

FSB *Voice of Small Business* Panel: May 2011 Survey Topline Results

- Results are based on an online survey carried out by 1,772 members of the FSB Voice of Small Business Panel. This represents a response rate of 41%.
- Surveys were completed between 11th and 24th May 2011.
- The national data has been weighted to the membership profile.
- Where results do not sum to 100%, this may be due to multiple responses or rounding.
- Results are based on all respondents (1,772) unless otherwise stated.
- Study undertaken by Research by Design on behalf of the Federation of Small Businesses.

Section 1- Payment

Q1. What are your payment terms?

Base: 1759

30 days (or monthly account)	57%
Nett cash or pre-payment	31%
14 days	13%
60 days	4%
90 days	1%
Other	7%

Q2. Within the last 12 months, have you experienced any late payment for your supplied goods and services (beyond the stipulated payment period)?

Base: 1765

Yes	73%
No	19%
Not applicable	8%

Section 2- Late Payments

Q3. Typically, what proportion of your invoices are paid late, that is beyond the stipulated payment period?

Base: 1292

1-10%	32%
11-20%	17%
21-30%	13%
31-40%	7%
41-50%	10%
51-60%	7%
61-70%	6%
71% or more	7%

Q4. How has the incidence of late payment for your goods and services changed over the last 12 months?

Base: 1290

Increased significantly	23%
Increased slightly	45%
No change	29%
Decreased slightly	3%
Decreased significantly	1%

Q5. In an average week how many hours does your business spend chasing late payments for supplied goods and services?

Base: 1287

Less than 1 hour	42%
1-2 hours	32%
3-4 hours	16%
5-6 hours	5%
More than 6 hours	5%

Q6. What invoice value is currently outstanding in late payments?

Base: 1290

£0 - none	6%
£1 - £4,999	43%
£5,000 - £9,999	14%
£10,000 - £14,999	9%
£15,000 - £19,999	6%
£20,000 - £24,999	4%
£25,000 - £29,999	3%
£30,000 - £34,999	3%
£35,000 or over	11%
Unsure	2%

Q7. In your experience, what types of organisations are most likely to make late payments?

Base: 1287

Private sector	77%
Local authorities	13%
Educational establishments	8%
None of these	8%
Government agencies/Quangos	7%

Central/devolved government	5%
NHS	5%
EU institutions	1%
Police/fire service	1%
Olympics	-
Unsure	7%

Q8. Over the past 12 months, what is the value of invoices/bad debts that you have written-off due to non-payment?

Base: 1293

£0 - none	33%
£1 - £4,999	47%
£5,000 - £9,999	9%
£10,000 - £14,999	3%
£15,000 - £19,999	2%
£20,000 - £24,999	2%
£25,000 - £29,999	-
£30,000 - £34,999	1%
£35,000 or over	2%
Unsure	1%

Q9. Have you ever charged interest or a fine for a late payment for supplied goods or services?

Base: 1292

Yes, within the last 12 months	16%
Yes, within the last 5 years	10%
Yes, more than 5 years ago	2%
No	72%
Don't know	-

Q10. What is the impact of late payment on your business?

Base: 1291

It reduces business profitability	43%
I am late paying suppliers	38%
It curtails business growth	30%
It leads to additional borrowing	29%
It restricts productivity	19%
I have difficulties paying staff	17%
Other	9%
No impact/ Not applicable	11%