

JAMES FISHER (SHIPPING SERVICES) LTD

SUPPLIER PAYMENT PERFORMANCE – PROMPT PAYMENT CODE ACTION PLAN

OBJECTIVE – For James Fisher Shipping Services Ltd to pay all suppliers within our company terms of 60 days from receipt of invoice in line with the Prompt Payment Code

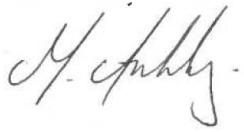
This plan is to be shared with all Ship Managers and senior personnel at the monthly management meeting and submitted to the internal audit committee.

Our internal assessments have identified the below areas which provide the primary challenges we face in reaching this target. We are working with both customers and suppliers to ensure we improve our payment timeframe;

<u>PRIMARY CAUSE FOR DELAYED PROCESSING</u>	<u>ACTION TO BE TAKEN</u>	<u>DATE TO BE COMPLETED</u>	<u>SUCCESS MEASURE</u>
Ship Management customer funding – funding is not promptly advanced by customers to enable efficient supply chain operations to be maintained.	Within ship management agreements clearly identify the advance payment and prompt payment terms which will ensure operational performance is not compromised. Work with customers so they understand the supply chain process, assign JFSS department heads direct with customer project leads to keep funding flow in place	Within 6 months of a new supplier contract	Customers advance funding received for projects they approve
Supplier invoices – information required is not always included on the supplier invoices to enable processing	Our company T&C are published on the JF Plc website and we are working with our suppliers to ensure correct purchase orders and contract names are quoted on all invoices to enable prompt processing	Continually under review	Invoices received quoting correct information
Internal purchase order processing and recording of delivery receipts. Manual process of e-mail and excel sheet correspondence which slows down processing.	An upgrade to the newest version of AMOS – ship management and procurement programme is being rolled out across our fleet and offices during 2020. This will streamline the approval process for all orders raised using the built-in matrix and allow for delivery receipts to be directly uploaded by each vessel.	December 2020	Fleet wide roll out and office upgrades with training successfully implemented
Internal finance system 30yrs old, inefficient and manual in nature. Limited supplier personalisation and only basic audit tracking available	A new finance system is currently being installed – Microsoft Dynamics 365, Windows 10 and Office 365. This will bring enhanced reporting functions and improve efficiency, communication, streamlining approval to payment processes and methods of tracking and reporting. Integrated with AMOS this will provide an automatic 3-way match of purchase to payables	December 2020	Enhanced reporting functions & audit tracking. Auto 3way match for prompt payment

Communication barriers from individuals remote working	Office 365 rolled out across the Group bringing enhanced methods of communication such as Teams, SharePoint and Planner	2020-2021	Increased collaboration using O365 as preferred
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DIRECTOR SIGNATURE :



Finance Director

Terms & Conditions

<https://www.james-fisher.com/terms-and-conditions/james-fisher-and-sons-plc-terms-and-conditions/>