

5 ways to make sure you get paid, every time.



REVEALED!

Many businesses are shocked when they receive a letter from a liquidator advising one of their customers is insolvent and they won't be paid.

The trade receivables of a business can often be their largest asset. They are also the greatest means of generating cashflow and the ability to pay your suppliers. Therefore, why are more 'simple steps' not taken to ensure you avoid bad debts?

These steps can be easily implemented either in-house or by using an external party and will protect your business against the risk of a bad debt into the future. These include:

- 1. New credit assessment** - when establishing a new credit account, ensure you have effective in-depth procedures to onboard a new customer.
- 2. Terms and Conditions of sale** - make sure you have the right terms and conditions of sale that are up-to-date and allow you to recover your goods or outstanding monies, when your customer becomes overdue.

- 3. Overdue collections** - when an account becomes overdue, make sure you have a robust process to initiate collection recoveries.
- 4. Security** - make sure you register your security interests over your goods under the Personal Property Securities Act.
- 5. Trade Credit Insurance** - for a very small percentage (typically between 0.1% and 0.6% - of your credit sales) insure up to 90% of your invoice value in the event of a customer's insolvency.

These simple steps will reduce the likelihood of your business having a bad debt or in the situation the customer becomes overdue, ensure you are best placed to take action or receive a payment through your credit insurance policy.

Contact us for more information on NCI Trade Credit Solutions and how to assess new and existing customer credit levels.

Talk to us today

p | 1800 882 820
e | info@nci.com.au
w | nci.com.au

