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EXHIBITION PLACE

July 17, 2000

To: The Board of Governors of Exhibition Place

From: Paul Egli
Director of Finance

Subject: Write-Off of Bad Debts

Recommendation:

It is recommended that accounts receivable of \$7,949.09, as specified in Attachment # 1 to this report, be written-off as bad debts.

Background:

Each year, prior to the finalization of the annual operating results, an allowance for bad debts is estimated and recorded. The equivalent amount is recorded in the Operating Budget as bad debt expense. For 2000, an amount of \$10,000 has been budgeted for bad debt expense. When an account is finally written-off after all collections efforts have been attempted, the allowance for bad debts is reduced accordingly.

Discussion:

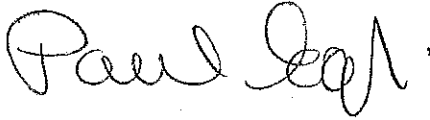
An analysis of the accounts contained in the allowance for bad debts has been carried out and it is recommended that certain of these accounts be removed from the accounts receivable records of Exhibition Place because they have been judged to be uncollectible. They are judged to be uncollectible after all efforts to obtain the monies owed to the Board have been attempted.

The common reasons why the amounts can not be collected are that the debtor has filed for bankruptcy, gone out of business or our collection company provides staff with an opinion that the collection costs associated with a particular account do not justify any further collection activity. Attachment #1 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 of these cases the amount to be written off was recognized as a bad debt expense in a prior year or will be so recognized at the end of the current fiscal year.

Conclusion:

It is recommended that the Board approve the write-off as uncollectible bad debts of the specific accounts listed in Attachment # 1 to this report.

Submitted by:



Paul Egli
Director of Finance

Reviewed by:



Dianne Young
Interim General Manager

Attach:

Item 5 - Board of Governors Meeting
July 27, 2000

Attachment #1 (Revised)

Write-Off of Uncollectible Accounts
To June 30, 2000

Company Name	Date of Invoice	Reason for Write-Off (1)	Amount (\$)
Alba Mercury	May, 1998	Company cannot be located	352.00
Canadian Staging Products	January, 1998	Company in Receivership	684.80
Logistics Location Service	April, 1998	Company cannot be located	1,442.28
People with a Purpose	March, 1997	File Closed as Uncollectible	1,060.20
Prestige Promotions Ltd.	March, 1997	Company out of Business	1,952.75
Water Damage Limited	November, 1998	Company out of Business	1,328.31
World Star International	January, 1997	File Closed as Uncollectible	1,128.75
		Total	<u>\$7,949.09</u>

Note:

1. All of the above accounts were sent to Exhibition Place's collection agency, Equifax Canada Inc. The collection agency advised that further collection activity for the above accounts would be non-productive for the reasons indicated.

