

Home Assignment Question # 1

The Granthon Credit Collection Co. Limited employs agents who collect hire purchase instalments and other outstanding accounts on a door-to-door basis from Monday to Friday. The agents bank the cash collected to be remitted to Head Office once per week at the end of the week.

The budget for next year shows that the total collections will be of the order of GBP 5,200,000 and that the estimated bank overdraft rate is 9%. The collection manager has suggested that a daily remitting system should be introduced for collectors.

You are required to comment on the significance of this, stating clearly any assumptions you are required to make? (20 marks)

You Can Submit the Answer following any one of the following options:

1. By E-Mail at **online@ftcollege.com**
2. By Postal Mail at **FTOnline** - C-133, Block-9, Gulshan-e-Iqbal, Karachi-75300, Pakistan
3. By Fax at 92 021 4810843

The Marked Paper shall be returned to you at your mailing address, e-mail or fax number within 7 working days.