

<b>STANDARD OPERATING PROCEDURE</b>	<b>CODE: AR - 008</b>		<b>PAGE: 1 of 2</b>
	<b>EFFECTIVE:</b>		<b>UPDATE No.: 0</b>
	<b>INITIATED BY: PRIMA CONSULTANT CO., LTD.</b>		<b>DEPT./SECTION:</b>
	<b>REVIEWED BY:</b>		
	<b>APPROVED BY:</b>		
	<b>SUBJECT:</b>	<b>INVOICING PROCEDURE</b>	

**OBJECTIVE:**

To ensure the timely preparation and distribution of debtor invoices to optimize cash flow

**POLICY**

1. A/R invoices must be generated from the A/R system and sent with necessary supporting documents to all debtors as per the pre-defined time schedule.
2. The date of sending out the A/R invoice must be recorded and the use of registered mail and/or by-hand delivery should be favored whenever possible.
3. Copy of the A/R invoices must always be kept in debtors' filing until the full payment has been received.

**PROCEDURE**

1. A timing policy stating when the invoices are due to be sent to debtors must be defined and strictly adhered to by Accounts Receivable.
  - For company's individual guest: A/R invoice to be prepared and sent not later than 2 days after the transfer to City Ledger
  - For Travel Agent: depending of the volume of business and the agreement signed, generally on fortnightly or monthly basis
2. For each guest folio transferred to City Ledger, Accounts Receivable will generate from the system an invoice per folio or per batch (grouping several folios in one statement) and send it to the related debtor as per the defined timing policy. All supporting documents as requested by the debtor for proceeding to the payment must be attached (Guest folio with related accommodation voucher/guarantee letter, etc...).
3. Any amended A/R invoice must be clearly identifiable as such. Extra

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attention should be paid by the Credit Manager when checking the statement.

All invoices with supporting documents must be submitted to the Credit Manager before sending them by mail (preferably registered), courier or hand delivery to the related debtors. The Credit Manager must ensure the A/R invoice is correct and fully supported.

5. In the event the accommodation voucher or guarantee letter to support the billing is missing, Accounts Receivable should immediately inform the Credit Manager who will liaise with the relevant Head of Department responsible for providing it.
6. A debtor file for each account must be maintained by Accounts Receivable with a copy of the invoice, any accommodation vouchers/guarantee letters and guest folio kept in the file until full payment is received. Evidence of sending out the original statement to the debtor should be kept also.

\_\_\_\_\_  
**Chief Accountant**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Financial Controller**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Director of Finance**

\_\_\_\_\_  
**Date**