
Receivables and Credit Control Course: Credit Limits, Collections and Bad Debt Provisioning

4 – 8 January 2027
Paris





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Programme Summary

Receivables and credit control is the subject of this five-day training course for finance, credit and commercial leaders at managerial level, ending in a receivables improvement plan for one customer portfolio. Unpaid invoices tie up cash, and weak credit decisions turn late payment into bad debt. The approach moves from diagnosis of the order-to-cash cycle, through credit policy and limits, to collections, provisioning and performance control, and then to a worked plan. Mars Training Centre UK delivers this programme in receivables and credit control.

The Business Case

Every day an invoice stays unpaid, the organisation funds its customer. Where credit is granted without clear limits, collections start late and disputes are left open, working capital shrinks and write-offs rise. Leaders who set credit rules, sequence collections and provide for expected losses on a consistent basis can release cash and forecast receipts with more confidence.

- Days Sales Outstanding: Falls as credit terms, reminders and escalation follow one agreed sequence.
- Bad Debt Exposure: Reduces as limits and approvals reflect customer credit risk.
- Forecast Accuracy: Improves as expected receipts are built from aged debt and promise records.

Principles and Evidence Base

- IFRS 9: Its expected credit loss impairment model shapes the provision matrix built in Session 4.
- IFRS 15: Its revenue from contracts with customers requirements guide the contract and invoicing checkpoints in Session 1.
- Time value of money: This economic principle underpins the cost of late payment and the payment terms trade-offs in Session 2.

Intended Participants

- Finance leaders accountable for working capital and receivables performance.
- Credit managers who set limits and terms.
- Collections and shared service leaders who run dunning and dispute teams.
- Commercial leaders who agree payment terms with customers.
- Financial controllers who set provisions and report the ledger to auditors.

The programme serves manufacturing, wholesale, construction, telecommunications and professional services organisations.



Learning Outcomes

1. Participants will be able to diagnose the order-to-cash cycle using aged debt and days sales outstanding analysis.
2. Participants will be able to construct credit limit and payment terms rules from a customer credit risk scorecard.
3. Participants will be able to design a collections sequence and a dispute process that recover cash and protect relationships.
4. Participants will be able to evaluate expected credit loss provisions against the requirements of IFRS 9.
5. Participants will be able to prioritise collections performance measures and report them on a dashboard.
6. Participants will be able to justify a receivables improvement plan to a finance director.

Programme Structure

Day 1: Receivables and Credit Control Diagnosis

How much of the revenue is tied up in unpaid invoices, and why?

- Order-to-Cash Cycle Map
- Aged Debt and Days Sales Outstanding Analysis
- Customer Concentration and Exposure Review
- IFRS 15 Contract and Invoicing Checkpoints
- Case Review of Two Sector Collection Failures

Day 2: Credit Policy and Limits

How much credit should each customer receive, and on what terms?

- Customer Credit Risk Scorecard
- Credit Limit Setting and Review Rules
- Payment Terms and Security Options
- New Customer Onboarding Checklist
- Credit Approval Authority Matrix

Day 3: Collections and Dispute Management

How is overdue debt chased in a way that recovers cash and keeps customers?

- Collections Segmentation and Contact Strategy
- Dunning Sequence and Escalation Ladder
- Dispute Root Cause Log
- Promise-to-Pay and Payment Plan Rules
- Cash Application and Unallocated Receipts Review



Day 4: Provisioning and Performance Control

How are bad debts provided for, and how is collections performance steered?

- IFRS 9 Expected Credit Loss Provision Matrix
- Write-Off and Recovery Approval Rules
- Collector Productivity and Outcome Indicators
- Receivables Performance Dashboard
- Treasury and Forecast Link for Expected Receipts

Day 5: Applying Receivables and Credit Control to One Portfolio

Is the receivables improvement plan ready for the finance director to approve?

- Applying the Session 1 Diagnosis to the Chosen Portfolio
- Testing the Session 2 Credit Rules on Sample Customers
- Checking Session 3 Collections Sequence Against Overdue Cases
- Running the Session 4 Provision Matrix on the Ledger
- Completing the Receivables Improvement Plan

Methodology

The programme is built around structured exercises and case analysis. Participants work with an anonymised receivables ledger and customer files, score credit risk, sequence collections and test provisions in small teams, then defend their plan before a simulated finance committee. No accounting software is required.

- Suggested activity: Setting credit limits for six sample customers from their trading records.
- Suggested activity: Designing a reminder and escalation sequence for a construction receivable.
- Suggested activity: Building a provision matrix from an aged debt listing.

Capstone Output

Each participant completes a receivables improvement plan for one customer portfolio. It contains a cycle diagnosis, a credit rule set, a collections and dispute sequence, a provision matrix and a performance dashboard design. It is used to brief the finance director and agree changes with sales.

Frequently Asked Questions

Is receivables and credit control training suitable for leaders who have not worked in a credit team?

Yes. Receivables and credit control training is set at managerial level and assumes responsibility for cash, working capital or customer terms, not experience of collections.



Which standards does receivables and credit control rest on in this programme?

Receivables and credit control rests on IFRS 9 for expected credit loss provisions, IFRS 15 for revenue from contracts with customers and the time value of money for payment terms.

How is the receivables improvement plan used at work?

You use the receivables improvement plan to brief the finance director, agree credit and collection changes with sales and prepare provisions for audit.

How does receivables and credit control differ from a course on accounts payable?

Receivables and credit control centres on getting customers to pay and on provisioning for losses, while accounts payable centres on paying suppliers accurately and on time.