



# Ministry of Defence

## Invoicing Frequently Asked Questions

**Reading this guide and acting on it will help DBS Finance achieve our objective of prompt payment.**

Please also refer to the **MOD Contract Payment Guide** in Related pages/documents.

Scroll down to find out about the following subjects:

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### Can I have a paper remittance advice sent to me?

We regret that due to the number and frequency of payments made by DBS Finance, we can no longer post a paper Remittance Advice to you.

We wrote to all suppliers in January 2012 requesting a contact point and central business email address, so we can provide a Remittance Advice for each payment we make to you.

To nominate an email address or change an existing email address, contact us at [DBSFin-IR-ERemit@mod.uk](mailto:DBSFin-IR-ERemit@mod.uk) quoting your Supplier Codes and Supplier Site codes. As soon as the details are verified, we will arrange for all future Remittance Advice forms to be emailed to you at that address.

### Prompt Payment - 5 Day Target

#### Finance and Procurement in this section:

- [AOF](#)
- ▶ • [DBS Finance](#)
- [MOD Commercial](#)
- [PFU](#)

#### Related pages/documents

- ▶ [MOD Contract payment guide](#)
- ▶ [Invoice Processing](#)
- ▶ [MOD Payment Performance](#)
- ▶ [Contact DBS Finance](#)
- ▶ [Invoicing Forms](#)
- ▶ [Invoice Summary Form \(DAB 10\)](#)
- ▶ [Nominate bank account details](#)
- ▶ [Emergency Payment Procedures](#)
- ▶ [DBS Finance forms and publications](#)
- ▶ [Defence Business Services Finance](#)

#### Related links

- ▶ [CMT Electronic DEFFORMs](#)  
CMT Commercial Guidance for the Defence Acquisition Community.

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The Ministry of Defence is fully committed to supporting the Government's drive to improve the payment culture in the United Kingdom. In DBS Finance, our aim is to pay 80% of correctly presented invoices within 5 working days of receipt and all correctly presented invoices within 11 calendar days.

It is important to ensure that invoices are accurate, payment terms / prices have been agreed and the invoice has been receipted / certified prior to submission to DBS Finance. A unique invoice reference number should also be provided. This should help ensure processing can commence without undue delay.

Should an invoice include a disputed amount the DBS Finance will make every effort to clarify and resolve the issue. In some cases the undisputed amount will be paid, although this is not always possible, and it may be necessary to send the full claim back unpaid.

It is important to note that the contractual terms under the Late Payment of Commercial Debts Act of 1998 remain unchanged at 30 calendar days.

Any question that you may have on Prompt Payment should be directed to the DBS Finance Contact Point. (See "Contact DBS Finance" in Related pages/documents)

### **What is MOD's current prompt payment performance?**

See "MOD Payment Performance" in the Related pages/documents.

### **I was expecting a payment in the post**

DBS Finance regret that suppliers who opt to receive Payable Order payments may on occasion experience delays beyond our control, for example during periods of disruption to normal postal services due to industrial action or extreme weather..

To avoid such delays you should consider changing to electronic arrangements, which we will set up as a priority. Please see below:

### **How to arrange payment by BACS electronic bank transfer?**

Requests should be made on Form BX177 (DBS Finance Nominate Bank Account Details), which can be found by following the **DBS Finance Forms and Publications** link in Related pages/documents

Please ensure the form is fully completed and includes your company stamp or an attached letterhead. The completed form may be faxed to DBS Finance Contract Management on 0151-242-2809.

### **What is the correct postal address for receipted claims?**

Suppliers are advised of the correct address to be used for invoice submission, once receipted (as per normal contract procedures). The address is:

Ministry of Defence  
DBS Finance  
Walker House  
Exchange Flags  
Liverpool L2 3YL

Payment may be delayed if invoices are not correctly addressed.

### **Has DBS Finance received my invoices?**

We offer an automated email notification service. We will email your nominated address to confirm receipt of your invoices, and advise the expected date of payment into your account, subject to checking. If you wish to take advantage of this service, please quote the appropriate email address on your DAB10 summary form when you submit your invoices for payment.

## **When can I expect DBS Finance to make payment?**

See "Prompt Payment - 5 Day Target", above. To help maintain this excellent performance, please do not contact the DBS Finance with queries regarding payment during this period, as we will only advise patience.

## **How will payment be made?**

Bankers' Automated Clearing Service (BACS) is our standard method of payment (except for Foreign currency, for which separate arrangements will apply). You will be asked to supply your bank details when a contract is let. If you change your bank details, you must inform DBS Finance immediately in writing. Please see "Nominate bank account details" in Related pages/documents.

## **Has my payment been delayed in the post?**

DBS Finance regret that suppliers who opt for payments by post may on occasion experience delays beyond our control.

To avoid delays, suppliers may wish to change their payment method to electronic bank transfer. Please refer to "**Nominate bank account details**" in Related pages/documents

## **Can I have another copy of the DBS Finance Remittance Advice with a breakdown of payments made?**

A remittance can be emailed, to the nominated address in your organisation; if you require further copies, we would expect you to arrange this internally with your nominated recipient.

## **I do not understand the payment reference on the Remittance Advice - can you explain?**

We will quote your reference number as stated on your invoicing forms. Do not leave the invoice reference field blank.

Guidance on invoice reference numbers:

- Always complete with something meaningful to yourselves
- Always use a unique reference each time you submit a claim
- If you have a number of claims that relate to the one order and you wish to use the same reference, please suffix with a, b, c etc, to make it unique
- Maximum length of field is ten characters
- DO NOT use the following symbols: £ \$ € = @ % & < > [ ] { } é ÷ É, or any that require the use of the 'shift' or 'control key'. These cannot be accepted by our IT accounting system and may result in a delayed payment.

## **The Remittance Advice states that money has been debited from the payments I expected. Why?**

Any debit amounts will show an invoice reference. A separate notification will have been sent to you quoting this reference to advise why money is being recovered from monies due to you. This could be due to a pricing adjustment, recovery of a previous overpayment or set-off of an overdue MoD invoice.

MoD regards debt as being due from the registered company, not from individual sites within that company. Any accounting adjustments should be arranged internally within your company.

## **Why has our invoice been rejected or reduced?**

An invoice, or part of an invoice, will not be paid unless it has been submitted in accordance with terms of your contract with the MoD. The most common discrepancies are:

- Incorrect company title. The title must match that in the contract. MoD contracts can not be transferred to another title without MoD's prior agreement

- Incorrect contract number or no contract number quoted
- Item/part number not in contract or not at price quoted. Any changes to the contract price must be agreed by the relevant contracts branch detailed in the contract
- Commercial invoice submitted rather than the MoD form quoted in the payment clause of the contract
- Invoice form or MoD F640 delivery note not receipted/certified by the consignee
- Claim submitted for goods or services outside the timescales defined in the contract

Should we disallow or reduce your invoice we will always send you a letter explaining why. In each case, the problem must be rectified before resubmitting your invoice for payment.

### **How do I make an additional claim against a previous payment?**

If you have previously under claimed or if there has been an agreed price increase - On an AG173 form, mark "Supplementary" across the top in red ink. Cross-refer the details to the previous payment, include the previous invoice reference and quote the date and reference of any letter or contract amendment which authorised the extra payment. The supplementary AG173 does not need to be certified and can be submitted directly to DBS Finance. However, if your additional invoice is for service provision for which you have not previously made a claim, certification by the consignee will be required to confirm the services were satisfactorily delivered before payment can be made. AG forms are available for download, please see "Invoicing Forms" in Related pages/documents links.

### **Where can I get MoD form 640 ?**

The address to write to is:

MoD Forms and Publications Commodity Management  
PO Box 2,  
Building C16,  
Lower Arcott,  
BICESTER OX25 1LP.

**Email requests to:** [DESLCSLS-OpsFormsandPubs@mod.uk](mailto:DESLCSLS-OpsFormsandPubs@mod.uk)

**Fax:** 01869 256824

**Helpdesk number:** 01869 256197

All other billing forms are available from this web site.

For detailed information on using MoD form 640, please follow the "CMT Commercial Guidance for the Defence Acquisition Community" link in Related links

### **Where can I get DBS Finance invoicing Forms?**

Please see the relevant links in Related pages/documents

### **What do I do if the MoD640 has gone missing?**

Before requesting a replacement F640, and to ensure that the original form is not just delayed in the post, suppliers must check with the consignee to gain confirmation that the original has either not been received or has been receipted but subsequently lost in transit.

If the endorsed brown copy of the MOD Form 640 is confirmed as lost, you may apply for a substitute by writing to DBS Finance and enclosing a photocopy of the Yellow copy of the form. DBS Finance will then dispatch a Form 639 (replacement F640) to the consignee for endorsement. We will advise you within 10-working days that this action has been taken, please do not query your submission during this time.

When the consignee has endorsed the MoD Form 639 it will be returned to you for submission to DBS Finance for payment.

### **What do I do if the AG173 has gone missing?**

If you need a replacement AG173 or AG210, raise a new form and clearly mark

"Replacement" on it in red. The new form must be stamped and signed again by the consignee to confirm that the service has been received.

### **Where can I download a DEFFORM 148 (Statement of Sales)?**

This and other DEFFORMs can be found under Related links on this page. (see CMT Electronic DEFFORMs)