



26 November 2020

NOTICE

RE: Limited Investor Fund FAQs Update – 2020 Audit Requirements

The Cayman Islands Monetary Authority (the "Authority") is advising an update to one of the frequently asked questions relating to Limited Investor Funds.

Audit Requirements

What are the audit requirements for Limited Investor Funds?

A Limited Investor Fund, pursuant to section 8 of the Mutual Funds Law (2020 Revision), is required to have its accounts audited annually by an auditor approved by the Authority. The Limited Investor Fund is also required to submit its audited accounts, along with the Fund Annual Return ("FAR"), to the Authority within six months of the end of each financial year.

Will an audit for a Limited Investor Fund be required for 2020?

The first audited accounts required to be filed by the Limited Investor Fund would be for the fund's first financial year-end post registration with the Authority. For example, if the fund's financial year-end is 31 March and the fund was registered in August 2020, the first audit would cover the period up to 31 March 2021 and be filed on or before 31 August 2021. It should also be noted that, consistent with the 'Regulatory Policy – Exemption from Audit Requirement for a Regulated Mutual Fund', the Authority may consider extending a Limited Investor Fund's first audit period for a maximum of 18 months from its date of registration. The foregoing consideration is also available in circumstances where the Limited Investor Fund was already in operation prior to its date of registration.