

Chorus Education Trust

Payment Practices & Performance Reporting

Reporting Period: 1st September 2020 – 31st August 21



Introduction

Every year, thousands of businesses experience severe administrative and financial burdens simply because they are not paid on time. Late payment is a key issue for business, especially smaller businesses, as it can adversely affect their cash flow and jeopardise their ability to trade. In the worst cases, late payment can lead to insolvency.

Regulations made under section 3 of the Small Business, Enterprise and Employment Act 2015 (and, for limited liability partnerships (LLPs), section 15 of the Limited Liability Partnerships Act 2000), introduce a duty on the UK's largest companies and LLPs to broadly report on a half-yearly basis on their payment practices, policies and performance for financial years beginning on or after 6 April 2017.

The information must be published through an online service provided by the Government and will be available to the public.

What is the size criteria for reporting?

Businesses are in scope of the requirement for a financial year if, on their last two balance sheet dates, they exceeded two or all of the thresholds for qualifying as a medium-sized company under the Companies Act 2006 (section 465 (3)). The thresholds relate to turnover, balance sheet total and average number of employees. At the time of publication, these thresholds are:

- £36 million annual turnover
- £18 million balance sheet total
- 250 employees

Statutory disclosures

The following report shows Chorus Education Trust's statutory disclosure of the payment practices and performance for the multi-academy trust. This involves calculations that show the payment statistics for the time it takes to pay supplier invoices. We can use this report to assess the following:

- Average time to pay suppliers
- Percentage of invoices paid within 30 days
- Percentage of invoices paid within 31 to 60 days
- Percentage of invoices paid within 61 days or more
- The dispute resolution process

Reporting Periods

In a financial year there are normally two reporting periods. The first is the six calendar months starting on the first day of the business's financial year. The second reporting period starts on the day after the first period ends, and runs until the end of the financial year.

So in the case of Chorus Education Trust the reporting periods and submission dates are:

- Period 1 - 1st Sept 2020 to 28th Feb 2021 – due 30th March 2021
- Period 2 - 1st March 2021 to 31st August 2021 – due 30th September 2021

Chorus Education Trust Payment Practices Performance Data

Reporting Period 1 – 01/09/2020 to 28/02/2021

Average time to pay invoices	12 days
% of invoices paid between day 1 & 30	93%
% of invoices paid between day 31 & 60	6%
% of invoices paid on or after day 61	1%
Payments due in reporting period which have not been paid within the agreed period	48%
Shortest standard payment period in days	7 days
Longest standard payment period in days	30 days
Description of standard payment terms	We aim to pay within 30 days
Were there any changes to your standard payment terms in the reporting period?	No
Maximum contractual payment period	30 days
Does your business offer E-Invoicing?	No
Does your business offer supply chain finance options?	No
Under its payment practises and policies, can your business deduct sums from payments as a charge for remaining on the supplier list?	No
In this reporting period, has your business deducted sums from payments as a charge for remaining on a supplier list?	No
Is your business a member of a code of conduct or standards on payment practises?	No

Reporting Period 2 – 01/03/2021 – 31/08/2021

Average time to pay invoices	18 days
% of invoices paid between day 1 & 30	89%
% of invoices paid between day 31 & 60	9%
% of invoices paid on or after day 61	2%
Payments due in reporting period which have not been paid within the agreed period	38%
Shortest standard payment period in days	7 days
Longest standard payment period in days	30 days
Description of standard payment terms	We aim to pay within 30 days
Were there any changes to your standard payment terms in the reporting period?	No
Maximum contractual payment period	30 days
Does your business offer E-Invoicing?	No
Does your business offer supply chain finance options?	No
Under its payment practises and policies, can your business deduct sums from payments as a charge for remaining on the supplier list?	No

In this reporting period, has your business deducted sums from payments as a charge for remaining on a supplier list?	No
Is your business a member of a code of conduct or standards on payment practises?	No

Dispute Resolution Process

In the event of a payment dispute, the department budget holder will discuss the nature of the dispute with the finance team. The supplier will then be notified of this dispute and the actions required to bring the dispute to resolution. If a credit note needs to be raised or further goods supplied, the invoice will remain on hold until these processes have been completed. All disputes are aimed to be resolved within 30 days of the dispute being raised.