



Cashflow Management Worksheet: Debtor Collection & Spending Review.

Managing cashflow is about more than just forecasting—it's about ensuring the cash you expect to come in, actually does. This worksheet focuses on two critical areas of cashflow management: **debtor collection** and **spending review**. Completing this worksheet will help you take action on reducing overdue payments and cutting unnecessary business costs.

Step 1: Debtor Collection

Effective debtor management is crucial to maintaining a steady cashflow. Review your current process and identify areas where improvements can be made.

1. Review Your Debtor List

List your top debtors (customers who owe you money) and the outstanding amounts.

Debtor Name	Amount Owed (£)	Due Date	Days Overdue
_____	£ _____	_____	_____
_____	£ _____	_____	_____
_____	£ _____	_____	_____

2. Define Your Collection Process

- Do you have a formal process for chasing overdue invoices?
 - Yes / No. If yes, describe: _____
- Do you send payment reminders before invoices are due?
 - Yes / No.

Action Step:

- Consider setting up automatic payment reminders for invoices before and after the due date to improve timely payments.

3. Prioritise Debtor Follow-Up

For debtors who are significantly overdue, develop a plan to follow up.

- **Debtor:** _____
- **Follow-up method:** (e.g., phone call, email, formal letter) _____
- **Follow-up date:** _____
- **Outcome/Action:** _____

Tip: Consider offering payment plans for debtors facing difficulty or enforce stricter payment terms for repeat offenders.

Step 2: Spending Review

Taking control of your business expenses is just as important as managing debtor collection. Regularly reviewing and optimising your spending can free up cash for growth.



1. Review Key Business Expenses

List your top business expenses and determine if they can be reduced or eliminated.

Expense Category	Current Monthly Spend (£)	Can It Be Reduced? (Yes/No)	New Target (£)
Rent/Office Costs	£ _____	Yes / No	£ _____
Utilities	£ _____	Yes / No	£ _____
Wages & Salaries	£ _____	Yes / No	£ _____
Marketing	£ _____	Yes / No	£ _____
Subscriptions/Software	£ _____	Yes / No	£ _____
Other	£ _____	Yes / No	£ _____

2. Renegotiate Terms with Suppliers

Many suppliers are open to renegotiating terms, especially if you have long-standing relationships with them. Consider contacting your suppliers to explore ways to reduce costs.

Supplier Name	Current Payment Terms	Can Terms Be Improved? (Yes/No)	Next Steps
_____	_____	Yes / No	_____
_____	_____	Yes / No	_____
_____	_____	Yes / No	_____

Action Step:

Reach out to at least two of your main suppliers to explore potential discounts or more favourable payment terms.

3. Control Variable Costs

Variable costs fluctuate depending on your business activity. Track these expenses carefully and identify areas for savings.

Expense Category	Current Spend (£)	Savings Opportunity	Next Steps
Office Supplies	£ _____	Yes / No	_____
Travel	£ _____	Yes / No	_____
Marketing Campaigns	£ _____	Yes / No	_____
Subcontractor Costs	£ _____	Yes / No	_____

Step 3: Monitor and Adjust Regularly

As with any financial process, regularly monitoring your debtor collection and spending review practices will ensure your cashflow stays healthy. Set aside time each month to review and adjust your strategies.

Monitoring Questions:

- How often will you review your debtor list and follow up?
 - Weekly / Bi-weekly / Monthly
- How often will you conduct a spending review?
 - Quarterly / Semi-annually / Annually