



**EFFECTIVE AND EFFICIENCY OF ACCOUNT  
RECEIVABLE: CASE STUDY AT CTRM AERO  
COMPOSITES SDN BHD**

**ZURAIDA BT MD YATIM  
2007139641**

**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) FINANCE  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITY TECHNOLOGY MARA  
MELAKA CITY CAMPUS**

**28 OCTOBER 2009**

# LETTER OF SUBMISSION

28 October 2009

The Head of Program

Bachelor of business Administration (Hons) Finance

Faculty of Business Management

University Technology MARA

Melaka City Campus

Dear Sir,

## SUBMISSION OF PROJECT PAPER

Attached is the project paper **“EFFECTIVE AND EFFICIENCY OF ACCOUNT RECEIVABLE: CASE STUDY AT CTRM AERO COMPOSITES SDN BHD”** to fulfill the requirement as needed by the Faculty of Business Management, University Technology MARA.

Thank you.

Yours sincerely

.....  
ZURAIDA BINTI MD YATIM

2007139641

Bachelor of Business Administration (Hons) Finance

# **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**  
**FACULTY OF BUSINESS MANAGEMENT**  
**UNIVERSITY TECHNOLOGY MARA**  
**MELAKA CITY CAMPUS**

## **“DECLARATION OF ORIGINAL WORK”**

I, Zuraida Binti Md Yatim, (I/C Number: 861227235096)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and resources of my information have been specifically acknowledged.

Wassalam.

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## **ABSTRACT**

Account Receivable is amounts that customers owe from the company for product that have been sold as well as amounts that may be due from suppliers such as for returns of merchandise. A company uses this account to record the amounts it is owed by its customers. In other words, sales made on credit are reflected in accounts receivable. The issues in this study are about the credit and collection policies and procedures practice in the company and how the credit policy helping in reducing the days of collecting receivables? From the issue, researcher wants to identify the effectiveness and efficiency of account receivable management in the company and make comparison between the actual theories of amount receivable with the practice of the company. The data of this study are gathered from both primary and secondary data. Ratio analysis has been used to compare the company performance for five years. It has been identified in the findings that the company has adapted the actual theories of account receivable in their operation. However, a further study needs to be carried on because the difference company using the difference accounts receivable practice. Base on the result of this study, some recommendation has been proposed which hopefully can help them to improve their business performance in the future.