

An abstract, 3D-style geometric pattern of interconnected blue cubes and lines, resembling a molecular or network structure, is positioned in the upper right background.

Liechtenstein

Accounting

FUNDS AND FUND MANAGEMENT 2009

1.1 Requirement to produce financial statements

Accounting

The management company has to keep separate accounts for each administrated investment undertaking and for each segment of a segmented investment undertaking (umbrella funds). A foreign currency can be designated in the prospectus. The basic principles regarding accounting and valuation are regulated in article 15 to 19 of the Ordinance on Investment Undertakings (IUO). These encompass:

- basic accounting principles;
- valuation of assets and the shares;
- depreciation (of securities and money market instruments with remaining duration of less than 12 months and bond – funds);
- treatment of capital gains and losses; and
- revaluations and depreciation.

Disclosure and publication

In accordance with article 20 ff. IUO the management company has to issue within four months after closing an annual report for each administrated investment undertaking. This report also includes the annual financial statements, which consist of:

- statement of assets;
- off-balance sheet transactions;
- profit and loss statement;
- information on the appropriation of income; and
- statement of changes of net assets

The annual report includes:

- information on the amount of units;
- development of net inventory value over three years;
- inventory of assets including changes in composition of the assets during the reporting period;
- activity report consisting of:
 - depositors contracted by the depository bank;
 - name of persons to whom investment decisions are delegated;
 - information on issues of major economic or legal importance dealt with by the management company during the reporting period; and
 - disclosure of total expense ratio (TER);
- short-form report of the external auditors.

Audit

In accordance with article 27 of the Investment Undertakings Act (IUA) each investment undertaking and the investment management company is to be audited by independent auditors recognized (and supervised) by the Financial Market Supervision Authority (FMA).

This audit includes compliance of the licensing prerequisites, the business activities and the annual report with the law, the articles of incorporation and the complete and simplified prospectuses. The short form report is included in the annual report, whereas the detailed regulatory audit report is addressed to the FMA, the board of directors and the general management of the management company as well as to the depository bank and its regulatory auditors.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.