

8 March 2023

Circular addressed to all Company Service Providers in terms of the Company Service Providers Act – Regulatory Submissions

Submission of the Annual Compliance Return – 2023

Reference is made to the Annual Compliance Return (“ACR”) which persons authorised to act as company service providers (CSPs) are required to submit on an annual basis as part of their obligations relating to regulatory submissions. Please be informed that for the ACR 2023 submissions (covering reporting period 2022), a revised template has now been uploaded on the MFSA website. Going forward, and unless further communication to the contrary is issued by the Authority, all CSPs are to ensure that the revised template is completed and submitted. The updated ACR template can be downloaded by clicking [here](#), alternatively it can be found on the MFSA website, under the Regulatory Submissions tab in the Company Service Providers section, entitled ‘Annual Compliance Return - CSPs’. It is highly recommended to download and save the ACR excel workbook on your desktop to facilitate the workflow and ease of access.

CSPs are reminded that where the field for the response restricts answers through drop-down menus or specific formats, any further details or clarifications may be provided in the ‘Comments’ section. In the event that lengthier explanations may be required, CSPs are kindly requested to send an email to fiduciariesoffsite@mfsa.mt with the subject line “ACR further information” which contains any additional information, including the name of the CSP and a specific reference to the relevant sheet number.

All questions need to be completed, unless otherwise indicated, for the submission to be deemed complete. A validation sheet is included as the last sheet in the excel workbook which should display all ‘green ticks’ to confirm that all relevant fields have been duly completed. **In completing the ACR, CSPs are expected to refer closely to the Glossary tab and the various Guidance Notes included in the excel workbook.**

Changes to the ACR

In order to simplify the process of completing the ACR, the revised template has been enhanced in a manner whereby, based on the class of authorisation of the entity/individual which is selected on the cover sheet of the ACR, as well as on the basis of certain responses provided in the sheets, certain fields will be ‘blacked out’ automatically. This will imply that those questions do not apply to the specific class selected.

An example of how this would appear in practice is included below:

c) As at the date of this return, please indicate the number of client entities to which the CSP provides:
• Directorship
• Acting as Company Secretary

Submission of Financial Statements/ Financial information

The Authority has considered feedback from the industry and has also engaged in extensive discussions with stakeholders with respect to the format and details required for the submission of financial information for the different classes of CSPs. In this respect, in the spirit of proportionality and the risk-based application of these requirements, particularly vis-à-vis individual CSPs, the Authority is introducing changes in terms of the format in which this information will be collected, whilst ensuring that the requirements of the CSP Rulebook are still met. These changes have been outlined below:

- **Sheet 18 of the ACR**

Changes have been made to Sheet 18 of the ACR to capture various additional data fields relating to financial information, in line with the CSP Rulebook and to enable the Authority to effectively exercise its supervisory functions. It is therefore **imperative** that CSPs download the latest version of the ACR available on the Authority's [website](#) to ensure that all fields required are filled in, for the submission to be deemed complete.

- **Audited Financial Statements, copy of auditor's management letter and auditor's report**

All Class C body corporate CSPs, Class A over threshold body corporate CSPs and Class B over threshold body corporate CSPs will still be required to submit **Audited Financial Statements, Auditor's Report and Auditor's Management Letter**, as required in previous years and in line with Rule R3-13.3 of the CSP Rulebook.

The requirement to submit Audited Financial Statements is being **waived** for **Individual CSPs (Class A under threshold or over threshold, Class B under threshold or over threshold and Class C CSPs) as well as civil partnerships which are authorised to act as Class A under threshold CSPs**, as all the financial data required is being captured in the updated ACR. In this respect CSPs are reminded that by signing the ACR, a CSP is assuming full responsibility for the completeness and accuracy of the contents of the ACR, including the financial information being provided therein.

- **Statement of Solvency**

All individual CSPs are informed that no supporting Balance Sheet is required to be submitted together with the Statement of Solvency due to the fact that this information will be collected in sheet 18 of the ACR.

- **Annual Financial Return**

Please note that the Annual Financial Return is not due to be submitted this year because the form prescribed by the MFSA as referred to in the Rulebook has not yet been issued.

The CSP Rulebook will eventually be amended to reflect any variations in approach in relation to submission of financial information to the Authority.

Other Supporting Documents

CSPs are reminded that apart from the audited Financial Statements (if applicable), the supporting documents mentioned in the 'List of Docs for submission' tab must be submitted together with the ACR in order for the submission to be deemed complete. CSPs are also requested to ensure that the shareholding structure charts provided indicate the **percentage of shares held as at the date of submission**. Furthermore, the organisation chart and resolution of the board of directors are to also be duly executed.

Submission through LH Portal

CSPs are reminded that the ACR, audited Financial Statements (if applicable) and all supporting documents outlined in the ACR are to be submitted through the Licence Holder Portal ("LH Portal"). It is important that all documents are zipped in the relevant folder based on the type of regulatory submission and that the below guidance is used when naming the respective folder:

Type of Regulatory Submission	Naming convention to be used
ACRs and supporting documents (such as shareholding structure charts, organisation charts, board resolution, compliance reports, risk management reports)	CODE_230431_CSPACR.zip
Financial Statements	CODE_230431_CSPFNS.zip
Management Letters	CODE_230431_CSPMGL.zip

All CSPs have been supplied with usernames and passwords to be able to access the LH Portal through the following link: <https://lhportal.mfsa.mt/>. The allocated user for the CSP is encouraged to verify the username and password supplied. In case where the individuals identified by the CSP are no longer employed with the said CSP, the Authority is to be

informed accordingly and details of the new user should be provided **as soon as possible and well in advance of the due date for submissions**. Furthermore, any CSP who still needs to setup an account on the LH portal is requested to provide the Authority with details of the individual identified user by sending an email to fiduciariesoffsite@mfsa.mt.

Electronic Signatures

As indicated in the [Circular](#) issued on 15 November 2022, the Authority is also accepting electronically signed documents, provided that such documents are signed with a qualified electronic signature as defined and regulated under Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC' ('eIDAS'). **Submissions signed with a qualified electronic signature are not required to be sent to the Authority in original, and/or signed in wet ink signatures.** However, any documentation submitted, which is signed by any other form of electronic signature, will not be deemed to constitute a validly signed document, and would need to be resubmitted.

Timing of Submissions

CSPs are reminded that the ACR (**in both excel and pdf format**) and any other required accompanying documents are to be submitted through the LH portal within four months from the CSP's financial year end. In the case of individual CSPs, these are to be submitted by the end of April, as set out in Annex 3 to the CSP Rulebook.

The Authority would like to highlight that it will not be granting any extensions to any of the above-mentioned deadlines emanating from the CSP Rulebook.

Any queries with respect to the ACR or the other regulatory submissions are to be sent on fiduciariesoffsite@mfsa.mt.