

How to prepare an invoice - examples and templates

Introduction

If you are contracting and using a limited company as your payment structure you will need to raise invoices for the services you provide.

This article explains how to prepare one with an example, together with links to invoice templates in Word and Excel format.

Invoice Requirements

Company details:

The following should be included:

- o Company name
- o Company address
- o Company telephone number and email address.
- o Company number
- o VAT registration number (if VAT registered)

Invoice number:

Each of your invoices should have a unique invoice number. Although is called a number it can include letters. A common method is to prefix invoices with letters that indicate the client.

For example: If you provided services for IBM and the BBC, for IBM you could use IBM001 and IBM002, etc. For the BBC you could use BBC001 and BBC002.

Using three placements for the numbers will ensure they sort in date order.

Dates:

You should include the following dates:

- o Date: the date the invoice was raised.
- o Due date: the date by which payment should be made. Normally 30 days after the invoice date.

Client details:

The name of the agency, or client if contracting directly.

Fees:

This section requires the following:

- o A description of the services provided
- o The gross amount due.
- o The VAT amount, if you are VAT registered.
- o The total amount due.

For example:

20 Days @ £500 per day	Amount:	£10,000
	VAT:	£1,175
	Total:	£11,175

Payment terms:

Specify how you would like to receive the money. For example:

Payment should be made within 30 days by cheque or money transfer.

Cheques should be made payable to 'My Company Ltd'.

Money transfers should be sent to:

The Contractors Bank

Sort: 01-01-01

Acc#: 012345678

Reference: Use invoice number

Most agencies and clients do not pay via cheque and choose money transfer. Cheques can be inconvenient. If you wish to only be paid by money transfer then use the following:

Payment should be made within 30 days by money transfer only to the following account:

The Contractors Bank

Sort: 01-01-01

Acc#: 012345678

Reference: Use invoice number

Email the invoice, or post it?

Your agency or client will specify how they would like to receive the invoice. Some require will request a paper copy.

If you are permitted to submit your invoice via email then it is useful to convert the invoice into PDF format so that it cannot be altered. There is a free PDF creator which you can use at [PrimoPDF](#). This creates a PDF file from any application which can then be emailed to the client.

What about timesheets?

Most agencies and clients require a timesheet to be signed and a copy included with the invoice.

Ensure you take a copy of the timesheet before sending it in!

Example Invoice

Wicked Solutions 50 Software Drive London E1 3FR Tel: 0208 555 555	
Company #:112334 VAT: 66-777-888	
Invoice Number:	ABC001
Date:	20 December 2004
Due Date:	20 January 2005
To:	ABC Ltd
Fees:	Contracting Services 20 days @ £600 per day
	Sub Total £12,000.00
	VAT @ 17.5% £2,100.00
	TOTAL £14,100.00
Payment terms:	Payment within 30 days.
	Money transfer to the account below: Wicked Solutions Ltd Sort Code: 20-21-22 Account No: 12345678

Invoice Templates



InvoiceTemplate.doc InvoiceTemplate.xls

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