

# Guernsey Finance Funding - Frequently Asked Questions

## What does Guernsey Finance do?

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Guernsey Finance LBG is a joint industry and government initiative, whose role it is to defend the island's long-term reputation and promote it as a centre of excellence in financial services.

## What does the money go towards?

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The Guernsey Finance (LBG) (Guernsey) Law, 2010 was introduced to raise one-third of the total operating budget of Guernsey Finance. The remaining two-thirds is from government funding and voluntary contributions from other sources.

Guernsey Finance (branded as WE ARE GUERNSEY) works hard to promote Guernsey as an international finance centre, by attending third-party and hosting in-house events and through public relations and communications activity in its chosen markets.

For examples of recent and planned activity, please visit [www.weareguernsey.com](http://www.weareguernsey.com).

## What do I have to pay?

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The Levy is payable in respect of each full time employee of the licensed person in question as at 31st December of the previous year. The Guernsey Finance LBG (Levy) (Guernsey) (Amendment) Regulations, 2018 set the fee at £125 per full time equivalent employee (FTE).

## How do I calculate an FTE?

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For the purposes of the Law, Full Time Employee (FTE) shall be considered to be a person who works, or under his contract is required to work, 37.5 hours or more per week. It will also take into account those persons who do not individually work 37.5 hours per week but who collectively work under their contracts of employment 37.5 hours or more per week in the aggregate.

*For example:*

The Registry employs 11 staff on 36 hour week contracts and 5 staff on part-time hours (This includes those staff on short-term contracts whose FTE has not been pro-rated for the contract period) which totals 491.53 hours worked per week.

Dividing this figure by 37.5 hours per working week (as described in the Regulations), gives 13.11. The Registry, therefore, employs 13.11 FTEs (Full Time Equivalent staff)

The number, for the purposes of the Guernsey Finance Levy, should not be rounded up or down. The system is designed to accept calculations to 2 decimal places.

Please Note:

ALL part-time employees must be included in the calculation.

Outsourced activities i.e. carried out by persons not employed by the licensed entity - should be excluded from the calculation.

For the purposes of this law, Company Directors will not be considered as employees unless they also hold an executive position.

## **I have staff contracted for over 37.5 hours per week - what do I do?**

Any employee who is employed to work MORE THAN 37.5 hours per week counts as a single FTE under the Regulations.

For example - if you have 10 employees who are contracted to work 40 hours per week, the total number of FTEs will be 10.

## **Can I pay for a corporate group?**

The Regulations allow for two or more licensed persons, who are associated companies, to aggregate their full time employees for the purposes of section 3 of the law as if they were a single employer.

If you decide, because of your corporate structure and how your staff are employed, to declare all FTE on one submission, you will have to file a 'nil' submission for all the other licenses that you hold.

If you file a 'nil' return you will not be required to file any further returns for that licensee. However, the licensee must advise the Registry immediately in the event that it does decide to employ staff and upon that event will be required to return annual submissions thereafter.

## **Are there any exemptions?**

In June 2010, the Commerce and Employment Department went out to consultation in order to determine what, if any, level of exemption was appropriate.

As a result of this consultation exercise, the Commerce and Employment Department approved the following for inclusion in the regulations to accompany the law:

Those persons licensed by the GFSC who have NO Guernsey based employees will be exempt;

No further exemptions will be available.

## **If I am exempt, do I still have to file?**

Yes, you will have to file a 'nil' return if you are a person licensed by the GFSC who does not employ any Guernsey based employees.

You will not be required to file any further returns for that licensee. However, the licensee must advise the Registry immediately in the event that it does decide to employ staff and upon that event will be required to return annual submissions thereafter.

## **Do I still have to pay if my staff are employed through a non-licensed company?**

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Yes, you are required to pay the levy.

Under regulation 4(b) of the Regulations, any person who under his or her contract of service is required to work for a licensed person is considered to be an employee of that licensed person. So regardless of whether the employee is directly employed by the licensed entity, if they perform work for that entity then they are considered to be employed by that entity, provided that the employment contract is with an associated company of the licensed person.

## **Are there late fees?**

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Late fees will be charged at £250.00 for each month or part month in which the levy is unpaid.

If you have not paid the levy by 31<sup>st</sup> January, the £250 late fee will become payable on 1<sup>st</sup> February and will increase by £250 on the first day of each month thereafter.

The Levy, together with any penalty recoverable in respect thereof, is recoverable from licensed persons as a civil debt due to the States of Guernsey. If two or more persons are liable for any payment of the levy, their liability for the levy, and any penalty recoverable in respect thereof, is joint and several.

## **How do I use the online system?**

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The Guernsey Registry online services portal is very easy to use. Separate guidance on how to use the online services portal is [available on the Registry website at this link](#).

If you require further assistance using the online services portal, you can contact a member of the Registry team.

## **What information do I need to make a submission?**

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In order to file a submission for the Guernsey Finance Funding Levy you will need to have the following:

1. A log-on for the on-line services portal (see section above on using the system);
2. calculated your FTE for the licensed entity (see section below on calculating an FTE);
3. the Registry GFF reference for the licensed entity (this will have been sent to you by mail);
4. a Corporate PIN (unless you are a Corporate Service Provider or a Regulated Presenter)
5. a chosen means of payment - cheque, debit/credit card, account.

## **My licensed entity is not registered in Guernsey - what do I do?**

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If you have a license for an entity that is NOT registered in Guernsey, you will need to email [enquiries@guernseyregistry.com](mailto:enquiries@guernseyregistry.com) in order for it to be set up on the system as an 'Other Corporate Body'. We will need the name and the LIC reference number detailed in the email.

## What payment methods can I use?

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You can pay the levy in a number of different ways:

**By cheque:** you can select the cheque option and send in a cheque for the correct amount to the Registry within 7 days of making the submission. You **MUST** write the submission number on the reverse of your cheque. You will be informed of the number once your submission has been processed. Please make the cheque payable to 'Guernsey Registry';

**By debit/credit card:** you can pay at the time of making the submission by debit/credit card. The system will automatically link you to the States 'Capita' payment system.

**By account:** the Registry provides account facilities to certain groups of users e.g. Corporate Service Providers, Regulated Presenters etc. If you already have an account you can use this to pay the Guernsey Finance Levy. If you choose to use your account you may need to contact the Registry in order to amend your credit limit.

### Important note:

In accordance with section 17 of the Law:

If a person knowingly makes a statement which is false, deceptive or misleading in a material particular, then they will become guilty of an offence and be liable to imprisonment for a term, or to a fine or both.

In addition, in the event that the Department is unable to obtain the necessary information for the purposes of determining the amount of the levy payable by the licensed person, it may estimate the amount payable on the basis of any information available to it.

## Office opening hours & contact details

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If you need any more information please contact the Registry.

Our office opening hours and contact details can be found through the 'contact' section of our website here: <http://www.guernseyregistry.com/contact>

## Disclaimer

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The purpose of this guidance note is to provide information on considerations relating to the Guernsey Finance LBG (Levy) (Guernsey) Law, 2010.

**It is not intended to be definitive legal advice and should not be relied upon as such.**

The interpretation of legislation is a matter on which the Guernsey Registry cannot advise.