



Make the Difference
We Prove It



PAYGo PERFORM Monitor (PPM)

KPI definitions

February 2024





PAYGo PERFORM Monitor

www.atlasdata.org



The PAYGo PERFORM Monitor initiative is an open and transparent industry process that seeks the active involvement of industry stakeholders. Together with [GOGLA](#), we are working to develop a reporting framework and set of key performance indicators for the PAYGo solar industry.

To learn more about the KPIs, please visit the PAYGo PERFORM page [here](#).

To learn more about Financial Reporting Standards, please see the PAYGo Accounting Brief [here](#).



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General guidance

- Please ensure all values reported to the PPM align with the indicator definitions outlined in this guide. Do not derive any building blocks from ratios calculated internally – all data should be the raw building blocks as extracted from internal systems or financial statements.
- Please ensure that data reported to the PPM aligns with any financial statements – where applicable, data should be directly extracted from these statements.
- Please ensure that all data aligns with data shared with other stakeholders (e.g., investors), unless there is a clear difference between the definitions.
- In case of any uncertainty, please reach out to the MFR ATLAS team for clarifications:

contact@atlasdata.org



Definitions of building block KPIs

The table below presents the definition of the building blocks used to calculate the KPIs. Please use this guide when sharing any data to the PPM.

Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
Portfolio Quality		
Outstanding receivables	End of period Total gross outstanding receivables on the balance sheet, including all future scheduled follow-on payments	Include: <ul style="list-style-type: none"> ✓ All future scheduled follow-on payments and the balance of additional credit made in association with units, if any. ✓ Outstanding Receivables may or may not match the total outstanding receivables as they appear on the balance sheet, depending on the financial reporting standard used and in case of off-balance sheet financing. Do not include: <ul style="list-style-type: none"> ✗ Do not include Outstanding receivables written-off. ✗ Do not include subsidies receivables from donors.
Outstanding receivables > 30 consecutive days unpaid	End of period Total outstanding receivables on the balance sheet, including all future scheduled follow-on payments, more than 30 consecutive days unpaid. Do not count promotions.	Include: <ul style="list-style-type: none"> ✓ All future follow-on payments that are more than 30 consecutive days unpaid. Do not include: <ul style="list-style-type: none"> ✗ Any outstanding receivables with that have been rescheduled, or currently enjoying payment waivers, or other similar promotions. ✗ Do not include subsidies receivables from donors
Outstanding receivables for written-off contracts	During the period Value of outstanding payments for units/contracts written off during the period	Include: <ul style="list-style-type: none"> ✓ All outstanding receivables written off from the balance sheet. Do not include: <ul style="list-style-type: none"> ✗ Any outstanding receivables that have not been formally written off.



Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
Scheduled follow-on payments	During the period Sum of all scheduled follow-on payments from all contracts that fell due within the period.	<p>Include:</p> <ul style="list-style-type: none"> ✓ Follow-on payments for all active contracts that fell due within the period (both signed before and during the period). ✓ The regular payment scheduled for the period even if a larger prepayment is made in the period or if a larger prepayment was made in the past, covering future payments (e.g., the scheduled payment should be \$10 in September and \$10 in October, even if the customer pays \$20 in September and \$0 in October). ✓ Follow-on payments for customers late with their payments as per standard repayment frequency rather than the full outstanding amount: <ul style="list-style-type: none"> ○ <i>During the contract:</i> If a client is late this month, then the scheduled amount for the next month should be the standard repayment rate x the number of days in the period, rather than this standard repayment + the amount late from previous periods. For example, if a client's standard repayment is \$1 per day but the client still has an outstanding amount of \$10 as of the end of September, then the scheduled amount for October should still be the standard repayment rate of \$1 x 31 days (\$31 in total), as opposed to \$31 + \$10. ○ <i>Beyond the contract:</i> If a client still has outstanding receivables beyond the contractual end, then the scheduled amount for the months following the contract end should be the standard repayment rate x the number of days in the period, rather than the full outstanding amount. For example, if a client's standard repayment is \$1 per day and the if the contract ends as of September but the client still has an outstanding amount of \$40, then the scheduled amount for October should be \$1 x 31 days (\$31 in total), as opposed to \$40. ✓ Credit risk promotions during the contract, targeted at low repayment customers (e.g., buy one week of light, get one week free; three days of free light to COVID-affected customers): include as scheduled payments the amounts corresponding to the free days of light. ✓ Follow-on payments for formally rescheduled portfolio: ensure to include the correct scheduled payments reflecting the rescheduled terms. <p>Do not include:</p> <ul style="list-style-type: none"> ✗ Do not derive scheduled follow-on payments from an internal collection rate. ✗ Any scheduled payments in the period covered by the initial deposit given that the customer makes no follow-on payments (no follow-on cashflow received) in that timeframe.



Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
		<ul style="list-style-type: none"> ✗ Receivables/units that have been written-off (in an accounting sense, meaning that the receivable does not appear as a receivable on the balance sheet anymore. If the customer is late without a formal write-off, even if >180 days late, follow-on payments should still be included). ✗ Non-targeted promotions done for marketing purposes during the contract (e.g., buy 1 week light get 3 days free light): ideally, does not include as scheduled payments the amounts corresponding to the free days of light. ✗ Do not include subsidies scheduled from donors.
Follow-on payments	During the period The sum of follow-on payments (Cash) received from all customers for the period	Include: <ul style="list-style-type: none"> ✓ All follow-on payments received during the period. Do not include: <ul style="list-style-type: none"> ✗ Do not derive follow-on payments from an internal collection rate. ✗ Do not include subsidies received from donors.
Financial		
Total cashflow (inc. subsidies) *	During the period Cashflow from customers + Cashflow from subsidies	Include: <ul style="list-style-type: none"> ✓ All cashflow from both PAYGo and non-PAYGo customers, including B2B or wholesale cashflows and any cashflow from subsidies that cover customer payments (e.g., customers pay 80% of their contract, and grants cover the remaining 20%), for PAYGo or non-PAYGo units, or any other subsidy received for operational or investment need of the company. Do not include: <ul style="list-style-type: none"> ✗ Do not include revenue booked in the period that is not received in cash in the period. Rationale: cashflow from customers and subsidies is used as a conservative proxy for revenue in the calculation of financial KPIs, given the variety of financial reporting and revenue recognition standards in the industry.



Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
Cashflow from subsidies	During the period Cashflow from subsidies	Include: <ul style="list-style-type: none"> ✓ Any cashflow from subsidy that cover customer payments (e.g., customers pay 80% of their contract, and grants cover the remaining 20%), for PAYGo or non-PAYGo units, or any other subsidy received for operational or investment need of the company. Do not include: <ul style="list-style-type: none"> ✗ Do not include payments made by customers that are complementary to the subsidies. ✗ Do not include subsidies that are not yet received in cash in the period
Cashflow from customers (exc. subsidies)	During the period Cashflow from PAYGo customers without subsidies + Cashflow from non-PAYGo customers without subsidies.	Include: <ul style="list-style-type: none"> ✓ All cashflow from both PAYGo and non-PAYGo customers, including B2B or wholesale cashflows. ✓ This cashflow is the sum of follow-on payment from PAYGo customers + initial deposits from PAYGo customers + cash from cash customers (B2C, B2B, B2G, other) Do not include: <ul style="list-style-type: none"> ✗ Do not include subsidies.
Total costs	During the period The sum of variable, semi-variable and fixed costs must equal the total expenses in the financial statements	Include: <ul style="list-style-type: none"> ✓ All variable, semi-variable, and fixed costs as reported in financial statements. ✓ All costs, including the costs covered by subsidies, if any
Total assets	End of period The sum of total assets on the balance sheet	Include: <ul style="list-style-type: none"> ✓ Total assets of the organization, including short- and long-term assets, and equal to total liabilities plus total equity.
Total equity	End of period The sum of total equity on the balance sheet	Include: <ul style="list-style-type: none"> ✓ Total equity as reported on the balance sheet.



Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
Cash and liquid assets convertible to cash in the next 90 days	End of period Cash and financial investments convertible to cash in 90 days -fixed deposits, money market, T bills, etc -. Excluding Inventory and excluding receivables.	Include: <ul style="list-style-type: none"> ✓ Cash and financial investments convertible to cash in 90 days -fixed deposits, money market, T bills, etc., as reported on any financial statements. Do not include: <ul style="list-style-type: none"> ✗ Inventory or receivables.
Customers		
Number of PAYGo customers	End of period The sum of all PAYGo customers with Outstanding receivables as of the end of the period. This shouldn't include customers whose Outstanding receivables have been written off	Include: <ul style="list-style-type: none"> ✓ All PAYGo customers with Outstanding receivables as of the end of the period. Do not include: <ul style="list-style-type: none"> ✗ Any customers who have had their contracts written off. ✗ All customers that have been active during the period – this indicator is measured as a snapshot as of the end of the period only.
Number of cash customers	End of period The sum of all cash customers, defined as unique customers with valid warranties. This includes customers who bought products during the period or before, providing that the warranty remains valid as of the end of the period.	Include: <ul style="list-style-type: none"> ✓ All customers who bought products during the period or before, providing that the warranty remains valid as of the end of the period. Do not include: <ul style="list-style-type: none"> ✗ Customers with expired warranties.



Key Performance Indicators (KPIs)	Definition	Do's and Don'ts
Number of units that reached 100%/150%/200% of the contract term during the period	During the period The total number of units that reached 100%/150%/200% of the contract term during the period as of the contract terms at the point of sale.	Include: <ul style="list-style-type: none"> ✓ Any units that reach 100%/150%/200% of the contract term at any point during the period. ✓ All units that were written-off or restructured - the contract term is considered as the original contract at the point of sale. Do not include: <ul style="list-style-type: none"> ✗ Any updated terms caused by restructuring or write-offs - the contract term is considered as the original contract at the point of sale. ✗ Any units that reached 100%/150%/200% of the contract term outside of the period.
Number of units that reached 100%/150%/200% of the contract term during the period and that fully repaid	During the period The total number of units that reached 100%/150%/200% of the contract term during the period and that fully repaid as of the contract terms at the point of sale.	Include: <ul style="list-style-type: none"> ✓ Any units that reach 100%/150%/200% of the contract term at any point during the period and that fully repaid. ✓ All units that were written-off or restructured - the contract term is considered as the original contract at the point of sale. Do not include: <ul style="list-style-type: none"> ✗ Any updated terms caused by restructuring or write-offs - the contract term is considered as the original contract at the point of sale. ✗ Any units that reached 100%/150%/200% of the contract term outside of the period.