

## Do you have Bad Debtors?

### Do you use PremVet5 to keep track of them?

During a financial period in your practice, it is likely that you will have some clients who fail to pay you! You will probably want to treat these bad payers in different ways; For example; those that are slow to pay, those that need legal action and those that have no intention of paying you may all need different treatment. This guide is designed to show you how PV5 can help you to manage those clients.

### First Stage – Marking a client as a Slow Payer or Bad Debtor.

The first stage is to easily identify those people as soon as their card is displayed within PremVet. This is best done by use of a Status code. You could have a code **SP** for a **slow payer** and **BD** for a **Bad Debt**. For the purposes of this guide, we will be dealing with those clients who are **Bad Debts**

- If you are unsure of what a Status code is or how to add a status code to the system check the 'Do you know' from last month or search for status code in the on-screen manual and FAQ's

After adding the correct status code to your client (in this case **BD** for **Bad Debt**) the top of your management card should now look like this

Client Name	: LIGHTFOOT, MR M.J	Number	: 51
Address 1.1	: APPLE TREE COTTAGE	Branch	: 1
Address 1.2	: FLOWERS HILL	Type	: EQ
Address 1.3	: PANGBOURNE, BERKS	Status	: BD
Telephone	: 0734 843082		
			<b>Bad debt</b>

### Second Stage – Dealing with debts you are unlikely to collect

You have marked a client as a Bad Debt, at some stage (which can ONLY be decided by you); you may want to move this debt from an individual card to a central list so you can easily see your total amount of Bad debt.

#### Running the Bad Debt Program

This program will transfer bad debts from individual cards and store them together on a **Bad Debt account card**. The Bad Debt card will list the name, number and debt amount of each individual client and keep a running balance of the total. When this **Bad Debt Program** is run it deliberately bypasses the Vatbook as it is simply transferring the debt on the system and NOT adding it to the practice turnover figures again

**Firstly**, make sure you have a client card on PV5 called **Bad Debt Account** and make sure the computer knows which number card it is by going to Miscellaneous Parameters and setting Option 12 (Bad Debt card) to the correct number

From the new menu System >Setup >Parameters >Misc. Params

From Classic menu General Apps >Parameters >Misc.Params

**Secondly**, To run the Bad debt program

From New style menus System >Setup > Bad debt program >Continue Yes

From Classic menus General Apps >Bad debt program >Continue Yes

```
Enter client to start at [1] .....  
Specify at which animal to START the report from, default is the 1st
```

If you want the program to look at and transfer debt amounts from ALL clients marked BD then press return. If you want to do a single client, enter the master card number of that client

```
Enter client to end at [End] .....  
Specify at which animal to END the report at, default is the last record
```

Again, if you want to transfer ALL bad debts press return. If you want to transfer a single client's debt then enter the same number as you entered under the 'client to start at' question.

```
Bad debt account no [122] .....  
This is the record number of the card you have setup for Bad Debts
```

Check that the number in the brackets IS the number of your Bad Debt account card, if it isn't then enter the correct number.

The program will now run and, when it finishes, you will see a message telling you the amount that has been 'written off' This is the total that will have been transferred to the Bad Debt Account card.

```

          98.00 % done
          Start time: 18:48:20
          Estimated  : 00:00:00
          Current    : 00:00:00
          End time   : 18:48:20

Program finished - written off 54.99 press return .
  
```

If you check the clinical record of the client (s) you transferred it should look like this

(44)	Archer, Mr B	:Yasmin	Fees	Drugs	Bal	Ana	U
03.02.03	CONSULTATION basic		12.76		14.99	1	1LIZ
(18:47)	X-RAY 2 PLATES not inc GA		34.04		54.99	100	1LIZ
	Bad debt written off		-46.80			246	1PVS

If you check the clinical record of the Bad Debt Account it should look like this

(122)	Bad Debt Account..	:Fred	Fees	Drugs	Bal	Ana	U
03.02.03	Archer, Mr B	- 44 @ 17.5%	46.80		54.99	246	1PVS

Every time you run the bad debt program it will add new names and amounts to the Bad Debt Account card and give you a running total of your bad debt.

### Writing the total bad debt off from your accounts

At some point in your financial year you will probably want to take the total from the Bad debt card and write it off against tax and reclaim some VAT. **WHEN** you decide to do this is up to you, it may be at the end of a VAT quarter or perhaps the end of your financial year.

Whatever you decide to do it is imperative that you talk to your accountants first! They will advise you as to how they want the information presented and whether or not you are putting an entry through your turnover figures.

The Bad debt card needs to have a work entry added to show the total amount you are writing off and the period it attains to.

We would recommend that you **DO NOT** put this entry through the Vatbook and therefore the Turnover figures as that would have the effect of decreasing your turnover rather than writing off a proportion of it. However it is a decision for you and your accountants to make

(122)	Bad Debt Account..	:Fred	Fees	Drugs	Bal	Ana	U
03.02.03	Archer, Mr B	- 44 @ 17.5%	46.80		54.99	246	1PVS
04.02.03	Bellotti, Mr D	- 34 @ 17.5%	95.31		166.98	246	1PVS
(12:21)	Total Bad debt written off in				166.98	246	1LIZ
	VAT quarter 3 01.10.02-31.12.02		-166.98			200	1LIZ

To add this work entry **WITHOUT** putting it through the Vatbook means that the Vatbook **MUST** be switched off whilst the transaction is completed.

If the Vatbook is switched off then **NO WORK** added to PV5 will be included in the Vatbook or your turnover figures, so please make sure that all users are **OFF** the system for the duration of this task!

Switch the Vatbook OFF in Params > Fields & defaults > options > Option 1 Vatbook in use = NO  
 Log out and back in again **ensuring EVERYONE ELSE** stays logged out and off the system.  
 Go to the Bad debt card and select Text, add lines similar to those in the above screen shot then Escape.  
 Select E for Edit, highlight the fees 0.00 box and enter the total to write off as a minus figure.

Accept the edit and the clinical record should now show an entry similar to the example screen shot.

**NOW SWITCH THE VATBOOK BACK ON USING STEP 1 BUT SET No.1:VATBOOK IN USE = YES**