Examples of Payment Performance Evidence

1. UK Government Published Payment Practice Reports

2. Accounts Payable Report

3. Payment Performance Statement Signed by External Auditor

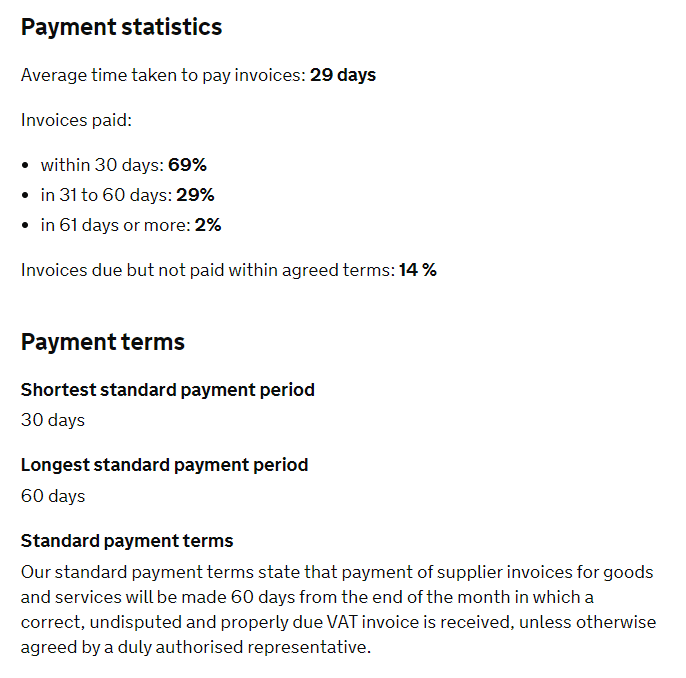
4. Credit Score / Credit Report Provider

5. Accounts Payable Ratio

**1. UK Government Published Payment Practice Reports**

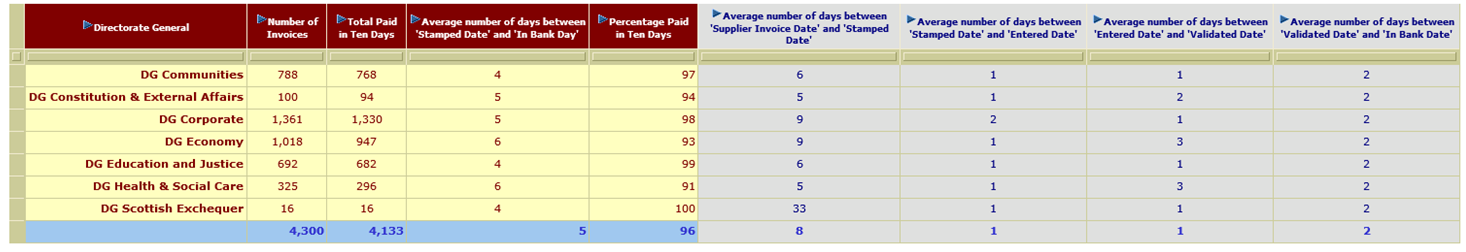
Link: [Search for published payment practice reports (check-payment-practices.service.gov.uk)](https://check-payment-practices.service.gov.uk/search?q=)

* Free, accessible, up to date
* Suppliers meeting specific threshold requirements **must** publish to this site however suppliers can publish voluntary.



**2. Accounts Payable Report**

Below is an example of a SG AP report detailing payment performance for a specific time period:



* Any AP report detailing the “invoice receipt date” and “In Bank Date/Invoice Paid Date” could be used to evidence payment performance
* Accessible, easy to use & up to date

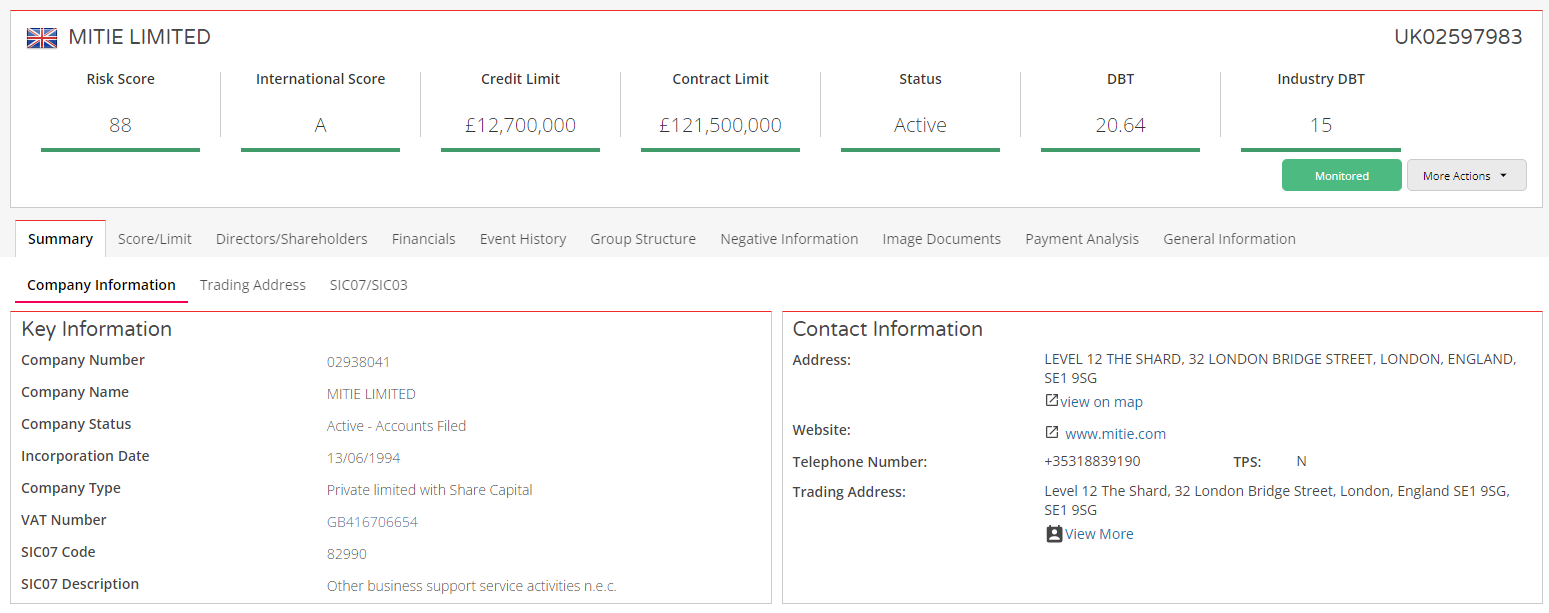
**3. Payment Performance Statement Signed by External Auditor**

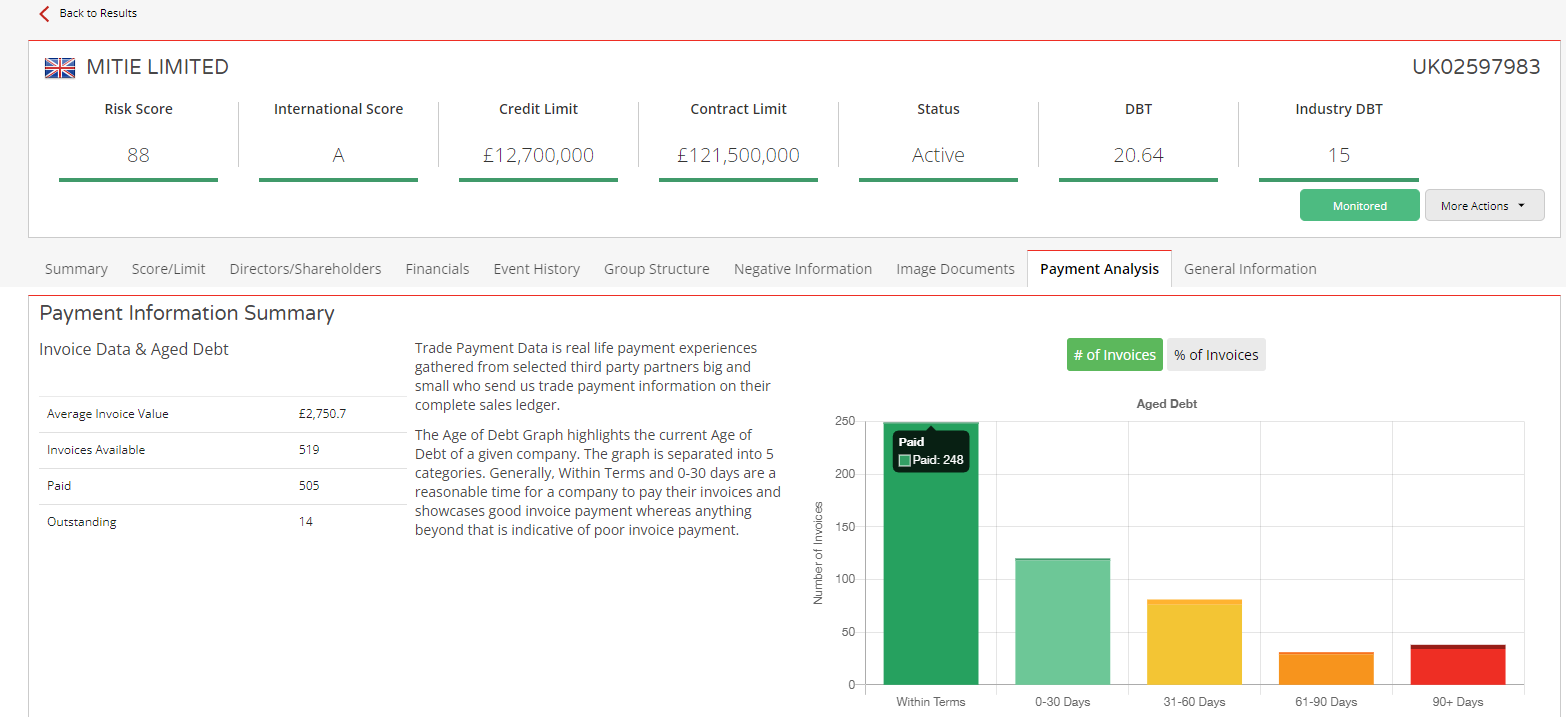
A statement on payment performance signed by an external auditor could be used as evidence. The statement must contain the declaration that “the supplier pays X% of invoices in line with their X day payment terms”.

**4. Credit Score / Credit Report Provider**

A number of suppliers provide a similar service such as Equifax, Experien & Dun & Bradstreet. The example below is an extract from Creditsafe. Points to note:

* A calculation may be needed to dermine the average payment performace percentage
* The data is not 100% accurate as it is based on payment data which is shared by the credit report provider partners/suppliers
* This is a paid service





**5. Accounts Payable Ratio**

* Possibly use alongside other methods above as verification
* May be out of date depending on when the accounts were filed and any extenuating circumstances at time of filing
* Only a snapshot value for the time of the filing
* Payables turnover ratio=

(Cost of Sales (Supplier Purchases) / Accounts Payable (Total Liabilities))

* Accounts Payable Turnover in Days=

(365/Payable turnover ratio)

* Example: Companies House reports filed for Mitie Ltd which are freely available. Using their filed accounts up to 31 March 2021:

Payables turnover ratio = Cost of Sales (533,250)/Total Liabilities (119,184) = 4.47

Accounts Payable Turnover = 365/4.47 = 81 days