

Limited companies - Annual validation frequently asked questions

Introduction

This guidance note is intended to answer some frequently asked questions regarding the 2021 company annual validation form and the questions asked on the form.

Further guidance on annual validations is available at the below links:

- [How to sign up for the Online Services Portal](#)
- [Step by step guidance on how to submit the annual validation for local trading/holding companies](#)
- [General guidance on how to complete the company annual validation](#)
- [List of all possible questions and options on the 2021 company annual validation form](#)

When do I need to submit the annual validation?

All companies must file an annual validation submission online at www.greg.gg between **1st June and 31 July 2021** (unless they were incorporated in May 2021).

The annual validation does not 'validate' the company for a particular period of time, it is designed to capture the details of the company as at a single point in time (this year, 31 May 2021).

What has changed for this year's annual validation?

Following the passing of [The Companies \(Annual Validation\) Regulations, 2020](#), some additional information will be collected during the annual validation process this year.

The additional information will be collected on the annual validation form itself. The exact details required for each company depend on various factors such as whether the resident agent is an individual or a corporate services provider and the classification of the company.

The online form automatically shows/hides questions as appropriate so you will only need to answer the questions displayed on the form for your company.

This document provides some further information on how to answer the new questions on the annual validation form.

What is a fiduciary licence and who is required to hold one?

Fiduciary licences are issued by the Guernsey Financial Services Commission (GFSC) to individuals and companies who undertake regulated activities (such as acting as trustee for a trust or acting as a nominee shareholder).

In the vast majority of cases directors of local trading companies, property holding companies and other similar non-regulated companies are not required to hold a fiduciary licence because they are exempt from the requirement - see below for more details.

Directors who are not resident in the Bailiwick of Guernsey are not required to be licenced by the GFSC.

What are the exemptions from the requirement for directors to hold a fiduciary licence?

Directors who fit any of the below descriptions are exempt from needing to hold a fiduciary licence - these options are available to choose on the annual validation form after selecting 'Exempt from requirement for licencing under s.3 of the Fiduciaries Law'.

- Director of a company established to run a local business
- Director of a company in the majority ownership of that director or his/her family (this includes most local property holding companies)
- Director of a company listed on a recognised stock exchange
- Director of a company supervised by the GFSC
- Director of a subsidiary of a company that meets one of the above exemptions

Additionally, it is possible for directors to hold up to 6 directorships that do not meet any of the above exemption criteria before it becomes necessary to hold a fiduciary licence.

What is a licenced administrator?

Licensed administrators are companies that are licenced by the GFSC to provide administration or management services to companies. An example of this would be where a trust company or fiduciary provides administration services to your company (e.g. making filings or providing a registered office).

Accountants, bookkeepers and auditors are not considered to be licenced administrators for the purpose of the annual validation.

What is an 'ongoing business relationship to a GFSC licensee or authorised person'?

If your company does not have a licenced administrator you will be asked whether you have any ongoing business relationship to a GFSC licensee or authorized person.

Examples of GFSC licensees or authorised persons include accountants, auditors, law firms or investment managers. If your company receives **ongoing** services of this type (for example preparation of accounts) you will need to specify on the annual validation form.

What is a resident agent?

A resident agent is a person or Corporate Services Provider (CSP) who is responsible for finding out who the beneficial owners of the company are and maintaining a record of the beneficial owners' details.

What are the responsibilities of the resident agent?

A resident agent has certain responsibilities under The Beneficial Ownership of Legal Persons (Guernsey) Law, 2017:

- Must take reasonable steps to ascertain the identity of the beneficial owners of the company
- Must keep a record of the required particulars of the beneficial owners of the company at the registered office address
- Must keep the record of beneficial owners up to date
- Must notify the Registrar of any changes to the record of beneficial owners within 14 days of any change. [Guidance on how to file beneficial ownership information is available here.](#)
- Must take all reasonable steps to ensure the security and confidentiality of the beneficial ownership information
- Where a company is dissolved, terminated or struck off, must retain the record of beneficial ownership as at the date of dissolution for 5 years from that date.

[Further information on resident agents is available here.](#)

What date should I enter for 'date resident agent became associated with the company'?

The system will automatically enter the date that the resident agent was appointed, according to the Registry's records.

If the resident agent became associated with the company at an earlier date, for example if they were a director prior to becoming the resident agent, you should enter the date they became a director of the company.

Why would a resident agent need to serve a notice to obtain information on the beneficial owners of a company?

It is only a requirement for a resident agent to serve a notice on a person to obtain information on whether they are a beneficial owner of a company if there is any doubt as to whether they are or not, or if the resident agent thinks the information they have been given is incomplete/inaccurate.

If the resident agent already knows the identity and all the relevant details of the beneficial owners they do not need to serve any notices to find out any more information.

What is an equity holding company?

A company is 'equity holding' where it holds shares in another company (or companies).

If your company holds assets such as property, it is not an equity holding company and you would need to select 'asset holding company' as the purpose.

What is an investment company?

A company is an 'investment company' where its activities wholly or mainly consist of making investments and its income is derived from those investments.

Companies that purely hold assets as part of an investment portfolio would be considered to be 'asset holding' for the purposes of the annual validation.

What is an asset holding company?

A company is an 'asset holding company' where it holds assets such as property or intellectual property.

This category would cover any companies that own property such as a house, car, boat, etc.

What is an activity company?

A company is an activity company where its purpose is to carry out some kind of commercial activity.

This category would cover local trading companies such as retail, construction and other local businesses, and any other companies carrying out commercial activity.

What is a charity/NPO company?

A company is a charity or non-profit organisation (NPO) if it is registered as a charity/NPO in Guernsey under the Charities etc. (Guernsey and Alderney) Ordinance, 2020.

What should I do if my company fits into more than one of the above purposes?

It is possible to select more than one purpose on the annual validation form so you should select all purposes that apply to your company.

What is meant by a an 'express trust'?

An express trust is any trust arrangement that has been created intentionally.

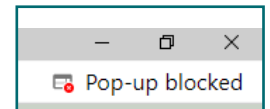
Why are there blank pages/blank questions on the summary PDF?

Due to system limitations, the summary PDF at the end of the submission may display blank pages/blank answers to questions that did not need to be answered on the online form.

This is because the form is able to show/hide the relevant questions that need to be answered for each company as appropriate, but limitations with the way the PDF is generated mean that every question is displayed regardless of whether it needed to be answered.

Why is the summary PDF not opening when I try to download it?

Some web browsers block pop-ups from the www.greg.gg website which prevents the summary PDF from appearing automatically. When clicking the 'Download PDF' button you may see a 'Pop-Up blocked' notice at the top right of the screen.



To open the PDF, click the 'Pop-up blocked' icon and then click the link. The PDF should open in a new window for you to print or save.

Will the additional information be available to the public?

No, the additional information being collected on the annual validation will not be available to the public.

Annual validation documents submitted from 2021 onwards will not be available for purchase from the Registry. All the information that was available on the pre-2021 annual validation forms is available by requesting a Statement of the Register.

Office opening hours and contact details

If you need any more information please contact the Registry:

Email: enquiries@guernseyregistry.com

Telephone: +44 (0)1481 222800
(Monday to Friday 10am - 4pm only)

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