

A large, abstract graphic of a network or sphere made of interconnected blue nodes and lines, positioned in the upper right background of the page.

# Netherlands Antilles

## Accounting

FUNDS AND FUND MANAGEMENT 2009

### 1.1 Requirements to produce financial statements

#### Requirement to maintain the books and records in the local jurisdiction

Investment institutions must maintain books and records, including a balance sheet, and profit and loss account annually, in accordance with the Civil Code. Such books and records must be kept for a period of 10 years in such a manner that the rights and obligations of the investment institution are readily ascertainable at all times. However, there is no specific requirement to maintain such books within the Netherlands Antilles.

#### Production of financial statements by investment institutions

An investment institution that has not obtained an applicable exemption or dispensation under the National Ordinance on the Supervision of Investment Institutions and Administrators (NOSIIA) is required to submit annual financial statements certified by an external auditor to its participants within a period of four months after the close of the book year. At the same time, a copy of the audited financial statements, annual report, and a management letter should be submitted to the Central Bank of the Netherlands Antilles (Central Bank). In addition, every such investment institution must disclose to its investors its semiannual figures within two months of the end of the first half year, and provide a copy to the Central Bank.

#### Choice of period/year-end for investment institutions

Investment institutions may under circumstances choose their own year-end. Unless the articles of association provide otherwise, the accounting period of an investment institution is equal to the calendar year. If the investment institution wishes to change the accounting period this should be done in accordance with the articles of incorporation and with approval of the tax inspector. Investment institutions that are under the supervision of the Central Bank need prior approval of the Central Bank to amend their financial year.

### Requirement for comparatives

Comparative information requirements are governed by the accounting standards used. The form in which the annual financial statements have to be drawn up, the successive points in time which they relate to, and the times within which they are to be submitted, are determined by the Central Bank after consultation with the representative organizations appointed under the NOSIA and are presently laid down in the Central Bank's Directives on the Supervision of Investment Institutions and Administrators dated January 2003.

### Restriction on the currency under which financial statements must be prepared

There is no legal restriction on the currency under which financial statements must be prepared – this is governed by the accounting standards chosen. The financial statements that are submitted to the tax inspector (if applicable) should be in a local or major currency (ANG, USD, or EUR).

### Umbrella schemes

There are no specific accounting considerations for umbrella schemes.

### Classes of shares

Financial statements are required to incorporate all classes of shares. It is not required that separate financial statements are produced for each class of share.

## 1.2 Requirements to audit financial statements

An auditor's report has to be included with the financial statements of funds that have not obtained an applicable exemption or dispensation under the NOSIA.

## 1.3 Publication of the financial statements

If a fund is incorporated in a limited liability company (naamloze vennootschap) and is considered as large in the meaning of the Civil Code, the financial statements should be audited and made available for interested parties. This civil law requirement does not apply to funds incorporated as other types of legal entities, and to funds that have no legal personality.

The following regulatory requirements apply to investment institutions, irrespective of their corporate status, that have not obtained a Central Bank dispensation or exemption of these following stipulations. A dispensation or exemption of part of these stipulations may be obtained from the Central Bank under certain circumstances.

- Annually within four months of the end of the book year, a licensed investment institution has to make its annual accounts, audited by an external auditor, available to the participants.
- Simultaneously with the disclosure of the annual accounts as referred to above, the investment institution must make known the location where the annual accounts as well as the annual report can be obtained at the address of each participant, or if the address information is unknown, on the Web site of the investment institution, or if the investment institution does not have a Web site, through an advertisement in the official pricing publication of the securities exchange where the participating interests of the investment institution are listed. Simultaneously with the disclosure, the investment institution has to send a copy of the annual accounts, annual report and management letter to the Central Bank.
- Annually, within two months of the end of the first half of the book year, the investment institution has to disclose to its investors its semiannual figures and make these available free of charge to them. Simultaneously with the disclosure, the investment institution has to send within the same aforementioned period a copy of the semiannual figures to the Central Bank.
- The Central Bank issues stipulations with regard to the form in which the financial statements should be drawn up, the successive points in time which they relate to, and the times within which they are to be submitted.

#### 1.4 Accounting standards

All recognized GAAP can be used for preparing the financial statements.

#### 1.5 Content of financial statements

The financial statements should have all the disclosures necessary under the GAAP adopted by the investment institution.

#### 1.6 Accounting treatments and disclosures

Investment institutions should have a prospectus. The prospectus of an exempt institution should mention the exempt status and that the institution is therefore not subject to Central Bank supervision. A licensed investment institution must, prior to any public solicitation, have a prospectus available that meets Central Bank conditions and has been reviewed by the Central Bank.

In addition to the disclosures mentioned above, if a licensed investment institution exerts, or can exert, a significant degree of influence on an investment, a specified statement of the investments of the investment institution in which it exerts, or can exert, a significant degree of influence on

the commercial and financial policy must be disclosed to the (potential) investors.

## Appendix

### Reference material

The following details the relevant laws and regulations for investment institutions and provides Web addresses (in certain instances) where this material can be located.

### Accounting pronouncements

KPMG – <http://www.kpmg.com/ias>

### Regulator

[http://www.centralbank.an/03\\_05\\_national\\_ordinance.php#](http://www.centralbank.an/03_05_national_ordinance.php#)

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