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## EXHIBITION PLACE

December 1, 2006

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: **CNEA Write-Off of Bad Debts for 2006**

**Purpose:**

This report is submitted for the consideration of the Board of Governors.

**Financial Implications and Impact Statement:**

There are no financial implications to the 2006 operating budget.

**Recommendation:**

**It is recommended that the Board of Governors concur with the recommendation of the CNEA Board of Directors with respect to approving the Write-Off of Uncollectible Accounts as outlined in the attached report from the General Manager of the CNEA dated November 6, 2006.**

**Background:**

The attached report was considered and approved by the Board of Directors of the CNEA at its meeting of November 30, 2006.

**Discussion:**

In accordance with the Board's by-law the write-off of CNEA accounts is approved by the Board of Governors.

**Conclusion:**

This report recommends that the Board authorize the write-off of uncollectible accounts related to the CNEA.

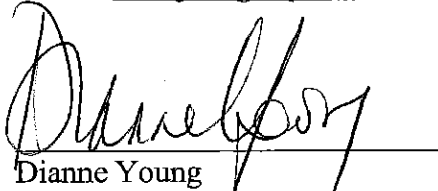
Contact:

Fatima Scagnol, Corporate Secretary

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Email: [Fscagnol@explace.on.ca](mailto:Fscagnol@explace.on.ca)

A handwritten signature in black ink, appearing to read "Dianne Young", written over a horizontal line.

Dianne Young

General Manager & CEO

att.



November 6, 2006

To: The Executive and Board of Directors  
Canadian National Exhibition Association

From: David Bednar  
General Manager

Subject: **Write-Off of Bad Debts**

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**Purpose:**

This report is requesting approval from the Executive and Board of Directors to write off bad debts.

**Financial Implications and Impact Statement:**

The recommendation in this report will have no financial impact on the 2006 operating budget.

**Recommendation:**

**It is recommended that accounts receivable, as identified in Appendix A to this report, be written-off as bad debts.**

**Background:**

The CNEA has an established "bad debts" policy whereby write-offs of debts in excess of \$100 each must be approved by the Board.

**Comments:**

Throughout the year the accounts receivables are reviewed and analyzed and various steps are taken to obtain payment of all Canadian National Exhibition Association accounts. However, in spite of all efforts taken, certain accounts cannot reasonably be collected and these are ultimately recommended to the Board to be written-off and removed from the ledger of accounts.

An analysis of the overdue and unpaid accounts has been carried out and it is recommended that certain of these accounts be removed from the accounts receivable records of CNEA because they have been judged to be un-collectible.

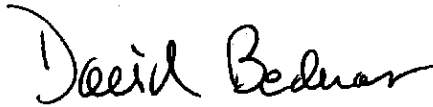
The common reasons why the amounts cannot be collected are that the company has filed for bankruptcy, gone out of business or our collection company or the Legal department provides staff with an opinion that the collection costs associated with a particular account do not justify any further collection activity.

Appendix A identifies these un-collectible accounts and lists the name of the company, the amount to be written-off, and the reason why the amount is deemed to be un-collectible. In all of these cases the amount to be written off was recognized totally as a bad debt expense in prior years. Therefore, there is no impact on the 2006 financial position.

Conclusion:

It is recommended that the Board approve the write-off as un-collectible bad debts of the specific accounts listed in the attached Appendix A.

Respectfully submitted,



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David Bednar  
General Manager

Contact: **Shekhar Prasad**  
Accounting Manager, Exhibition Place  
(416) 263-3614

## Appendix "A"

### Write-Off of Uncollectible Accounts For 2006

| Company Name              | Date of Invoice | Reason for Write-Off                              | Amount (\$)         |
|---------------------------|-----------------|---|---------------------|
| De Bartolo Shoes          | 2000            | City Legal recommends write-off as uncollectible  | *<br>3,210.00       |
| Explosive Trends Ltd.     | 2001            | City Legal recommends write-off as uncollectible. | *<br>7,000.00       |
| J.C. Group                | 2001            | City Legal recommends write-off as uncollectible  | *<br>5,000.00       |
| Shadow Global             | 2004            | Collection efforts have proven unsuccessful       | *<br>4,280          |
| Shamsi Enterprises        | 2004            | Collection efforts have proven unsuccessful       | *<br>1,384.50       |
| Shopsy's Hospitality Inc. | 2004            | Collection efforts have proven unsuccessful       | *<br>403.50         |
| United Muslim Financial   | 2004            | Collection efforts have proven unsuccessful       | *<br>3,393.00       |
| Yan Yan Bubble Tea        | 2005            | Collection efforts have proven unsuccessful       | *<br>6,125.00       |
|                           |                 | <b>TOTAL</b>                                      | <b>\$ 30,796.00</b> |

\* Amount provided for in Allowance for Doubtful Account.

