

# CARDUP



Using credit cards  
for your company's  
payroll

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# Payroll: The most significant business overhead



The needs for working capital may vary from industry to industry, but they are all affected by the same two processes – payables and receivables.

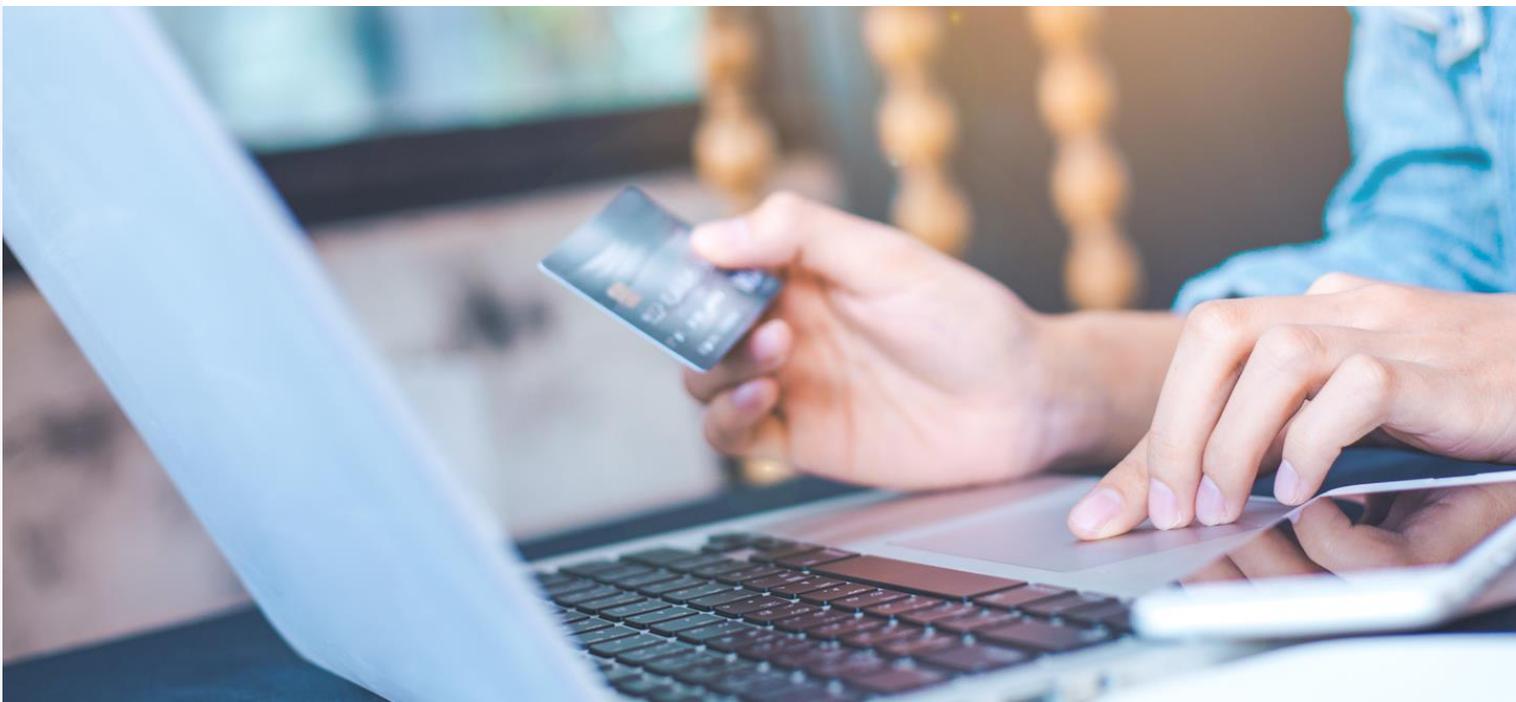
Every business needs the right amount of cash on hand to cover regular operational expenses and overheads, plans for growth, as well as to buffer for any unexpected costs.

This brings us to payroll, which typically makes up a sizeable portion of this monthly overhead, [anywhere from 20% to 30% of a business' expenses.](#)

If on-hand working capital becomes tight for any reason, this expense isn't one that can be cut out easily. Doing so will bring about many heavy repercussions on your company – a negative impact on your employees' morale and a big hit on your company's stability.

With [over 28% of Singapore SMEs facing cash flow issues](#) in the form of delayed payments from their customers, this large percentage of overheads in payroll is unavoidable, which severely limits and impacts working capital on hand. Imagine if there was a way to put this large expense on credit, allowing your business greater freedom to manoeuvre with the increased cash flow on hand.

Turns out, there is – with your credit cards.



# Why put payroll payments on your credit card?

Here are the five key benefits you should know:

## 1. Instantly tap on underutilised, pre-approved credit

Your business credit cards typically come with a pre-approved credit limit, assigned based on several different factors such as the length of operation, profitability and more. This credit limit is the maximum amount of credit the banks have extended towards your company's use and are often much higher than it would be for a personal credit card.

However, this sum often goes underutilised, and the credit card simply becomes a tool of convenience to consolidate a company's dining, travel and entertainment expenses.

By putting a company's payroll on the credit card, companies are able to better utilise this credit line – it's already pre-approved and available instantly, so why not!



## 2. The available credit is interest-free for up to 58 days

Many have the misconception that credit cards are tools that encourage debt, and that businesses should avoid tapping on them unless absolutely required. While it is true that credit cards come with a high interest rate for late payments, it is also an interest-free form of credit for up to the first 58 days, from the date of your transaction to when your credit card bill is due.

This makes for an extremely low-cost tool to finance your business in the short-term, and should not be overlooked

## 3. Keep operations smooth-running even with delayed receivables

By placing your employees' payroll on your credit cards, delayed customer payments become less of a headache. Businesses no longer have to worry about having to pay your employees, freelancers and agents before your customers pay you for their jobs done.



Your operations will continue running smoothly, since your employees still receive their salary on time, while you only pay your credit card bills when they are due up to 58 days later.

#### **4. More capital on hand means bigger growth for the business**

With this large expense put on your credit cards, you'd be able to have more working capital on hand to pursue other business goals. Businesses can hire more talents up front, stock up on their inventory, and invest in more equipment to support the growth of the company, or even to anticipate an upcoming seasonal fluctuation.



#### **5. Rewards to be earned on your business' largest expense**

Lastly, many of us are familiar with using our credit cards to rack up miles, cashback and points on our personal expenses – but not why do the same for your business expenses? There are many business credit cards in the market that offer some form of rebates or rewards on spend, as well as other benefits such as travel insurance, dining discounts and more!

# How to get started with payroll payments on your credit cards?



Here's a simple guide on how you can start paying your employees' salaries with your credit card on [CardUp](#) and optimise the on-hand capital - be it in times of uncertainty, or to support growth plans.

[CardUp](#) allows you to make your business payments with your credit card, even to recipients that do not accept card payments – and this includes your payroll.

## How does it work?

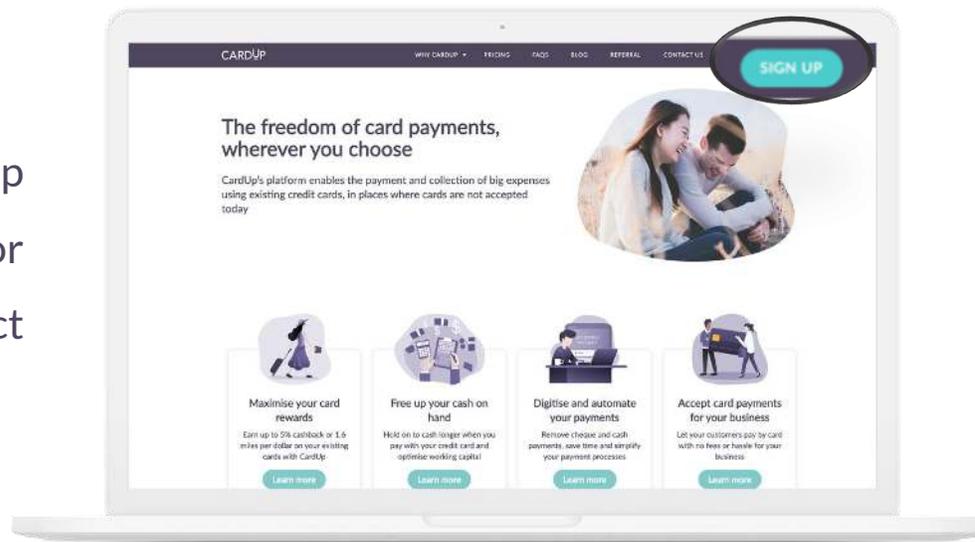
When you set up a payroll payment on CardUp, the payroll amount will be credited to your company's bank account once the payment is approved. You are required to then to pay the payroll amount to your employees as per your usual process, **but you now hold on to this amount for up to 58 days more** until your credit card bill is due!

# Ready to optimise your working capital?

Getting started is really simple and straightforward. Here's how it works:

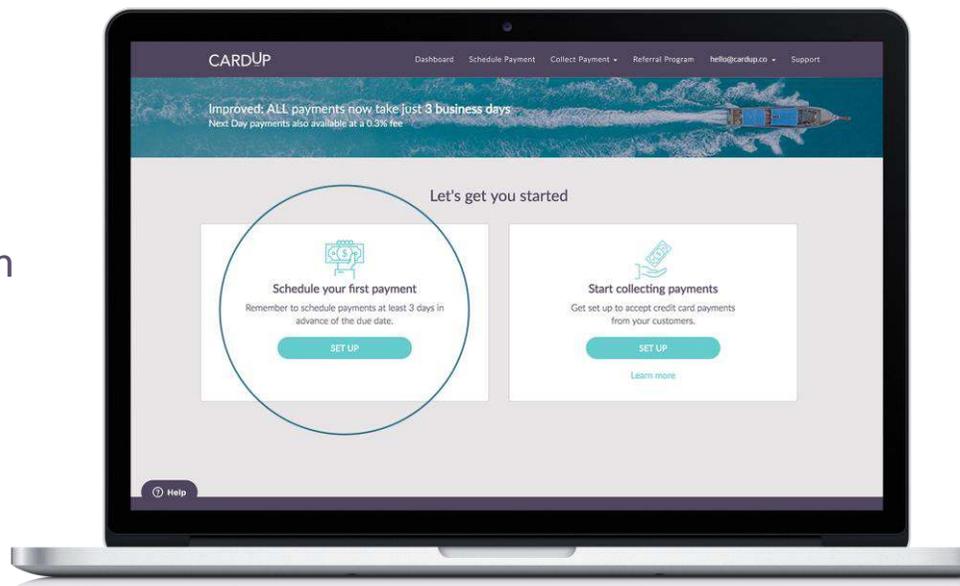
## Step 1:

[Sign up](#) for a free CardUp account, and request for access to CardUp Collect on our platform

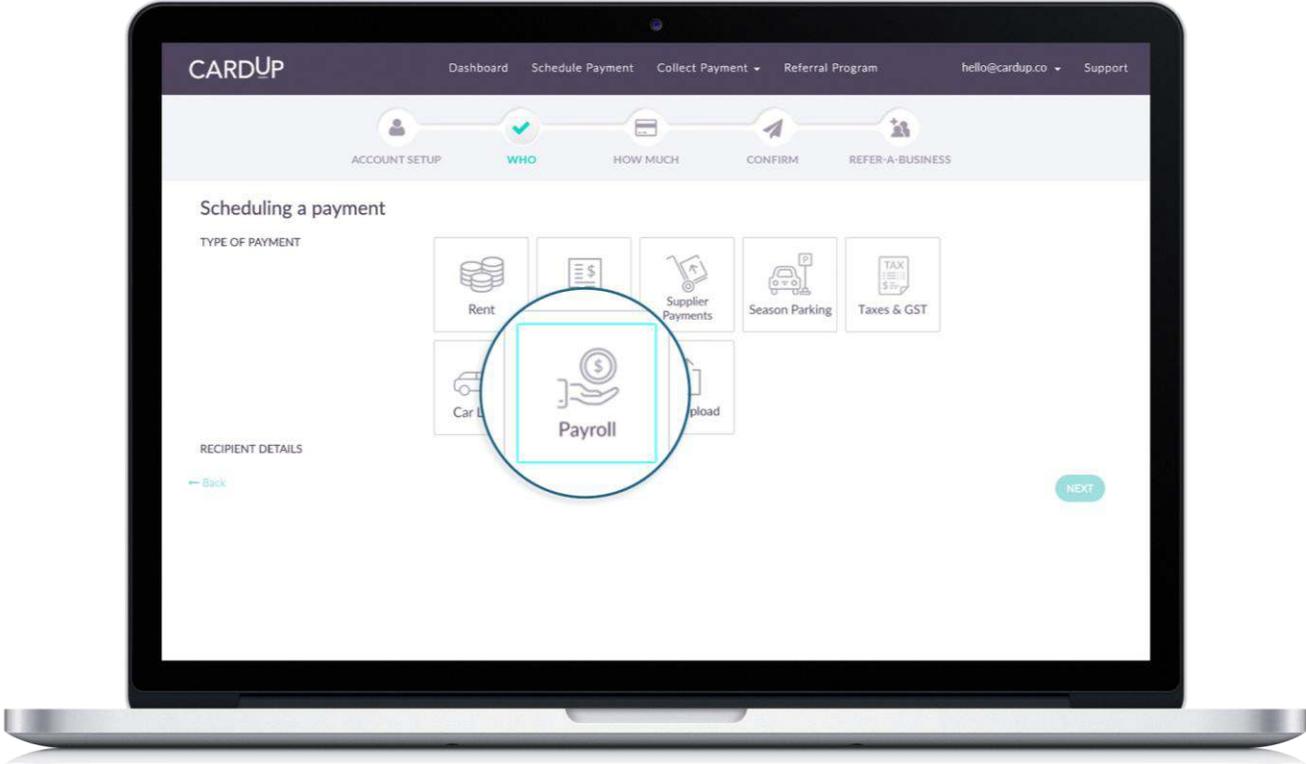


## Step 2:

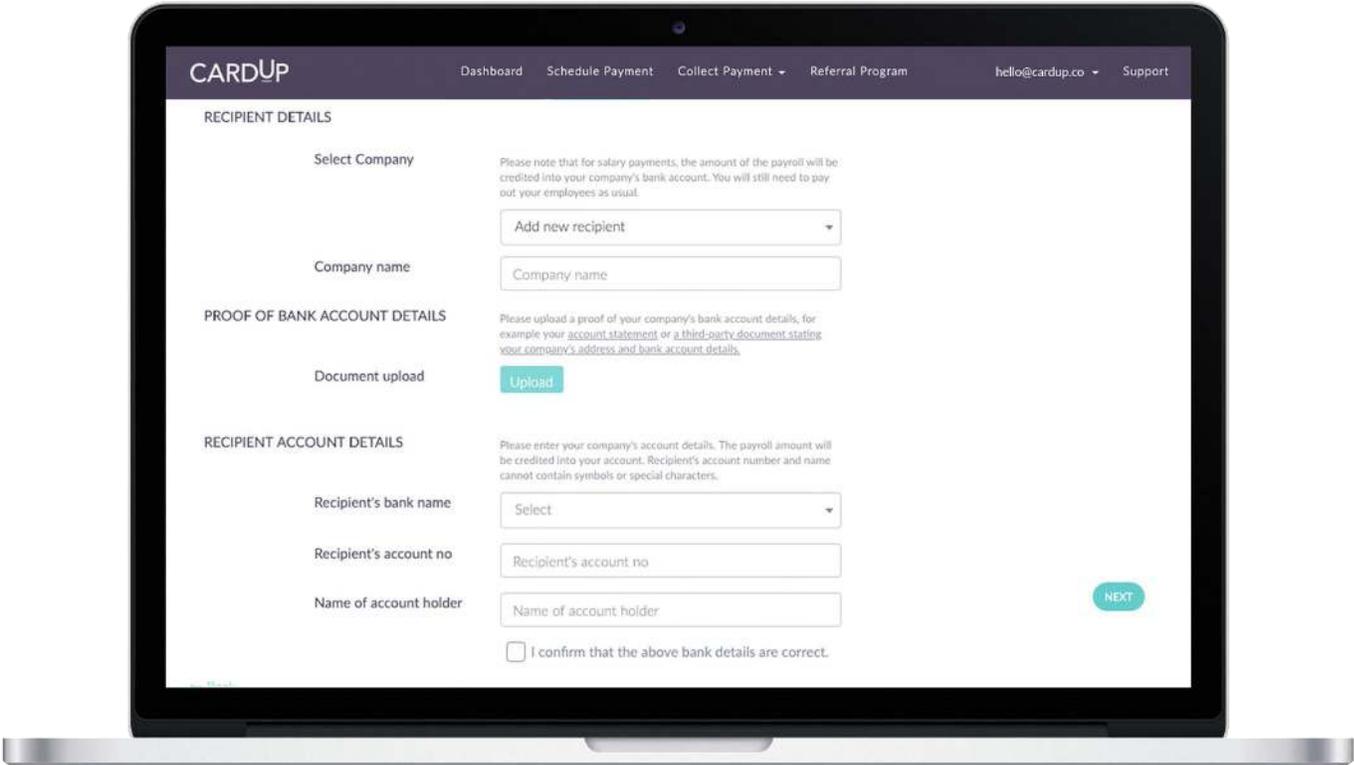
If you are a first-time user, or if you have not made a transaction on our platform before, you may click on the “set up” button on the “Schedule your first payment” box on the left



**Step 2:** Select “Payroll” under Type of Payment, and select your company as the recipient.



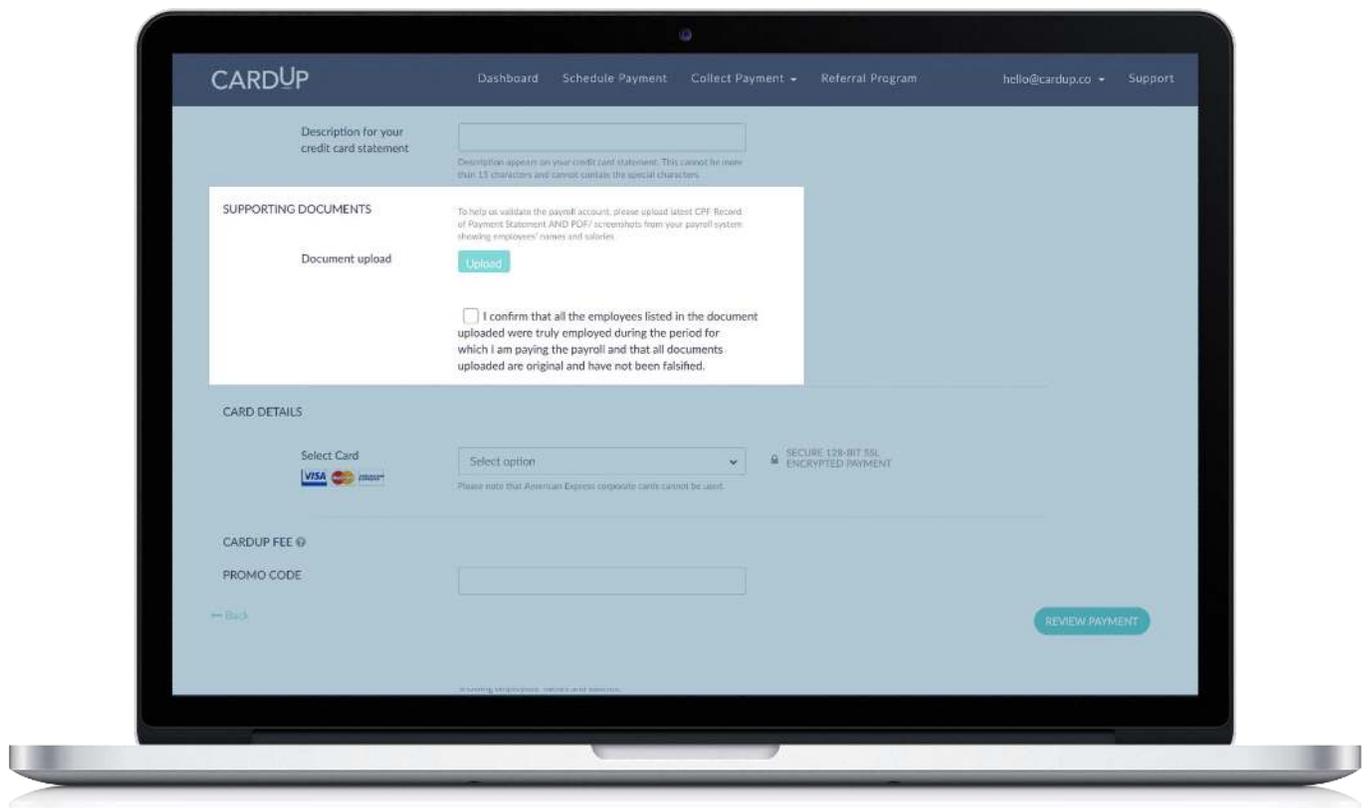
**Step 3:** Fill in your payroll details – such as the payment amount, due date each month, and a description to aid with your reconciliation.



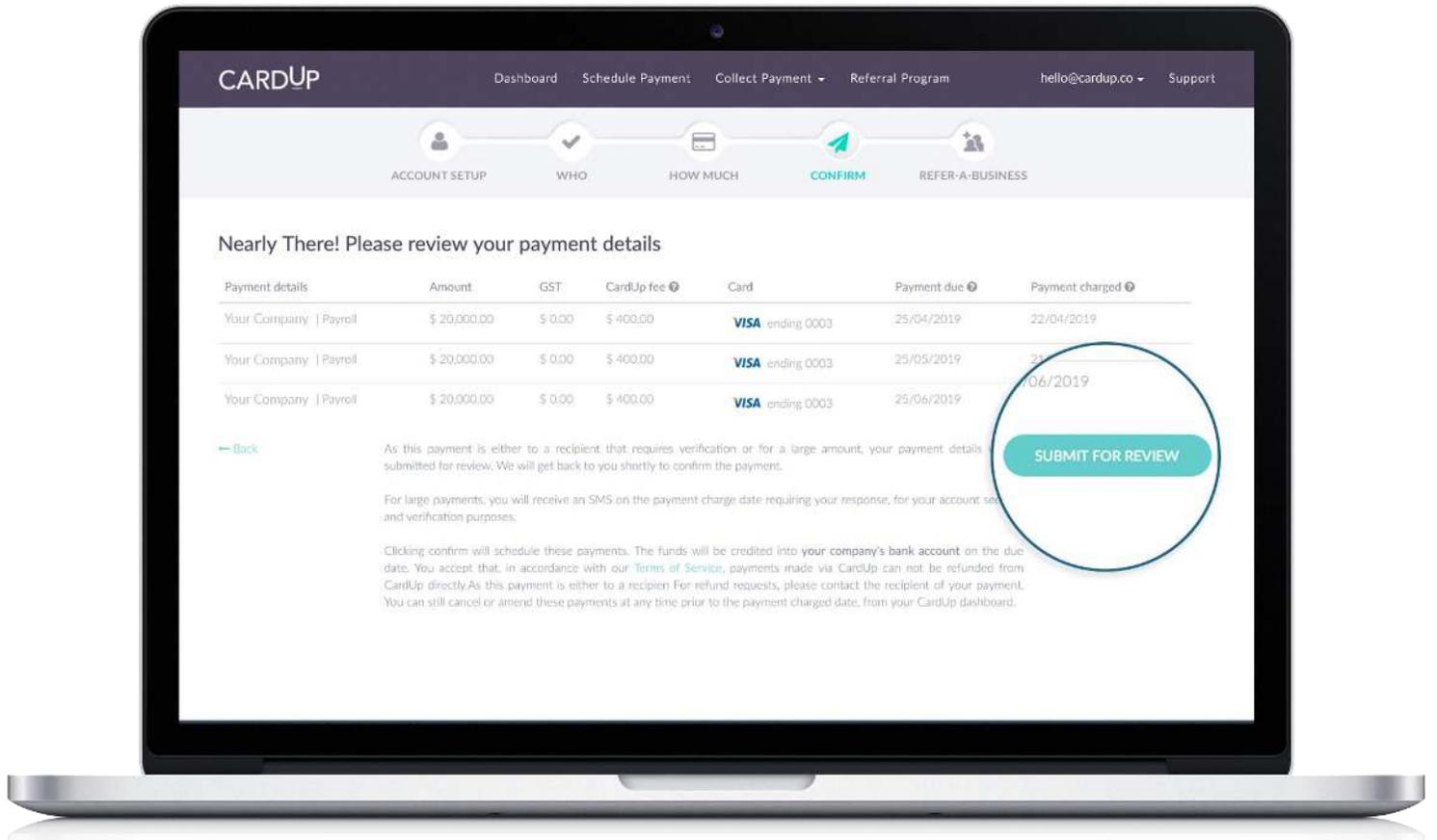
**Step 4:** Upload the required documents for verification purposes and schedule your payment

**For compliance requirements, you will need the following documents ready when making your payroll payments on CardUp:**

- Your company bank account details
- A bank account statement, or a third-party document, stating your company's address and bank account details
- PDF or screenshots from your payroll system where employees' names and salaries are visible



## Step 5: Review and confirm your payment on the payment verification page.



With just a few minutes, your payroll payment will be all ready to be charged to your credit card – it's that simple and importantly, secured. All payments made through CardUp are held to the highest standards of security:



Bank standard security, PCI compliant



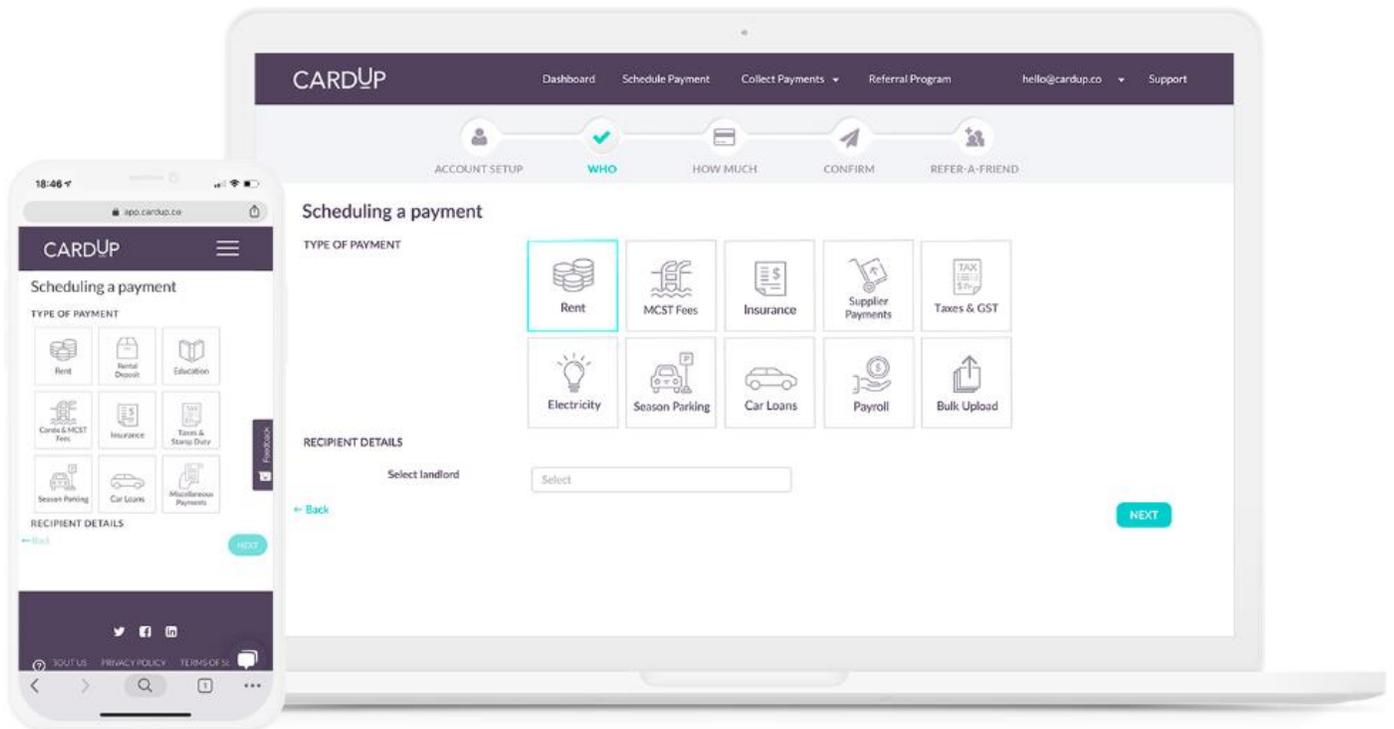
Funds held in safeguarded account for no more than 3 hours



Managed hundreds of millions in payment volume

[Set up your payroll on CarUp now](#)

CardUp is a credit card enablement platform, which enables the payment of collection of big expenses using card, in places where cards are not accepted today.



## XOPA AI uses CardUp to optimise working capital and digitise payable processes

Ms Nina Alag Sure, CEO , XOPA AI

"Through CardUp, I'm able to optimise working capital for my business at a flexible and affordable rate. It helps our business in timely processing payroll to employees and payments to suppliers."

# CARDUP

Pay business expenses with credit card, even if your recipients do not accept card payments



## Schedule a demo session

to have a deeper understanding on how you can optimize your working capital just by using your very own pre-approved credit limits

[cardup.co/biz-demo](https://cardup.co/biz-demo)



For immediate assistance, email us at [hello@cardup.co](mailto:hello@cardup.co) or call us at (65) 3163 9289.