



## Credit Policy

Bounce Fitness values its relationship with customers and endeavours to continuously meet its obligations in a prompt and efficient manner. It has the same expectations of its customer in regard to their relationship with Bounce Fitness **Sydney Centre**.

A good cash flow allows Bounce Fitness **Sydney Centre** to function smoothly and work on 30 days from date of invoice. This collection period will allow the majority of payments to be received before the BAS has to be submitted.

All customers requesting credit for purchase of goods or services from Bounce Fitness **Sydney Centre** will:

<p><b>Be subject to a Credit Check</b></p>	<p>Customers to complete a Credit Application with Dun and Bradstreet:</p> <ul style="list-style-type: none"> <li>• At least two referees will be conducted to check the customer's account conduct</li> <li>• The customer credit limit and credit terms to be offered will be explained</li> <li>• If as a result of this investigation, there are any doubts, the client must pay cash for the first invoice then work to a 30-day account.</li> </ul>
<p><b>Trading Terms</b></p>	<p>Bounce Fitness Sydney Centre offers all customers a period of 30 days from the date of the invoice which to settle their account.</p> <ul style="list-style-type: none"> <li>• Trading terms are included in the invoice</li> </ul>
<p><b>Invoices</b></p>	<p>When invoices will be sent out;</p> <ul style="list-style-type: none"> <li>• Memberships – On the first of the month during which the membership will expire</li> <li>• Services – Weekly or on completion of the service</li> <li>• Property – On despatch of the item purchased</li> </ul>
<p><b>Person in Charge of Account Recoveries</b></p>	<p>Martin Saunders, Assistant Manager (Sydney Centre):</p> <ul style="list-style-type: none"> <li>• Review Debtors Trial Balance weekly</li> <li>• Target Debtor Days [Refer Procedures / Financial Procedures/ Credit Collection]</li> <li>• Reminder letters, emails, taxes [Refer examples Documents / Financial / Reminder letters]</li> </ul>

# Credit Collection Procedure

**Bounce Fitness Sydney Centre** 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 Sydney Centre** 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 **Sydney Centre Manager, Jacinta Scotts** 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 **Sydney Centre Manager, Jacinta Scotts** when required as per the schedule following.

## Collection Procedures Schedule

[For amounts outstanding in excess of 30 days]

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

7	Within 10 Days	Order solicitors Letter of Demand	General Manage Finance
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## Monitor and Review

Version	Date	Description	Review completed by	Next review scheduled
1.0	03.08.2022	Document includes Credit Collection Policy, Credit Collection Procedure and Collection Procedures Schedule	Jacinta Scotts	03.11.2022