

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY C.S. ALVES OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 30th JUNE 2020**

Question

Will the Minister confirm what checks, if any, are in place to ensure that those businesses applying for the co-funded payroll scheme are doing so out of true necessity and are not, for example, working as normal and delaying invoices to clients in order to appear to need financial support while paying their workers a minimum amount?

Answer

All businesses making a claim under the Government Co-Funded Payroll Scheme (CFPS) are required to make a declaration that, in the month for which a claim is made, the business has suffered a 30% reduction in turnover compared to an equivalent trading month. When making this declaration, businesses are required to calculate their turnover in line with accruals accounting rules. These require that revenue is allocated to the month that products or services were delivered irrespective of when the invoice is raised.

An audit process is in place to review claims made under the CFPS. When claims are audited, businesses will be required to provide suitable evidence to demonstrate that they have correctly calculated their turnover in line the Scheme's accounting rules and have therefore genuinely suffered a fall in turnover of at least 30%.