



10

November 27, 2006

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Write-Off of Bad Debts for 2006

Purpose:

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

Financial Implications and Impact Statement:

There will be an expenditure impact of \$24,376.93 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/Comments:

Throughout the year the accounts receivables are reviewed and analysed and various steps are taken to obtain payment of all Board of Governor's accounts.

However certain accounts, in spite of all efforts taken, cannot reasonably be collected and these are ultimately recommended to the Board to be written-off and removed from the accounts receivable of the organization.

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 Exhibition Place because they have been judged to be uncollectible.

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 City 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" to this report identifies these uncollectible accounts and lists the name of the company, the amount to be written-off, and the reason why the amount is deemed to be

uncollectible. In all but one of these cases the amount to be written off was recognized totally as a doubtful account expense in prior years and as such the impact to Exhibition Place of writing off these accounts at the present time is an expense of \$24,376.93.

Conclusion:

It is recommended that the Board approve the write-off as uncollectible bad debts of the specific accounts listed in Appendix "A" to this report.

Contact:

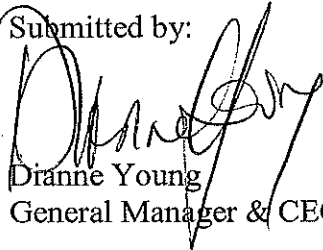
Paul Egli, Director of Finance

Telephone: 416 263-3612

Fax: 416 263-3690

e-mail: PEgli@Explace.on.ca

Submitted by:



Dranne Young
General Manager & CEO

Attach:

Appendix "A"**Write-Off of Uncollectible Accounts
For 2006**

Company Name	Date of Invoice	Reason for Write-Off	Amount (\$)
Peacock Circus	2003	City legal recommends that this account be written off as an uncollectible debt.	75,534.98 ¹
Toronto Star Bluesfest	2003	City legal advises that the company is in bankruptcy and that no further action is recommended	52,149.49 ²
		TOTAL	127,684.47

Notes:

1. 100% provision made to allowance for doubtful accounts in prior years
2. 50% provision made to allowance for doubtful accounts in prior years

