

DEBTORS

POLICY

OCTOBER 2018

Debtors Policy

Debtors Records

A debtor record is maintained detailing the following:

- name & address of the debtor
- debtor account number (if using the FMS this will be assigned by the system)
- credit terms
- credit limit
- payment method

A periodic review is made of all outstanding debts to ensure that further credit is not given to a bad debtor.

A first reminder letter is sent out after 60 days after the invoice

A second reminder is sent 90 days after the invoice indicating, where it is felt appropriate, that legal action will be taken if the payment is not made within 14 days.

Debts in excess of £100 refer to section 13.2 of Financial Regulations of Maintained Schools

Write off of Bad Debts

A request for the write off of a bad debt is made where the debt has been outstanding for 6 months and recovery is deemed to be impossible or is no longer cost effective. This request may be approved by the Headteacher where the figure is less than £100.00. Such approvals are submitted to the Governing Body annually for information. For amounts over this figure approval for write off is given by the Governing Body.

All request for write off and approval are documented – see attached form.

Policy reviewed on 10th October 2018

Signed: Chair of Governors

Next Review: October 2019

REQUEST FOR WRITE-OFF

From.....

Date.....

Please authorise write-off of the following debt:*

INVOICE REF	NAME	DATE OF ACCOUNT	VALUE OUTSTANDING

Reason and circumstances for request:

* N B Use a separate form for each debt.

Name..... Date:

Signature.....
Headteacher

*Name..... Date:

Signature.....
Chair of Governors

*Over £100.00