



Cash flow problems?

THE LAW SOCIETY
OF NORTHERN IRELAND



THE TREATY OF ROME ESTABLISHED THE EUROPEAN COMMUNITY IN 1957

It's estimated that over 50% of the accounts owed to small businesses are paid late.

Think about it. Half the money that should be coming to you NOW is currently sitting in someone else's bank account. Late payment affects cashflow, and this ultimately eats into your profits. It may make it difficult for you to meet your own trading debts. Ultimately, a failure to collect payments promptly may even threaten the survival of your business.

No business can afford to be without an effective system for monitoring and maximising cashflow. Most firms now recognise the vital role played by their credit controllers, and the importance of chasing up overdue invoices consistently, regularly and firmly.

But however good your credit control system is, there are always going to be debtors who simply won't pay. In these circumstances, it is going to be necessary to take legal proceedings to recover what you are owed. And that's the time to contact your solicitor. Many debtors delay payment until they are faced with the threat of legal action. Often, a letter from your solicitor making this threat may be all that is needed to persuade the debtor to pay up. If this doesn't result in payment, then your solicitor will discuss the next stages in the process with you. He'll explain the various types of legal proceedings which might be available, and his charges for taking those proceedings on your behalf. He'll encourage you to find out as much as you can about the debtor's financial standing before legal action is commenced. There is, after all, no point in spending money in suing someone who can't pay you anyway.

The debtor's financial position is as important as the strength of the legal case against him. Your solicitor can and should be an integral part of your firm's credit control and debt collection operations. He has legal and commercial expertise which can add considerable value to your business. It's a relationship that's worth developing. So do your bottom line a favour - contact your solicitor today.

The Law Society of Northern Ireland
96 Victoria Street
BELFAST BT1 3GN
Telephone: 028 9023 1614
www.lawsoc-ni.org

THE LAW SOCIETY
OF NORTHERN IRELAND

