

<b>POLICY NUMBER</b>	- <b>3.4</b>
<b>POLICY SUBJECT</b>	- <b>3.4 Accounts Receivable Recovery</b>
ADOPTED	- 5 September 2000 (CMRef27632)
REVIEWED	- 15 January 2008 (CMRef29330)
REVIEWED REVIEWED	- 19 August 2008 (CMRef 29666)
	- 19 February 2013 (CMRef 31058)

To achieve a manageable and efficient control over overdue accounts by closely monitoring aged accounts in an attempt to reduce the likely occurrence of unrecoverable debts this policy will apply to accounts receivable excluding self-supporting loans, council rates and legal charges. Following the issue of an invoice to a customer, controls need to be set to regularly review aged debtors and commence collection action where deemed necessary.

### **Recovery Action**

Upon a debtor defaulting in payment of a debt within the standard term of credit, the Finance Office shall commence recovery proceedings against the debtor in accordance with the schedule below.

### **SCHEDULE**

<b>TIME</b>	<b>ACTION</b>
<20 days ( <i>from invoice date</i> )	Send out first statement
<35 days	Send out second and final statement
<50 days	Send letter of demand indicating legal action if account not paid within 7 days
<61 days	Initiate Formal Debt Collection Procedures