Credit management and control

A basic guide for freelancers and contractors

Written for PCG by Safe Collections
TABLE OF CONTENTS

1.0 What is credit control – and why do I need a system? 3
2.0 “The devil is in the details.” Identifying risk 3
3.0 “Dealing with the devil.” Contracts of engagement 5
4.0 “No contract, no problem.” Terms and conditions 5
5.0 “Show me the money.” How to get paid on time 6
6.0 Suggested overdue letters 7
7.0 UK late payment legislation 8
8.0 “If all else fails.” Debt collection & recovery 10
9.0 Top 10 signs your client is in financial trouble 12
10.0 Emergency credit control check list 13
11.0 References 14
1.0 **What is credit control and why do I need a system?**

Put simply credit control encompasses all of the day to day office tasks that enable you as a freelancer to both make payments to your suppliers and in turn be paid by your clients. Every company from single contractor up to international conglomerate has to walk the fine line between solvency and insolvency, the key to successfully walking this line is **cash flow**.

**What is cash flow?**

Well as the name implies this is the flow of money into and out of a business. Money normally comes in from your clients and goes out in expenses such as rent, rates and wages. If the flow of money into a business is less than the value of payments that are due out the business is technically insolvent. However a great many companies both large and small continue to operate effectively with small periods of insolvency interspersed with periods of solvency.

Theo Paphitis of Dragon’s Den fame is quite clear about this.

> "A lack of profit is like a cancer. If it carries on for a long time, it will eventually kill you. But a lack of cash is like a heart attack."

A sensible and well thought out credit control system will ensure that your company doesn’t die from a corporate heart attack induced by a serious cash flow shortage. The first step in any policy is to help you identify and reduce the risks involved in offering credit.

**Risk versus reward**

Extending credit to any company is a risk, period. That is not to say that you should never offer credit, but like all things in life you have to correctly identify the risk and weigh this against the potential reward. Take this example:

- You are approached by a good friend who you have known many years; he has had an accident and needs to borrow £20 to get home.

Or:

- You are approached by a plausible and confident stranger; they have had an accident and need to borrow £20 on the assurance they will return your money by post at a later date.

Who would you feel more confident in extending credit to? Your trusted friend or the plausible stranger? The answer seems obvious yet we at Safe Collections regularly speak to freelancers and contractors who are owed tens of thousands of pounds by businesses who have a zero credit rating, or worse, a history of non payment. This is why you must **always** identify the risks involved in offering credit prior to commencement.

Ten minutes of investigation now may ultimately save you from months of extra work and thousands of pounds in legal costs just to get paid. Use it wisely.

2.0 **“The devil is in the details.” Identify the risk**

So you have been offered a lucrative contract by a new client, your excited by the opportunity and looking forward to the rewards. **But what about the risk?** Can this client actually pay you? More importantly are they prepared to pay you in a timely fashion?

The easiest way to identify the potential risks is to purchase an online credit report from a **reputable** agency. Care must be taken when selecting a provider as you will be basing the majority of your credit decisions on the information contained within.

We at Safe Collections would recommend Experian Business Express.

A standard report on a limited company will contain a wealth of information including financial data, share ownership, previous company names and information on the officers of the company. For the average freelance contractor the pure volume of information contained within a limited company report can be overwhelming, so you need to identify the following key factors:
## Suggested credit limit

Every provider in the country will give you a recommendation on the amount of credit they calculate this company is able to support. This is the single most important piece of information to you as a potential creditor of this company. In an ideal world the suggested credit limit would be enough to pay your invoices for approximately three invoicing cycles. If your monthly invoices total £1,000 a company would need a minimum limit of £3,000. If a company has a credit limit significantly smaller than your projected invoicing you must give serious consideration to reducing your payment terms to 14 or even 7 days.

## County Court Judgement information

The next vital aspect of the report is the record of County Court or other adverse action against this company. Any company that has numerous outstanding County Court Judgements must be treated with extreme caution as they have already demonstrated a history of defaulting on payments. Ignore this information at your peril.

## Issued share capital

Whilst not an indicator of solvency, a company’s issued share capital can say a lot about how the company is traded. A sizeable figure indicates that the company has seen significant investment, most likely from one or more of the officers of the company. Conversely many start-up companies can have issued capital of just £1.

## Parent and ultimate parent company

Many companies are whole or partial subsidiaries of other limited or non limited entities. This can be useful to you as a freelancer if your client has a low or zero credit rating as you can seek written guarantees on payment from the parent company. Meaning that if your client does not pay you can seek payment from the parent, but any guarantee must be drawn up by a specialist solicitor, an email from the parent company promising payment will not suffice.

Finally, don’t forget to credit check the parent company...

## Correct company information

The final important piece of information is in fact all of it. Keep the report you have just purchased in a safe place as in the event of non-payment you will need the data it contains. After all if you are forced to take legal action to recover your money you need to know you are in fact issuing proceedings against the correct company. This may sound ludicrous but Safe Collections have seen contractors waste thousands of pounds in legal costs through simply mis-quoting the debtors company name.

Remember the above guide to a credit report is extremely rough and ready and should not be considered to be exhaustive. It has been designed to give the average contractor with little or no credit control experience the bare minimum to understand and make a more informed decision.

Recent research from NatWest and RBS reveals that 71% of SME’s in the UK have suffered from late payments over the last 12 months**. The likelihood is your company will also face this problem, so you must be confident that your risk will be rewarded. After all in 2012 there were:

- 20,731 Company Insolvencies
- And 109,477 Personal Bankruptcies***

In the experience of Safe Collections nearly all of the individuals and companies that feature in the above statistics will have had a number of unsecured and ultimately unpaid creditors. Imagine for a moment the inconvenience, stress and difficulty every one of those creditors faced after the realisation that any money owed was unlikely to be paid.

Now imagine the impact on your own business...

This is what you are risking by offering credit to another company, so always ensure you know who you are investing your time and money in. Because be under no illusion, extending credit is providing your client with an interest free loan.

But let us for now assume the client appears to be solvent and a prompt payer, what next?
3.0 “Dealing with the devil.” Contracts of engagement

As a contractor or freelancer you may well find yourself engaged through an agency. If your engagement is covered by a legal contract this will often include numerous clauses that can impact on the speed and regularity with which you receive payment. Starting with:

■ Timesheets
Does your contract state that your timesheet has to be emailed or faxed to a specific address or number? Do they have to be submitted by a certain time or signed by a specific person? Ignore these instructions at your peril! You will be dependent on the individual that processes payments so do not get on their bad side. Paperwork that is late, incomplete or otherwise irregular creates more work for the processor and increases the likelihood you will not be paid on time.

■ Invoices
As with Timesheets many contracts include clauses relating to the submission of invoices. Follow them to the letter and submit your invoices in a timely fashion. This may seem to be impossible to overlook but it can and does happen. After all how can you expect to be paid if you have yet to submit the invoice?

■ Payment terms
Many contracts will stipulate the agencies payment terms, these must be carefully scrutinised. If you generally expect payment after 14 days does their contract stipulate 30 days? If so you will need to ensure you have credit available to cover your expenses for a further 16 days minimum. Ideally you need to ensure you have facilities in place to allow your company to survive for two to three months with no payment from the client.

Pay close attention to any clause linking your payment to payment being received from the ultimate end client. Whilst these clauses are relatively rare they can seriously impede recovery in the event of non payment.

Always pay close attention to these clauses as you will need to comply with any specific terms contained within. Failure to adhere to these clauses is likely to delay payment at best and at its worst can be used as a semi legitimate tactic to avoid payment.

This guidance is provided from the point of a credit controller and not that of a legal expert and should be treated as such. PCG members can get their contracts reviewed free of charge as part of membership.

But what if you do not have a contract with your client? In that case you need to rely on your terms and conditions of sale.

4.0 “No contract, no problem.” Terms and conditions

If you have no contract with your client it is absolutely imperative you’re your business has its own terms and conditions of business drawn up by a reputable solicitor, preferably one with experience in practising law relevant to your chosen field. These must always be signed and accepted prior to commencing work for the client and retained on file.

These terms will govern the business relationship you have with your client and should cover all eventualities. These conditions should at the very least contain clauses relating to the following:

■ Charging
What is the standard fee for the service?
Does your company invoice incrementally, if so at what intervals?

■ Payment
What are your payment terms?
How does your company accept payment?

■ Queries and disputes
What is the policy regarding queries and disputes?
How are queries and disputes raised?
What is the time limit on raising and responding to a query and dispute?
The document may also contain other industry specific clauses depending on your chosen field, including those relating to:

- Intellectual property
- Copyright
- Transfer of rights
- Limitations on use or resale

Remember this document is for the benefit of all parties, always insist on having signed proof of its acceptance. Merely stating your terms on your website or on the reverse of the invoice is not good enough. If you have issues with the client, a signed acceptance of your terms & conditions will be needed. Similarly should any legal dispute arise these terms may well limit the scope of any potential claim against your company.

So your terms and conditions are signed and your engagement begins, it’s everything you have hoped for and more. Your first invoice has been dispatched and you’re looking forward to enjoying the fruits of your labours. But how do you ensure you get paid on time?

There is no black art to getting paid, you need only follow a few simple steps...

5.0 “Show me the money!” How to get paid on time

So your first invoice has arrived with the client and you are expecting payment in seven, fourteen or thirty days. Does your business just wait for the payment to materialise in the bank as if by magic? If so the first indication your company will have that something is amiss is when the payment fails to arrive.

The key to successful credit control is to be pro-active in handling of your outstanding invoices. By following the simple points below you will not only ensure your payments arrive on time, but also have early warning of any problems.

**Step 1:** Approximately one week after issuing the invoice and prior to the expected payment date make contact with the client by telephone or email. Confirm the invoice has been received and that there are no issues with the services provided thus far.

**Step 2:** On the due date ensure you send a statement if no funds have been received. Remember a statement is just that a statement of the account, it is not a request for payment.

**Step 3:** At seven days overdue send a reminder letter or email to the client requesting payment (see suggested letter 1)

**Step 4:** Between seven and fourteen days overdue a call should be placed to accounts payable to query why no payment has yet been received. Make a note of any promise of payment.

**Step 5:** At fourteen days overdue a second stronger letter requesting payment and warning of further late payment charges should be sent to the client (see suggested letter 2).

**Step 6:** From day 15 to day 30 you should make regular contact with the client by telephone to ascertain the reason for the delay. If you have provision for cessation of work due to non-payment this must be illustrated to the client.

**Step 7:** Keep notes of any calls or emails sent to or received from the client regarding payment. This will aid your company should a promised payment not arrive as you will have the record of the broken promise.

**Step 8:** If no payment is received by day 30 your company must carefully weigh up the risks involved in continuing to supply services that have yet to be paid for. Can your organisation survive should the next invoice be unpaid?
If you have an account unpaid at 30 days overdue do not hesitate to cease supply of services to the client. Whilst Safe Collections appreciate many contractors will have built up strong personal relationships with the client or agency in question, above all else this is business and must be treated as such.

**Remember a sale is not a sale until the money is in the bank!**

### 6.0 Suggested overdue letters

**Letter 1**

Dear Sir

Outstanding Account Value £

The above sum was due for payment on **XX/XX/XX** but as at today's date no payment has been received.

Should your company have any legitimate reason for non-payment, please contact us within the next seven days so we can fully investigate any issue.

Should no query exist please be aware our payment terms are strictly **XX** days and we make no provision for extended credit terms in our pricing structure.

Yours faithfully

*xxxxxxx*

**Letter 2**

Dear Sir

Outstanding Account Value £

As at today's date, we have yet to receive payment of the outstanding amount, which is now considerably overdue.

*Our company has not yet levied any late payment or interest charges under “The Late Payment of Commercial debts (Interest) Act 1998 (as supplemented and amended)”.*

However should payment in full not be received within the next seven days we may add these charges to your account. Please also note that our company has a policy of ceasing supply of work/services to any organisation with an account more than **XX** days in arrears.

We trust this will not be necessary and look forward to receiving payment by return.

Yours faithfully

*xxxxxxx*
Final Demand

Dear Sir

Final Demand

Outstanding Account £

Late Payment Costs £

Late Payment Interest £

Total Outstanding £

Despite previous reminders we are disappointed to note that the above account remains outstanding.

As this amount is now in breach of our agreed payment terms we have reluctantly added further costs and interest in line with "The Late Payment of Commercial debts (Interest) Act 1998 (as supplemented and amended)".

It is now imperative that this amount is settled in full, including late payment costs and interest charges within the next seventy two hours. Failure to settle this now extremely overdue account in a timely manner will leave our Organisation with little option but to pass this account to our chosen debt recovery agency, Safe Collections.

We would therefore respectfully suggest that you treat this matter with the urgency it deserves and remit the full balance due as soon as possible.

Yours faithfully

XXXXXX

The above letters are a basic guide and your company may have other procedures to deal with defaulting customers. If so include these in your requests for payment. If your contract includes provisions relating to the transfer of assets or intellectual property these may also be included.

- The removal of access to specific proprietary code
- Clauses relating to the retention of copyright
- Clauses relating to the transfer of intellectual property

7.0 UK late payment legislation

The UK first introduced late payment legislation in 1998 when the “Late Payment of Commercial Debts (Interest) Act 1998” came into force. Originally designed to provide a financial penalty for the benefit of larger firms, subsequent amendments in the shape of “The Late Payment of Commercial Debts Regulations 2002” meant that any business, irrespective of its size, could use the statutory penalties in the event of payment being made outside of agreed terms.

These two acts gave creditors the legal right to charge both interest and late payment costs on any overdue invoice. Interest was set at a rate of 8% above the BoE base rate and fixed costs are determined by the value of the overdue invoice:
<table>
<thead>
<tr>
<th>Invoice Amount</th>
<th>Fixed Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>£0.01 - £999.99</td>
<td>£40.00</td>
</tr>
<tr>
<td>£1,000.00 - £9,999.99</td>
<td>£70.00</td>
</tr>
<tr>
<td>£10,000.00 and up</td>
<td>£100.00</td>
</tr>
</tbody>
</table>

Whilst these penalties certainly helped many small businesses the impact for contractors was negligible. As the combination of fixed costs and interest was generally not enough to cover any collection costs that may be incurred.

However in 2013 the legislation changed yet again, with the introduction of The Late Payment of Commercial Debts Regulations 2013. This new revision to the legislation included a number of key points, including the ability for a creditor to recover anything in excess of the fixed sum compensation, if this does not meet their reasonable costs of recovering the debt.

This small but important change is good news for contractors, as it means that if you have a client that cannot or will not pay on time, it is now the reluctant client that must bear these extra costs for any third party collection.

In addition the 2013 act makes imposing extended payment terms on suppliers more difficult as a payment period generally cannot exceed 60 days unless agreed in advance and crucially, that these payment terms are not deemed to be "grossly unfair" to the creditor.

Unfairness is described by the act as "anything that is a gross deviation from good commercial practice and contrary to good faith and fair dealing;".

We would recommend late payment charges are added to every unpaid invoice and these can be calculated easily at the long running website www.payontime.co.uk. Alternatively for smart phone users you can download our free Late Payment calculator. Search for Safe Collections on the app stores or use the QR codes below.
8.0 “If all else fails” – debt collection and recovery

So despite your best efforts you have at least one invoice outstanding, don’t take it personally as new research from NatWest and RBS reveals that 71% of SME’s in the UK have suffered from late payments over the last 12 months.**

So how does your company go about recovering the fee’s that are outstanding? Essentially you have three options:

**Option 1 Use a reputable debt recovery agency**

Many organisations will use the services of a reputable recovery agency on an ad-hoc basis to deal with reluctant payers. In terms of cost this is often the most effective option as many agencies will charge a fixed percentage of the debt when it is settled. If payment is not forthcoming an agency will usually have a relationship with a firm of litigation specialists who are able to continue the pursuit into the realms of the courts.

Additionally a debt collection agency (DCA) will have the experience and procedures in place to rapidly escalate your claim for payment and will be able to advise you on the best way to approach the recovery. Typically you will not be expected to pay for the time spent in recovery as many agencies offer a no collection, no commission service.

But as with any supplier you must investigate any potential agency prior to instruction, as a small number of rogue recovery agencies operate in the UK. Be very wary of any company that requests payment of significant fee’s in advance or asks for a membership or debt placement fee be paid. Be sure to avoid any agency that has any CCJ’s registered against it and always ensure the agency holds the appropriate license from the Office of Fair Trading.

**Pros**

- Having an agent assisting in recovery of funds will free up company time to concentrate on paying clients.
- No upfront charges and a percentage payable only on collection.
- A good agency will not alienate your customers in fact they may help you to retain them.

**Cons**

- Choosing a rogue agency will reflect poorly on your business, potentially costing you customers and return business.
- Ensure monies are paid to your business not the DCA, as some unscrupulous agencies may withhold your monies.

When choosing an agent it is always preferable to seek out personal recommendations from other contractors or freelancers. Alternatively look for an agency that is endorsed by a professional group or accredited body. If in doubt treat a potential supplier the same as a potential customer, show due diligence and thoroughly investigate any references and licenses held.

**Option 2 Issue legal proceedings via a solicitor**

Many businesses will choose to immediately engage the services of a solicitor should they have issues with late payment. Most solicitors will only send a single Letter Before Action (LBA) at a fixed cost and then suggest the issuing of proceedings against the debtor company in court. Once judgment is awarded the solicitor will continue to attempt to secure payment of the judgment by the debtor.

The major downside to using a solicitor in this way is purely and simply the cost involved. Many solicitors will expect to be paid for their time in dealing with the case irrespective of if the amount is collected or not. Plus if a defence is submitted on behalf of the debtor company you can expect to pay, again by the hour, for the solicitor to refute this defence. Once judgment is secured an experienced litigation solicitor will be able to advise your organisation on the best way to proceed with enforcement, as simply gaining judgment is often still not enough to bring forth payment of monies owed.
It must also be noted that the issuing of proceedings to collect funds is often considered to be the final option in recovery. In the experience of Safe Collections suing a customer, for whatever reason, will irrevocably damage if not completely terminate the business relationship.

**Pros**

■ A debtor may pay on receipt of the LBA avoiding legal proceedings.
■ Court costs are fixed and recoverable from the debtor, if the debtor pays.
■ Experienced counsel will be able to advise on the best method of enforcement.

**Cons**

■ While court costs are fixed, the solicitor’s hourly are not. For amounts less than £10,000 the solicitor’s charges are generally not recoverable.
■ Issuing proceedings against a customer is very likely to alienate your customer completely.
■ Can be prohibitively expensive for disputed amounts under £10,000

**Option 3 Issue legal proceedings “In House”**

The final option for recovery is to issue proceedings without a solicitor, with the advent of Money Claim Online access to the courts has never been easier and you can now issue proceedings from the comfort of your chair. The obvious advantage is the avoidance of extra legal fees and complete control over the costs. The main disadvantage is the lack of guidance should a defence be received, or should the judgment not be paid as directed by the court.

Additionally you must weigh up the unseen costs of in house litigation, this is especially vital for independent contractors and freelancers. As if you spend time in litigation it will reduce the time your company can devote to existing paying customers and potential new clients.

Additionally securing judgement can often be the easiest part of the recovery, if the debtor ignores the directions of the court it will be up to you to decide on the best way to proceed. Will you use a Bailiff or a High Court Enforcement Officer? Will you seek a charging order or potentially pursue an oral examination by the court? Different situations will require radically different approaches and if you issue proceedings in house you will need to be prepared to research and fund any potential course of action without the aid of expert guidance.

**Pros**

■ Proceedings can be issued online in minutes.
■ Costs are fixed by the courts and no solicitor’s fees are payable.
■ Basic guidance is available from the courts or online.

**Cons**

■ Can be extremely time intensive especially if a defence is filed.
■ May be difficult to recover funds if judgment is not paid as directed.
■ Again, legal action is likely to terminate a business relationship.

**Option 4 The wait and see approach...**

This is not really an option, but we have included it here as it would appear to be the option of choice for a great many businesses both large and small. Essentially your company submits the invoice and sits back and waits, and waits, and waits....

The advantages of this option are, well, the only one we at Safe Collections can think of is you impress your client with the ability to give them an interest free loan for the period your invoices are outstanding. They may well thank you for your generosity and kindness, but don’t hold your breath. It is far more likely they will simply continue to enjoy the extra funds in their cash flow at your expense.
Pros
- You will definitely not upset the client.

Cons
- Your company may find it is unable to pay HMRC.
- Your company may ultimately find it has gone out of business.

Whilst we at Safe Collections appreciate a contractor’s clients are hard won and easily lost you must **never** be afraid to pursue the payment for your services. If approached in a sensible fashion having credit control procedures in place will only reinforce the idea that your business operates effectively in all areas.

Finally you must always be mindful that if you write off £10,000 and your profit margin is 10% you will need to raise further sales equal to **£100,000 just to break even.**

**When it comes to your cash flow take no chances, as it is the very lifeblood of your business.**

9.0 Top 10 signs your client or agency may be in financial trouble

10. Sudden changes in key personnel
   (Like rats leaving a sinking ship, watch for the unannounced exit of company personnel especially senior management)

9. Sudden changes in business or trading address
   (If an organisation is struggling with their own cash flow they may relocate at extremely short notice in an attempt to reduce overheads)

8. Telephone calls going unanswered
   (This is self explanatory, if the phone is not being answered there is a problem)

7. Emails not being replied to
   (As above, if your emails are being ignored even when you aren’t seeking payment this may indicate an issue)

6. Consistently overdue payments
   (This is a classic indicator of internal issues with cash flow or a blasé approach to payment, either way monitor your situation carefully)

5. Payment promises being repeatedly broken
   (As above this is either an indicator of financial difficulties or simply a refusal to pay in a timely manner. Irrespective be mindful of your organisations position.)

4. Requests to reissue the invoice to a different company
   (This is a classic warning sign either the company can not pay you at this time or they intend to attempt to “dump the invoice” on a different legal entity. Never invoice a different company)

3. Dishonoured or stopped cheques
   (This needs no explanation, a bounced cheque is never a good sign. Similarly a stopped cheque is likely to indicate an issue with cash flow or with the invoice itself.)

2. County Court Judgments
   (If any client or agency has a County Court Judgment lodged against it and you have invoices outstanding, it is vital that you act to recover them immediately.

And our number one sign is...

- If your client is showing more than two of the above signs, monitor them closely.
- If they are exhibiting four or more of the above signs it is imperative you take immediate recovery action.
Always be mindful that if your client has liabilities of £20,000 and cash reserves of £10,000 that they who shout loudest, get paid first!

Finally if you have a customer you are concerned may be unable or unwilling to pay your invoices you can always call Safe Collections on 01772 454505 today, for a free, no obligation, credit health check.

10.0 Emergency credit control checklist
The checklist below is designed to help you accumulate the barest minimum knowledge of your potential customer in order to identify credit worthiness.

The majority of the decision has already been made by the company chosen to provide the report. That is why it is important to pick your provider with care as you are relying on this information to inform your decision.

<table>
<thead>
<tr>
<th>1</th>
<th>Have you purchased a credit report?</th>
<th>Yes</th>
<th>Go to 1.1</th>
<th>No</th>
<th>Go to 1.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Is the suggested credit limit equal or greater than three projected invoice cycles?</td>
<td>Yes</td>
<td>Go to 1.2</td>
<td>No</td>
<td>Go to 1.3</td>
</tr>
<tr>
<td>1.2</td>
<td>Does the credit report show any unsatisfied county court judgments?</td>
<td>Yes</td>
<td>Go to 1.4</td>
<td>No</td>
<td>Go to 1.5</td>
</tr>
<tr>
<td>1.3</td>
<td>Does the credit report show any unsatisfied county court judgments?</td>
<td>Yes</td>
<td>Go to 1.6</td>
<td>No</td>
<td>Go to 1.7</td>
</tr>
<tr>
<td>1.4</td>
<td>This company has a good credit limit but the CCJ may indicate previous problems with payment. They may be considered a medium risk, monitor carefully and consider reducing your payment terms.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td>This company has a good credit rating and is free of CCJ’s. They may be considered a good risk. You may be confident in extending your best terms. (But monitor this company on a regular basis)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.6</td>
<td>This company has a poor credit rating and at least one unsatisfied CCJ. They would be considered a very bad credit risk. If you can avoid offering credit do so.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.7</td>
<td>This company has a low suggested limit but is free of any Judgments, they may be considered a medium risk. Consider limiting credit until a good trading pattern is established</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.8</td>
<td>Do not pass go, do not collect £200. Purchase a credit report from <a href="http://www.riskdisk.com">www.riskdisk.com</a> and return to question 1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

... and finally
We trust you have found this guide both informative and useful, if you take nothing else from this guide please ensure that your paperwork really works for you and is always completed and retained.
11.0 References

* Theo Paphitis

** The Royal Bank Of Scotland Group

*** The Insolvency Service Statistics

About Safe Collections
Safe Collections has over 25 years of continuous service to industry, with a comprehensive range of credit control, credit management and debt recovery solutions which are used by a range of small and large businesses both within the UK and internationally.

Safe Collections offer preferential rates to PCGPlus members.

Contact details
Safe Collections
Centurion House
Centurion Way
Farington
Leyland
PR25 3GR

T 01772 454505
E accounts@safe-collections.com
F 01772 455007
www.safe-collections.com

About PCG
PCG, the voice of freelancing, is the cross-sector association for freelance contractors and consultants in the UK, providing its members with knowledge, representation, community and insurance. With around 21,000 members, PCG is the largest association of independent professionals in the EU. It is PCG’s fundamental belief that flexibility in the labour market is the key to ensuring Britain’s future economic success.

Contact details
PCG
Heron House
10 Dean Farrar Street
London
SW17 0DX

T +44 (0)20 8897 9970
E admin@pcg.org.uk
www.pcg.org.uk

Disclaimer: This guide does not constitute legal or financial advice and neither the Professional Contractors Group Ltd (PCG), nor Safe Collections, nor any contributor to the guide may be held responsible for any consequences of actions as a result of reading it. The reader should use their own judgment to decide whether or not they feel competent to arrive at decisions on these matters and, if not, to seek bespoke, professional advice.

Published by Professional Contractors Group Ltd, July 2013 © Safe Collections 2013.