

DEBT MANAGEMENT CHECKLIST

1	Ensure that your terms and conditions provide enforceable options for debt recovery	
2	Ensure that your terms and conditions include late payment interest provisions on business-to-business debt	
3	Agree those payment terms upfront and ensure that they are properly accepted so that there is no doubt whose terms and conditions govern your customer/business relationship	
4	Issue all customers with a copy of your business terms and conditions as soon as they engage you	
5	Always create detailed, clear and easy to understand invoices; it helps to print a further copy of your terms and conditions on every invoice or embed a link to them/attach a copy of them if you're sending out the invoice electronically	
6	Add VAT correctly to your invoices	
7	Invoice the correct party – you should know if the other business is a limited company, sole trader or partnership. It is important to make sure you don't invoice the individual if he/she is actually trading as a limited company	
8	Issue invoices promptly, and ensure they set out all the details necessary for your customers to make prompt payment.	
9	Follow up with your customer if you don't receive payment by the due date.	
10	Record any correspondence with your customers about payment, including any reminders sent	
11	Consider your debt recovery options if your customer still doesn't pay	
12	Remove or reduce credit terms for persistent late payers – ensure your terms and conditions give you the right to do this, with short notice, on failure to stick to the agreed timescales	