

UPDATE

Cayman private fund annual return deadline extended

The Cayman Islands Monetary Authority (**CIMA**) issued a notice on 19 April 2021 extending the deadline for private fund audited accounts and annual returns.

CIMA Notice

As detailed in our recent [Cayman Regulatory Update - Q2 2021](#), the Private Funds (Annual Returns) Regulations, 2021 (the **Regulations**) were gazetted on 25 March 2021. The recent CIMA notice provides, however, that the private fund annual return (**FAR**) form is not yet available for use in practice. The FAR Form is expected to be released by 30 June 2021. The deadline for filing private fund audited accounts and FAR Forms has therefore been extended to **30 September 2021**.

CIMA has confirmed that private funds will not be subject to penalties for non-compliance with section 13 of the Private Funds Act (2021 Revision) in the interim period.

Annual returns

The Regulations provide that private funds must submit an annual return to CIMA in respect of each financial year within six months after the end of the financial year to which it relates or within any extension of that period as CIMA may allow.

The annual return fee will be:

- US\$366; and
- an additional US\$183 for each alternative investment vehicle (**AIV**) (unless the AIV is itself registered as a private fund) and each sub-fund,

in respect of which the private fund has submitted the operating information and financial information, up to a maximum of 25 AIVs or sub-funds or both.

The annual return must include:

- operating and financial information in respect of each AIV (unless the AIV is itself registered as a private fund) and each sub-fund; and
- structure information in respect of 'related fund entities' (such as AIVs, parallel funds and co-investment vehicles), including those registered as private funds.

Annual returns should be submitted through the private fund's auditor or such other designated person as may be approved by CIMA. The auditor or designated person will only be responsible for submitting each duly completed return received from the private fund to CIMA in a timely manner and will not be liable for the accuracy or completeness of the annual return submitted.

Declarations as to capital contributions

A private fund which has received capital contributions for the purpose of investment must confirm in the annual return that it has complied with sections 16 to 18 of the Private Funds Act (2021 Revision).

Pursuant to the Private Funds (Amendment) Regulations, 2021, an operator of a private fund which has not received capital contributions from investors for the purposes of investment, must file a declaration with CIMA that attests to this fact within six months after the end of the financial year to which it relates.

Further information

For details of recent regulatory developments in the Cayman Islands, please see our regulatory update [here](#).

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