

Kothari Auditors & Accountants
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BRITISH VIRGIN ISLANDS (BVI)

1. SYNOPSIS

The British Virgin Islands are a British dependency located in the Eastern Caribbean, about 80 kilometers East of Puerto Rico. English is the official language and the official currency is the United States Dollar. The Government is stable and promises to remain that way. There is good commercial and professional infrastructure and the Government is actively encouraging the development of the offshore finance business and has now upgraded the Companies Registry by installing state of the art technology.

The International Business Companies Act was passed in 1984 and created the International Business Company (IBC) which is the preferred offshore company vehicle. In recent years the BVI has become extremely popular, particularly in the Far East region, due to the extensive marketing of the jurisdiction particularly by lawyers who moved from Panama during the Noriega regime and set up offices in the BVI.

2. THE BVI IBC

A BVI IBC has the following characteristics:

a. Taxation:

IBCs pay no taxes in BVI

b. Shareholders:

A minimum of one shareholder is required and we issue shares in registered form only. No details of the shareholders appear on the public file but a register of shareholders must be kept at the registered office address of the company in BVI.

c. Directors:

A minimum of one director is required and corporate directors are permitted. Details of the directors do not appear on the public file.

d. Annual Reporting:

No annual return or accounts need be filed. It should be noted that penalty fees upto 50% of the annual Government fee will be incurred if the licence fee is not paid when due.

e. Timescale:

Incorporation can be achieved within 24 hours however, it does take approximately 1 week for documents to arrive from BVI. We do keep ready-made companies in stock available for immediate purchase.

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f. Restrictions on Name and Activity:

Names must end with one of the following words, or abbreviations thereof - Limited, Corporation, Incorporated, Societe Anonyme or Sociedad Anonima.

The following words and their associated activities, cannot be used: Assurance, Bank, Building Society, Chamber of Commerce, Chartered, Co-operative, Fund, Imperial, Insurance, Municipal, Mutual Fund, Royal and Trust.

g. Local Requirements:

As a matter of local company law the company MUST maintain a registered office address within BVI and must also appoint a BVI resident as registered agent. We would generally provide these services as part of the domiciliary service fee.

h. Secrecy:

There are no specific statutory provisions governing secrecy in relation to companies but English Law, which applies within the jurisdiction, does impose a common law duty on professionals to keep the affairs of their clients confidential.

i. Costs / Charges:

Cost / Charges would be quoted on request.

Whilst every effort has been made to ensure that the details contained herein are correct and up-to-date, it does not constitute legal or other professional advice. We do not accept any responsibility, legal or otherwise, for any errors or omissions.
