



Credit Collection Procedure

Bounce Fitness has prepared a guide to assist in the collection of outstanding account procedures to ensure proper internal controls, segregation of duties, and adequate safeguards of Bounce Fitness assets and cash flow.

Internal controls are necessary to prevent mishandling of funds and to safeguard against loss. Strong internal controls also protect employees from inappropriate charges of mishandling funds by defining responsibilities in the cash handling process.

The Administrative Assistant to the General Manager in Head Office is responsible for collection of outstanding accounts and complying with credit policies and procedures.

The General Manager Finance has final responsibility and is consulted by the Administrative Assistant when required as per the schedule following.

Collection Procedure Schedule

[For amounts outstanding in excess of 30 days]

	Timing of Action	Action to be Taken	Responsibility
1	Memberships – Monthly Services – Weekly Property – At point of sale	Invoice sent on the first of the month during which the membership will expire Weekly or on completion of the service On despatch of item purchased	Administrative Assistant
2	One week after Month End	Print out Debtors Trial Balance	Administrative Assistant
3	28 Working Days later	Email, fax, or post Letter 1 to all customers	Administrative Assistant
4	28 Working Days later	Email, fax, or post Letter 2 to all customers	Administrative Assistant
5	10 Days later	Ring Customers, if unsuccessful, send Letter 3	Administrative Assistant
6	10 Days later	Consult with General Manager and be advised to: Stop credit, send Letter 4 Negotiate to arrange payment	Administrative Assistant
7	Within 10 Days	Order Solicitors Letter of Demand	General Manager Finance