sage 200

GO**CARDLESS** | **⊙ DIRECT Debit** Integrated with Sage

A guide to Getting Paid on Time

Contents

Introduction

Your clients depend on your services, and you rely on their fees. Your focus is on helping them, but doesn't it feel like they're not always as focused when it comes to paying your invoices?

Balancing incoming and outgoing payments can be daunting when clients pay late. It often leads to cash flow problems, which hamper your profit, plans for growth, and ability to cover your business' operational expenses. Chasing up unpaid invoices can put a real strain on both your client relations and your resources.

So how do you ensure fast and simple payment of your fees while taking control of your cash flow? Find out how to get your invoices paid while delivering for your customers, maintaining your relationships, and remaining a trusted business partner.

Steps to improving your cash flow

1. Get a clear view of your finances

Many businesses don't truly understand why they've got cash flow issues. **Go through your income process end-to-end**, working with your teams to identify the processes slowing you down.

Common bottlenecks:

- Sending invoices too late.
- Not following up on clients and the payments they owe.
- Inflexible payment processes (e.g. using a single computer to send invoices).

Sage tip:

Access your invoices and payments in the cloud, and activate the **Forecasting and Reporting** functionality in your Sage 200 software solution. That way, you'll quickly track and monitor your income from paid invoices, check the level of your late payments and aged debts, and assess your overall cash flow position.

2. Make your payment terms clear

Your terms need to be sustainable and in line with your cash flow, and make sure they're scalable - even a profitable organisation can run the risk of taking on too much business and restricting its growth due to a lack of cash.

Simple steps to consider:

- Provide clear payment terms from the start, detailing how your clients should pay you.
- Larger businesses sometimes pay in 60-90 day cycles – is this something you can support?
- Be selective with your clients.

Sage tip:

Even sustainable payment terms are no good if your clients don't adhere to them. Our advice is to enforce them strictly, and be clear and upfront.

"Running any business is all about managing cash flow – GoCardless for Sage helps significantly, we can predict early on what we're getting in and manage outgoings accordingly."

VIA, Unified Communications Provider, Nottingham

3. Accounting, wherever, whenever

Accounting takes time, and getting a truly solid overview of your cash flow takes even more. But the hours you spend at the office computer are often taken up by other tasks, like growing your business – so how can you make the most of your day, and still get over your accounting backlog?

Sage 200 reduces your admin and takes a lot of the niggles out of everyday accounting, and that includes helping you get it done, whether you're commuting to work, or on holiday in Spain.

Integrating Sage software into your business will let you:

- Work from anywhere, on any device.

- Collaborate and support diverse clients and work styles.

- View your business performance, any time.

- Leverage Direct Bank feeds.

- Create automated cloud backups to stay productive.

4. Understand your customers

Make an outline of your **ideal customer portfolio** – which services would you like to provide? How much revenue do you need your customers to bring you? Where are your customers based?

For those causing you problems, take the time to understand why – a fix could be as simple as a conversation. **Find out what is causing late payments** – could changing the payment date help?

5. Review your payment methods

Make sure you use and offer the right methods for your business. We've broken each payment type down below.

Bank transfer

- No charge to you.
- Customers choose when to pay you.
- Admin includes chasing payments and keeping an eye on your account.

Standing Order

- Good for fixed payments at regular intervals (i.e. weekly, monthly, yearly).
- Controlled by the customer.
- Expires after a period of inactivity.
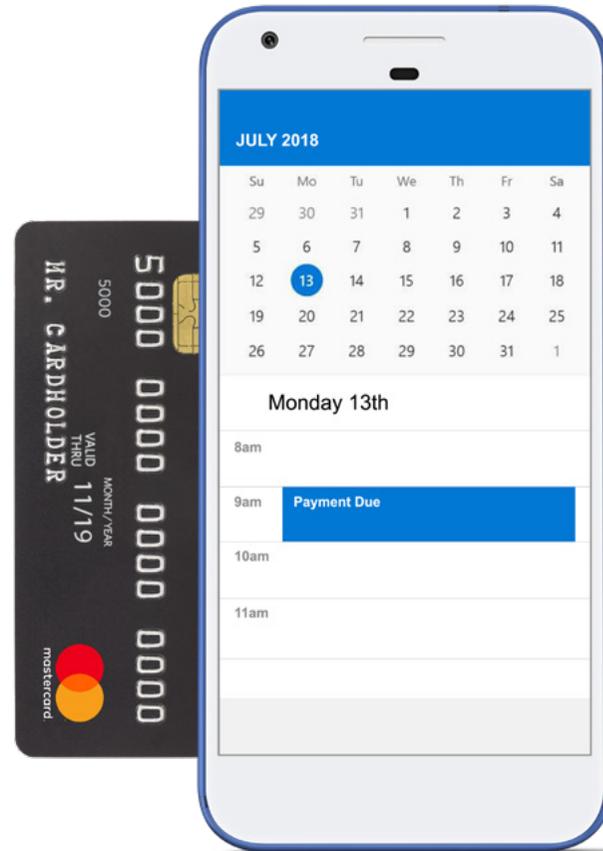
Card payments

- Great for one-off transactions.
- Customers choose when to pay you.
- High fees (especially for small businesses), with no cap.

Direct Debit

- Great for recurring payments.
- The amount and frequency is flexible and controlled by you.
- Payment is automated making it predictable and admin-free.
- Easy for you and your customers.
- Extremely low fees.
- Payment usually takes 2 days to clear.

Better than Direct Debit: GoCardless

Sage recommends GoCardless for managing and taking your Direct Debit payments. **It's free and fully integrated into your Sage 200 package**, so it does more than just get you paid – it reconciles your accounts, improves your client relationships, and helps your business grow.

- It's simple and free to set up for both you and your client. Start taking payments in minutes.

- Shave hours off your weekly admin by automatically managing and reconciling your payments and GoCardless fees in Sage 200.

- GoCardless makes invoicing and collecting payments clear cut so you clients know how much they will be debited and when.

- GoCardless manages the entire collection process on your behalf, giving more visibility and control of your cash flow.

Enjoy low fees on your payments at **only 1% per transaction (capped at £2, min 20p).**

Advantage Services increased the number of clients they retained by

50% *by switching to Direct Debit*

payment through GoCardless.

GOCARDLESS

Integrated with Sage

Conquer your cash flow with GoCardless

Efficient processes

GoCardless for Sage 200 automates your payment collection, so processes are slick and simple for you and your clients.

Make late payments and customer disputes a thing of the past by setting up a Direct Debit with your client - automatically take payments for your invoices as soon as they are due.

Your Direct Debit payments are automatically processed and reconciled in Sage too, reducing your admin and scope for human error.

Clear payment terms

Lack of clarity is no longer an issue. Establish a billing schedule upfront with your customers, and they'll be notified every time you take a payment.

Direct Debit lets you set payment terms and take control of getting paid, so you know exactly where you stand. **Say goodbye to awkward conversations and strained relationships**, even with those problem customers who pay late.

Happy customers

Direct Debit is one of the most trusted payment methods in the UK and Europe, and your customers will love that their payment details are already in place when they want to pay.

"With GoCardless I can set the payments up for three months down the line and then forget about it – I know it will automatically take that money on the due dates."

Advantage Services, IT Service Provider, Sutton Coldfield

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Taking Direct Debit payments with GoCardless through Sage 200 does more than improve your cashflow – it helps your business grow by putting your accounting and admin in one place, and reconciling your invoices with your payments, so you can get back to business.

To find out more:

Contact your business partner or request a call back

Visit us online >