

10 step invoice checklist to get paid faster

Invoicing is a vital part of running a business. Without accurate and timely invoicing your cashflow will suffer. So use this invoice checklist to help you do it right.

1. Agree payment dates and amounts with your customers in advance

A written Statement of Work is a good way to ensure there are no misunderstandings. You can provide estimates or quotations in advance for the goods or services you provide. Good accounting software can convert your quotes into invoices.

2. Invoice for everything – don't let anything fall through the gaps

You need to be thorough and invoice for all your costs. It's OK to give away freebies like minor expenses to generate goodwill. But do it sparingly, as your customers might expect the same treatment next time.

3. Let your accounting software do the hard work preparing invoices

Accounting software will generate invoices for you quickly and easily. It will include all the expenses you incurred when working for a particular client. This means you'll always recoup your costs when you invoice.

4. Ensure your invoices are comprehensive and itemised, with all the necessary details

If you want your invoices to be paid quickly you need more than just your company name and the total amount due. Be sure to include:

- Your business contact information, including name, address, email, and phone.
- Any legally required information, like tax numbers or company number.
- Your client's name and contact information. Make sure you address it to the correct person in their organisation.
- A list of the services or goods provided and the prices for each. Use clear descriptions so there are no misunderstandings.
- The quantity of each service or item purchased, then a column of sub-totals.
- The date of invoice.
- A unique invoice number. Your accounting software can generate this for you.
- Your client's purchase order or sales order number (if they've supplied one).
- If you are invoicing a foreign company, indicate which currency you want to be paid in.
- Your bank details for direct deposits. This needs to include your bank's name and address, account number, and other codes.
- Any other methods of payment you offer, like PayPal or credit cards. Be sure to account for transaction fees, so you don't lose out.
- Your payment terms, such as 14 days from date of invoice. Make sure you include the date due as well so they don't need to work it out.
- A request that direct payments include references, like your invoice number. Then you'll know who has paid.

10 step invoice checklist to get paid faster

5. Every invoice is a branding opportunity, so use a good design and add your company logo

Spend some time finding an invoice template that shows your business at its best. Choose accounting software with customisable invoice templates to help you do this easily.

6. Send your invoices as soon as the work has been completed

For healthy cashflow, invoice as soon as you can. Every day you wait means another day before you get paid. If you're on a retainer, it's a good idea to invoice on the last Monday of the month.

7. Set reminder alerts to notify your customers that payment is due

Your accounting software can warn you when invoices are overdue. It can also warn when they're nearly due. Some software notifies your clients that their payment is due, which can save you a lot of work chasing late payers.

8. Talk to late payers politely, but be prepared to act decisively if necessary

Cashflow is the lifeline of your business. So if reminders have been ignored, pick up the phone and talk to your client in a friendly and constructive way. If they persistently fail to pay on time, you might need to consider dropping them as clients.

9. Build invoicing into your business workflow

Maybe finish the day with half hour invoicing sending out current invoices and chasing up late payments. Make it part of your day!

10. Consider outsourcing invoice management to your bookkeeper or accountant

If you don't have time to manage invoicing yourself, outsourcing can be a good option. With online accounting software, you can give secure selective access to your bookkeeper or accountant. You can still see every transaction at a glance.