

WHY PAY ON TIME	WHAT IS THE IMPACT OF PAYMENT ON TIME
Financial Benefits	
Avoid Late Payment Fees	Reduces additional costs associated with delayed payments.
Potential for Early Payment Discounts	Enables cost savings through early payment incentives.
Improved Supplier Cash Flow	Contributes to stronger supplier relationships and potential future benefits.
Legal Benefits	
Avoidance of Fines	Adherence to payment terms prevents penalties imposed by regulatory authorities or suppliers.
Compliance with Contracts	Adherence to contractual obligations avoids legal disputes.
Adherence to Regulatory Requirements	Ensures compliance with relevant laws and regulations, such as the Prompt Payment Act in the US or similar legislation in other countries.
Commercial Benefits	
Stronger Supplier Relationships	Fosters trust, loyalty, and better deals with suppliers.
Improved Supplier Performance	Encourages suppliers to invest in their businesses and deliver better products/services.
Reduced Risk of Supply Chain Disruptions	Ensures reliable supply and minimizes operational disruptions.
Reputation Benefits	
Enhanced Business Reputation	Establishes a positive image as a reliable and ethical business partner.
Improved Brand Image	Contributes to a positive brand perception, especially in industries focused on supply chain transparency.
Attracting New Business	Draws in new business opportunities from potential partners who value reliability.
Operational Benefits	
Accurate Provisioning	Ensures sufficient funds to cover future expenses and avoids cash flow shortages.
Regulatory Compliance	Adherence to accounting standards and tax regulations.
Informed Decision Making	Provides reliable financial data for strategic planning and decision-making.
Risk Mitigation	Reduces the risk of financial surprises and potential liabilities.
Strategic Benefits	
Improved Financial Planning	Enhances long-term financial stability and planning.
Enhanced Cost Control	Maintains tighter control over expenses and avoids budget overruns.
Simplified Budgeting Process	Reduces administrative burden and streamlines budgeting procedures.
Better Forecasting	Enables more accurate forecasting and budgeting for future periods.