registered office and/or resident agent services from a licensed fiduciary must be in 'Category 5 - CSP Administered Companies (inc. res agent and/or reg office)', as prescribed by [The Companies \(Registrar\) \(Fees and Penalties\) Regulations, 2020](#).

This specifically includes any companies with their registered office at an address associated with a CSP. Company administration (including provision of a registered office or accommodation address) is a regulated activity under the Fiduciaries Law, and there is an obligation under the Companies Law for statutory records to be kept at the registered office address.

The Registry will shortly be undertaking a review of company classifications and will be contacting CSPs where there are any queries regarding the classification of companies under their administration and/or registered at their address.

Director and resident agent requirements for companies in liquidation

In accordance with section 395(2) of The Companies (Guernsey) Law, 2008, when a liquidator has been appointed to wind up a company, the powers of the directors cease - except where the company (by ordinary resolution) or liquidator sanctions that their powers can continue.

However Registry users are reminded that in accordance with section 135 of The Companies (Guernsey) Law, 2008, all companies must have at least one director. A company which fails to comply with this requirement will be listed for strike off.

In addition every company, unless exempt, must have a resident agent who is either a corporate service provider or an individual resident director as per section 483 and 484 of The Companies (Guernsey) Law, 2008.

Migrations and Amalgamations

Please be reminded that the Registry is open for the processing of submissions Monday to Friday, during business hours, and excludes weekends and bank holidays. Therefore we are unable to process and date submissions outside of our business hours.

Additionally we would like to remind legal persons and their administrators that it is necessary to liaise and agree dates and timings for amalgamations and migrations, to ensure that where cross border activity is occurring all parties are lined up to enable actions take place on the same effective date. Once we have registered or removed an entity from our register we cannot backdate dates.

We also cannot guarantee that a preferred date will be possible, if we are not given sufficient advance notice, in order to ensure that all necessary compliance verifications have been undertaken and resource is available to undertake the processing.

Guernsey Registry - Vision, Mission, Strategic Purpose & Goals

The Registry works to ensure that it achieves the objectives set out in the document below and will review it periodically to ensure that it remains relevant and useful.

Vision

To be an effective and transparent leading global registry - providing credible and assured data via modern, sleek, agile and reliable IT systems.

Mission

- The provision of secure, accurate, reliable and easily accessible registers to maintain Guernsey's global reputation as a jurisdiction of choice.
- Through the administration of the Office of the Registrar we serve all stakeholders by delivering the statutory responsibilities under all relevant laws which assists with promoting, enhancing and encouraging business growth and social responsibility in Guernsey and the global financial community.

Strategic Purpose

To enable, encourage and, where necessary enforce and sanction, compliance with Guernsey and international legal frameworks and standards.

Strategic Goals

- We maintain trusted registers that encourage confidence and hold Guernsey entities to account.
 - We maximise the value of our data and registers, to remain relevant and support financial and business growth.
 - We work to combat financial and economic crime via active analysis of data and intelligence, and the effective collaborative working with all Guernsey AML/CFT competent authorities
 - We continue to invest in, and recognise the staff resource, to encourage and drive quality and performance.
 - We are a modern, digital organisation using responsive, resilient, sustainable connected systems.
 - We strive to deliver efficient and effective customer service.
-

Office opening and contact details

In the first instance we would encourage all of our customers to review the comprehensive guidance and information available on www.guernseyregistry.com before contacting us.

If you are unable to find what you need please feel free to contact us with your questions using the details below.

Opening hours

The Guernsey Registry office is open for visitors 10am - 4pm Monday to Friday.

When visiting our office you will be required to provide contact details, in case track and trace is required.

Contact details

Email address: enquiries@guernseyregistry.com

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

Telephone: 01481 222800

(Our telephone service is available Monday to Friday 10am - 4pm only)

Websites: Information and guidance - www.guernseyregistry.com

Online submissions portal - www.greg.gg

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.

Date issued:
08/11/2022