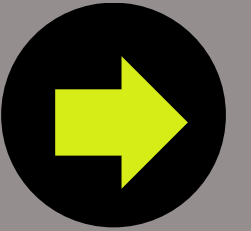


Kunda Learns to Get Paid Right

Mastering Business Documents for Financial Clarity and Professionalism



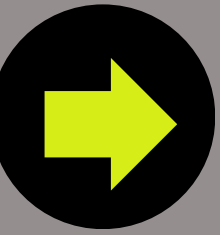
Introduction



Welcome to Kuwina Digital Platform's storytelling lesson on **Mastering Business Documents for Financial Clarity and Professionalism.**

In this module, we follow Kunda, a hard working consultant in Chingola in the Copperbelt Province in Zambia, as he faces **delayed payments** and learns how to **bill properly with professional documents** ensuring he gets paid on time and properly.

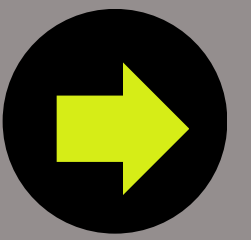
Meet Kunda



In Chingola, Zambia, young entrepreneur Kunda runs a thriving **business consultancy**, recognized for his enthusiasm and keen intellect in helping local businesses tackle market challenges.

He was working hard, delivering value to clients, but his **cash flow** was **inconsistent**. Payments were delayed. Some clients would say, *"We thought it was a free consultation,"* or *"We didn't budget for that."* Worse, Kunda wasn't keeping **proper records**. Everything felt informal and frustrating.

Kunda relied heavily on verbal agreements and handshake deals, a common practice in some informal sectors, but one that proved **increasingly detrimental** as his client base expanded and projects grew in complexity.



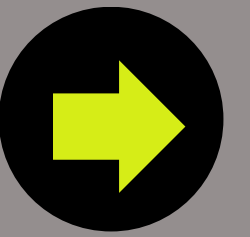
Frustrated yet determined, Kunda sought **guidance** from Mr. Banda, a respected retired **financial consultant** in Chingola.

Known for his meticulousness and strong belief in **proper business practices**, Mr. Banda had built a solid reputation over the years. Kunda recognized it was time to set aside his pride and seek his wisdom.

Mr Banda told Kunda, *"Kunda, You're Not Getting Paid Because You're Not Being Professional."*

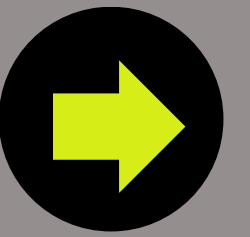
He also added, *"A successful business doesn't just deliver a service it sets expectations, confirms agreements, and documents transactions. Let me show you the four documents that will transform how you run your business."*

The First Lesson: The Power of a Quotation



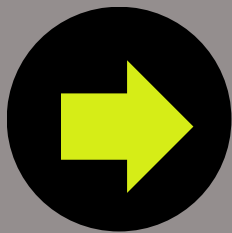
- ✓ Mr. Banda explained that a **quotation**, often referred to as a **quote or a bid**, is a formal document that **outlines the estimated cost of goods or service**.
- ✓ It's not just a number, it's a **detailed proposal** that includes the scope of work, the materials or resources required, the timeline for completion, and any terms and conditions.
- ✓ *"Think of it as a promise, Kunda," Mr. Banda elaborated. "A promise of what you will deliver and for how much. It protects both you and your client. When you verbally quote, there's room for misinterpretation, for forgotten details, for disputes. A written quotation leaves no room for doubt."*

The First Lesson: The Power of a Quotation



- ✓ Banda presented Kunda with a professional quotation template that featured:
 - His company's letterhead
 - A unique quotation number
 - Date
 - Client details
 - Service descriptions
 - Unit prices
 - Quantities
 - Total cost
 - Validity period
 - Payment terms

Example of a Quotation

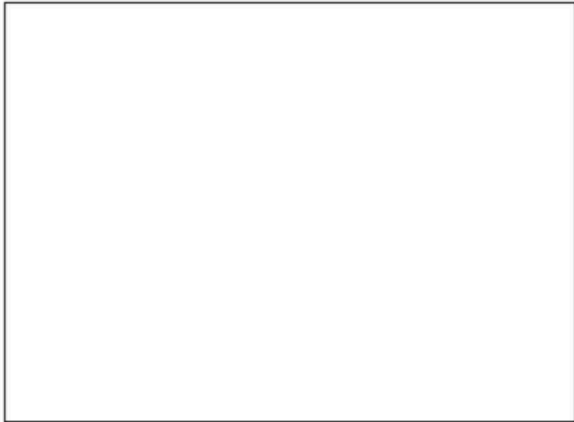


KUNDA'S
BUSINESS SOLUTIONS
Kabundi East
Chingola

CUSTOMER ID: 311
DATE: 31/10/2024
CLIENT: MAZTECH
+260966123123

QUOTATION

ITEM DESCRIPTION	QTY	UNIT PRICE	TOTAL
Marketing Proposal	1	K750.00	K750.00
Logo Design	2	K550.00	K1,100.00
Presentation Template	2	K215.00	K430.00
Facebook post graphics	5	K150.00	K750.00
SUB TOTAL			K3,030.00
TAX (5%)			K 151.50
GRAND TOTAL			K 3,181.50

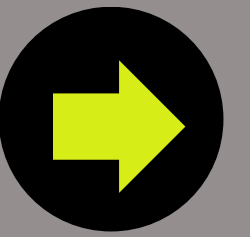


Terms and conditions:

- All rates quoted are valid for 15 days.
- 40% payment should be done in advance.
- The remaining amount should be paid within 20 days of delivery.

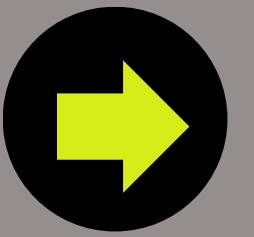
+260977123456

kundabs@gmail.com

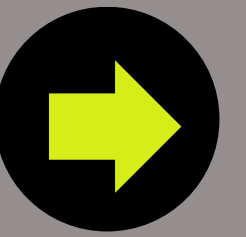


- ✓ With newfound understanding, Kunda returned to his office **energized** and created a **standardized quotation template** for Kunda's Business Solutions.
- ✓ The very next week, a small local bakery approached him for advice on their marketing strategy. Instead of a quick chat and a verbal estimate, Kunda presented them with a detailed, **professional quotation**. It outlined the phases of the marketing plan, the deliverables, and the associated costs, valid for 30 days.
- ✓ The bakery owner, impressed by Kunda's newfound professionalism, signed the agreement without hesitation.
- ✓ Kunda felt a **surge of confidence**. This was different. This was solid. He had laid the first brick of his business foundation.

The Second Lesson: The Purpose of a Proforma Invoice



- ✓ As Kunda's professionalism reputation grew, so did his project complexity. He secured a major contract with a mining supply company that needed a large **upfront payment** for research and development before consultancy work started.
- ✓ Kunda, recalling Mr. Banda's advice on formal agreements, drafted a request for an advance. However, the mining company's finance department, used to **strict procedures**, asked for a '**proforma invoice**,' leaving Kunda puzzled as he had not encountered the term before.
- ✓ Banda explained to Kunda that a **proforma invoice** is a **preliminary bill of sale, not a true invoice**. It serves as a **commitment** from the seller to provide goods or services at a specific price and date. Proforma invoices are often used for customs, declaring value for imports, or requesting advance payments before the final sale.



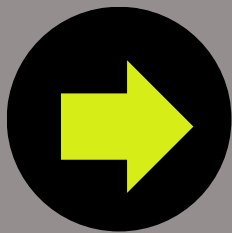
Mr Banda clarified that a **quotation is an offer to sell**, while a **proforma invoice represents a confirmed order**, indicating that a deal is nearly complete and providing the buyer with **essential payment and import details**.



He advised Kunda to include the following on his proforma invoices:

- The words “**Proforma Invoice**” prominently displayed
- A unique proforma invoice number
- The date
- Kunda’s company details
- The client’s detail
- A detailed description of the services
- The agreed-upon price
- Payment terms
- A clear statement that it is **not a tax invoice**.

Example of a Proforma Invoice



KUNDA'S
BUSINESS SOLUTIONS

Kabundi East
Chingola

PROFORMA NUMBER: 210
DATE: 08/11/2024
CLIENT: MAZTECH
+260966123123

PROFORMA INVOICE

ITEM DESCRIPTION	QTY	UNIT PRICE	TOTAL
Marketing Proposal	1	K750.00	K750.00
Logo Design	2	K550.00	K1,100.00
Presentation Template	2	K215.00	K430.00
SUB TOTAL			K 2,280.00
TAX (5%)			K 114.00
GRAND TOTAL			K 2,394.00

Payable To

Kunda's Business Solutions
Kabundi East, Chingola

Bank Details

Kunda's Business Solutions
ZANACO
123456789

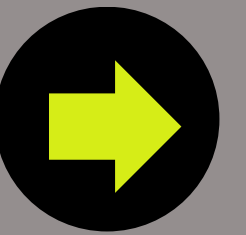
Mobile Money
+260977123456

Terms and conditions:

- All rates quoted are valid for 15 days.
- 40% payment should be done in advance.
- The remaining amount should be paid within 20 days of delivery.
- Please note that this is not a tax invoice.

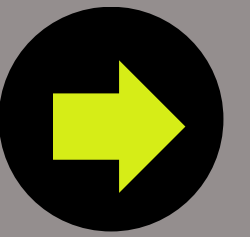
+260977123456

kundabs@gmail.com

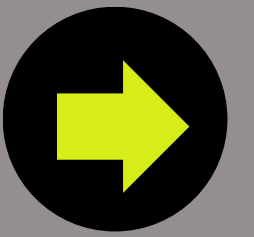


- ✓ *"It's about providing clarity and facilitating the next step in the transaction, Kunda." Mr. Banda concluded. "It bridges the gap between a quotation and a final invoice."*
- ✓ Kunda, now equipped with **new knowledge**, swiftly created a **proforma invoice** for the mining supply company.
- ✓ The finance department **processed the advance payment promptly**, boosting Kunda's confidence as he transitioned from consultant to mastering the business process with Mr. Banda's guidance.

The Third Lesson: The Demand of an Invoice



- ✓ With the mining supply company project well underway, Kunda found himself in a familiar predicament: the project was complete, the client was happy, but **payment was slow in coming**.
- ✓ He had sent an email with the final amount, but it seemed to get lost in the shuffle of the company's internal processes. Frustrated, Kunda once again sought Mr. Banda's counsel.
- ✓ *"Kunda, an email is not an invoice," Mr. Banda stated gently. "An invoice is a formal commercial document issued by a seller to a buyer, indicating the products, quantities, and agreed prices for products or services the seller has provided to the buyer."*
- ✓ *"It is, in essence, a demand for payment. It serves as a legal record of the transaction and is crucial for both your accounting and your client's accounting."*



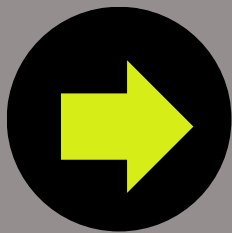
Mr. Banda explained that a proper invoice should contain several key elements to **ensure clarity and facilitate prompt payment.**



These include:

- The word “Tax Invoice” prominently displayed
- A unique invoice number (sequential for easy tracking)
- The date of issue
- The due date for payment
- Kunda’s company name and contact information
- The client’s name and contact information
- A detailed description of the services rendered (matching the quotation and proforma, if applicable)
- The quantity
- The unit price
- The total amount due
- Payment instructions (bank details, mobile money numbers, etc.)

Example of a Tax Invoice



KUNDA'S
BUSINESS SOLUTIONS

Kabundi East
Chingola

INVOICE NUMBER: 110
DATE: 10/11/2024
PAYMENT DUE: 25/11/2024
CLIENT: MAZTECH
+260966123123

TAX INVOICE

ITEM DESCRIPTION	QTY	UNIT PRICE	TOTAL
Marketing Proposal	1	K750.00	K750.00
Logo Design	2	K550.00	K1,100.00
Presentation Template	2	K215.00	K430.00
SUB TOTAL			K 2,280.00
TAX (5%)			K 114.00
GRAND TOTAL			K 2,394.00

Payable To

Kunda's Business Solutions
Kabundi East, Chingola

Bank Details

Kunda's Business Solutions
ZANACO
123456789

Mobile Money

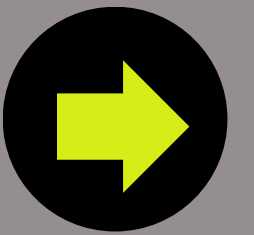
+260977123456

Terms and conditions:

- All rates quoted are valid for 15 days.
- 40% payment should be done in advance.
- The remaining amount should be paid within 20 days of delivery.

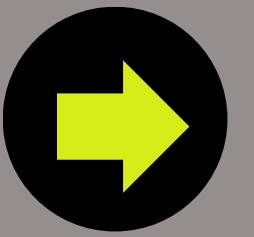
+260977123456

kundabs@gmail.com

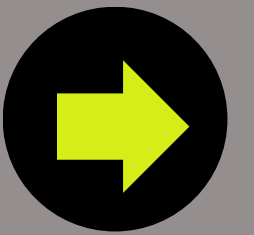


- ✓ *"And don't forget your tax identification number, Kunda," Mr. Banda added. "It's essential for compliance."*
- ✓ *"The invoice is your official request for payment, Kunda," Mr. Banda continued. "It provides your client with all the information they need to process your payment efficiently. Without a clear, formal invoice, your payment can be delayed, or worse, forgotten. It also helps you track your receivables and manage your cash flow effectively."*
- ✓ Kunda returned to his office, feeling foolish for his oversight but grateful for clear guidance. He created a **professional invoice for the mining supply company**, including all necessary details, and sent it via email while also delivering a printed copy to their offices.
- ✓ Within days, the **payment was processed**, leading to immediate improvements. Kunda recognized that invoicing commanded respect and sped up payments, stabilizing his cash flow and allowing for more confident business investments.

The Final Piece: The Assurance of a Receipt

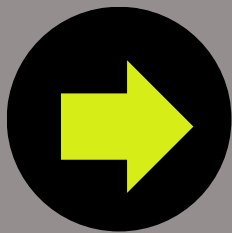


- ✓ Kunda's business was flourishing. He was now issuing quotations, proforma invoices, and invoices. His clients **appreciated his newfound professionalism**, and his finances were in order.
- ✓ However, one afternoon, a former client, a small retail shop owner, called him in a panic. They claimed they had paid for a branding consultation, but their accountant couldn't find a record of the payment, and they needed **proof** for their audit.
- ✓ Kunda, confident in his new systems, checked his records. He had indeed received the payment, but he realized he hadn't issued a **formal receipt**. He had simply marked it as paid in his internal ledger.



- ✓ Kunda returned to Mr. Banda's doorstep, looking sheepish. Mr. Banda smiled and explained the importance of the receipt, which serves as **proof of payment** for buyers and income for sellers, confirming a completed transaction.
- ✓ *"Imagine, Kunda," Mr. Banda said, "if every time you bought something, you didn't get a receipt. How would you prove you paid? How would the seller prove they received the money? It would be chaos!"*
- ✓ He then outlined the essential elements of a valid receipt:
 - The word "Receipt".
 - Prominently displayed
 - A unique receipt number
 - The date of payment
 - Kunda's company name and contact information
 - The client's name
 - A description of the goods or services paid for
 - The amount received
 - The method of payment

Example of a Receipt



KUNDA'S
BUSINESS SOLUTIONS
Kabundi East
Chingola

RECEIPT NUMBER: 222
DATE: 18/11/2024
CLIENT: MAZTECH
+260966123123

RECEIPT

ITEM DESCRIPTION	QTY	UNIT PRICE	TOTAL
Marketing Proposal	1	K750.00	K750.00
Logo Design	2	K550.00	K1,100.00
Presentation Template	2	K215.00	K430.00
SUB TOTAL			K 2,280.00
TAX (5%)			K 114.00
TOTAL PAID			K 2,394.00

Method of Payment:

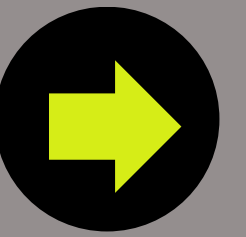
Bank Transfer

Terms and conditions:

- All rates quoted are valid for 15 days.
- 40% payment should be done in advance.
- The remaining amount should be paid within 20 days of delivery.

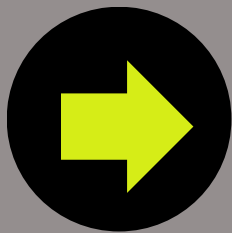
+260977123456

kundabs@gmail.com

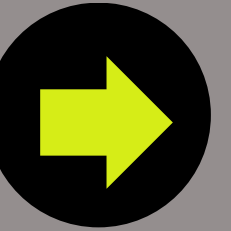


- ✓ *"Even for mobile money payments, Kunda, you can generate a digital receipt or send a confirmation message that serves the same purpose. The key is to provide that tangible proof of payment to your client immediately," Mr. Banda advised.*
- ✓ Kunda immediately implemented a system for issuing receipts for every payment received, whether cash, bank transfer, or mobile money. He quickly provided the retail shop owner with a formal receipt, resolving the audit issue and solidifying their trust in Kunda's professionalism.
- ✓ He realized that the receipt wasn't just a formality; it was a **gesture of transparency and accountability that built lasting client relationships.**

Summary: Kunda's 4-Step System



Stage	Document	Purpose
Before agreement	Quotation	Show offer & terms clearly
After agreement	Proforma Invoice	Confirm amount before payment
Payment request	Invoice	Officially request payment
After payment	Receipt	Confirm & acknowledge payment



Kunda, now a **mentor** himself to younger entrepreneurs in Chingola, often shared his story.

“The day I started using quotations, proformas, invoices and receipts is the day I became a real business. Don’t just work, document your value and get paid right,” advises Kunda.

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