



# UK's Invisible Bank

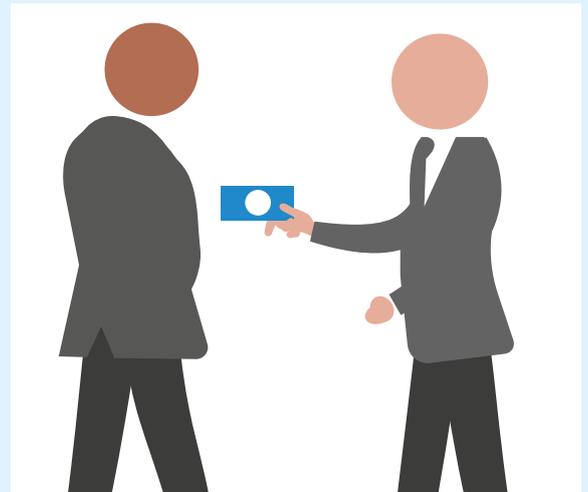
The Real Cost to Employees



# Key findings

Employees in the UK are effectively lending their employers £321 million a month through expenses, leading to a feeling they are at times acting as a bank to their own employer. The problem of reimbursement is a big issue for many, so much so that 36% of employees in the UK use their own money to pay for work-related expenses at least once per month.

- 3 in 10 have had personal cashflow issues due to their employer's slow expense reimbursement.
- 2 in 5 employees have been caused stress due to the time it takes to get their expenses repaid.
- 3 in 5 employees use their own money to pay for work-related expenses.
- Half feel at times they finance their employer.
- 66% of employees said they would stop spending money on a particular business expense if they had to wait a significant amount of time to be reimbursed, causing potential loss of sales to businesses.
- 90% would use a mobile app for expenses if they were able.



# 30%

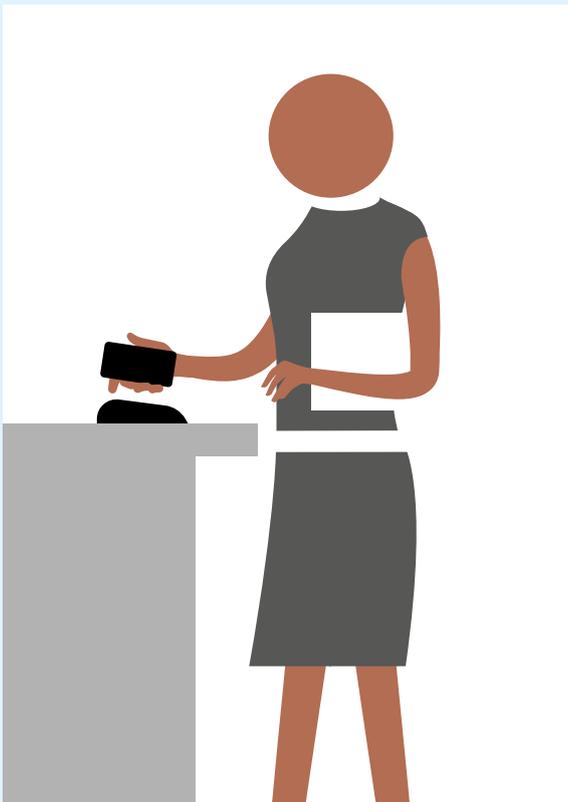
of employees  
experience personal  
cash flow issues.

# Unwilling Financiers

# 61%

of employees use their own money to pay for work-related expenses at least once a month.

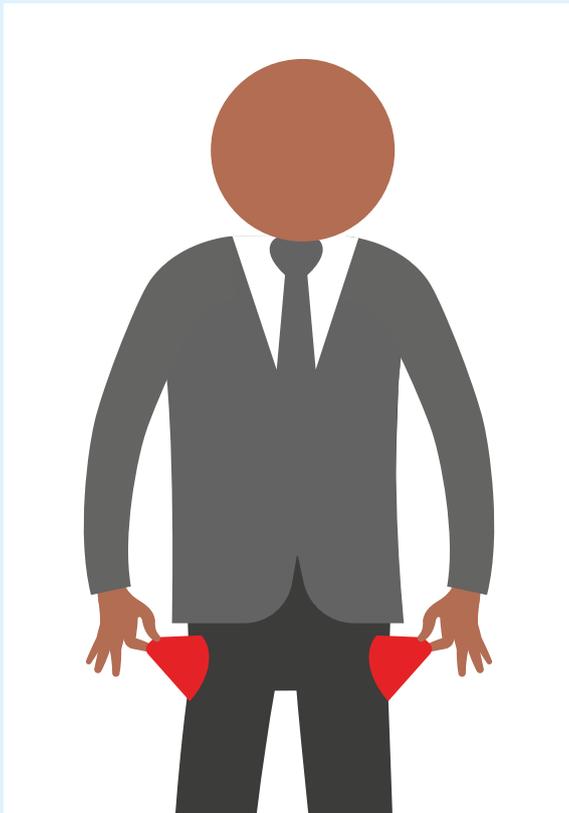
- 17% of employees use their own money to pay for work related expenses once a week.
- 19% of employees use their own money once a month to pay for work related expenses.
- Only 39% never use their own money to pay for work related expenses.



# Cost to Employee

The average expenses claim per month is

# £72



- On average employees spend over £72 of their own money per month to cover work related expenses.
- The average cost of work related expenses was higher amongst men (£87.90) compared to women (£54.90).
- The average cost of work related expenses was highest amongst 18-34 year olds (£76.90).
- The average cost of work related expenses was considerably higher in London, at an average figure of £99.20.
- Most employees will use their personal card for work related expenses closely followed by cash.
- 36% of employees use their personal card to pay for work related expenses they incur.
- 31% of employees use cash to pay for their work related expenses that they later claim back through expenses.
- Across all regions personal cards were used to pay for work related expenses the most.

# Cost to Employers

Delays in reimbursement of work expenses can also have detrimental effects on businesses.

- 58% of employees say that if they were in a situation where they were expected to pay their expenses from their own account but did not have the access to personal funds, they would not incur the expense even if it was bad for the company.
- 35% of 18–34 year olds say that if they were in a situation where they were expected to pay their expenses from their own account but did not have the access to personal funds, they would get a loan from a friend/family to cover the shortfall.



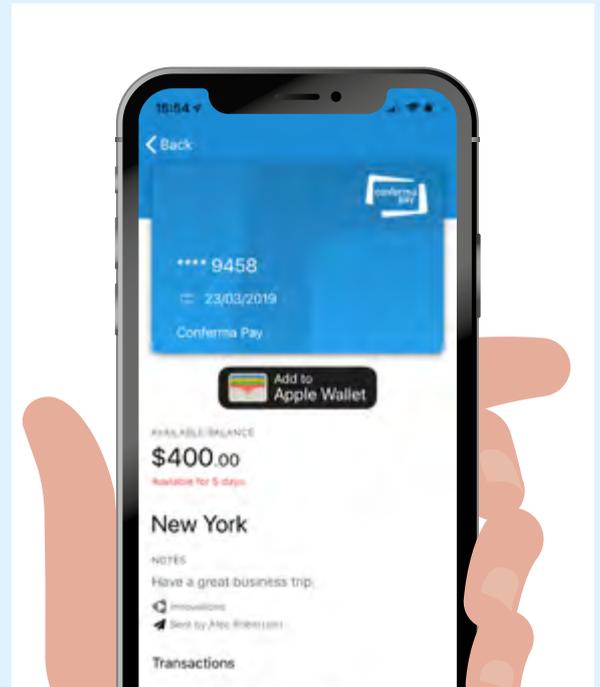
# 58%

of employees say they would stop expenditure on work-related costs if there was a significant delay in their expense reimbursement.

# Solution

If companies introduced a mobile app for expenses where employees would not need to cover the cost of business expenses, 60% of them said that they would be very likely to use such an app.

If your company introduced a mobile app for expenses that would mean you never have to cover the cost of a business expense yourself, how likely would you be to use the app instead of a card to cover your expenses?



# Methodology

## Approach

Fieldwork Dates:

14 June 2018 – 19 June 2018

Sample Size:

1,009 UK adults (18+) currently in employment

Methodology:

Online survey (sole traders and the self-employed were excluded)

## Calculation for UK's Invisible Bank

In order to establish a figure on the amount of money 'lent' by employees to businesses through the time lag of expenses being incurred and reimbursed, Conferma Pay used the following process:

UK working population employed (Business Statistics, Parliament UK 2017)	17,932,000
% of employees who pay for expenses using personal means at least once a month	36%
Average expense claim on a monthly basis	£ 72.20
% of expenses repaid in less than a week but not immediately	32%
% of expenses repaid in 1-2 weeks	23%
% of expenses repaid in more than 2 weeks	14%
Sum of expenses repaid in less than a week but not immediately	£149,148,334
Sum of expenses repaid in 1-2 weeks	£107,200,365
Sum of expenses repaid in more than 2 weeks	£ 65,252,396.20
<b>Total sum of employee 'lending' to company</b>	<b>£ 321,601,095</b>

# About us



Leading UK FinTech company, Conferma Pay, is the world's foremost provider of virtual card technology. Founded by CEO Simon Barker in 2005, Conferma Pay combines innovation and expertise to consistently find success when they push the boundaries of what can be achieved in the world of virtual payments. Conferma Pay Connects issuers to more than 400 travel management companies, all five major global distribution systems and more than 70 corporate booking tools.

Conferma Pay is fully integrated with all the major card schemes and serves more than 35 banking partners, who have issued Conferma-generated virtual cards in 96 currencies across 197 countries.

Get in touch to find out more about Australia's Invisible Bank.

Contact us on:

[enquiries@conferma.com](mailto:enquiries@conferma.com)

For more information visit:

[www.confermapay.com](http://www.confermapay.com)

Working in partnership with:

