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## EXHIBITION PLACE

June 12, 2001

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: Write-Off of Accounts Receivable  
GWP Productions Inc.

### Recommendation:

It is recommended that the accounts receivable of \$53,484.81 for GWP Productions Inc. be written off as an uncollectible bad debt.

### Background/Discussion

In 1996, a group of Toronto businessmen, operating under the name of GWP Productions Inc., decided to present a musical production of "Patsy" (the life and songs of Patsy Cline) at the Queen Elizabeth Theatre.

At the end of the public performances, Exhibition Place was owed \$53,484.81 for realty taxes and various show services that had been provided during the period of the show production. Because of the uncertainty concerning the collectibility of the amount owing it was included as a bad debt expense at the end of 1996 while at the same time Exhibition Place pursued collection of the account through a collection agency without success.

The details of this accounts receivable were sent to City of Toronto Legal Department for an assessment of the claim and the possibility of commencing legal action. After an investigation of the current status of the company and the likelihood of a successful recovery of any amounts owing, the City Solicitor has advised that in his opinion this account concerning GWP Productions Inc. that legal action should not be commenced and the account should be written off as uncollectible.

### Conclusion:

Based on the City Solicitor's opinion of the low probability of a successful outcome from litigation, it is recommended that the accounts receivable in the amount of \$53,484.81 from GWP Productions Inc. be written off as an uncollectible bad debt. This action will have no

negative impact on the year 2001 financial results as the amount owing from GWP Productions Inc. had already been recorded as a bad debt expense in a prior year.

Contact:

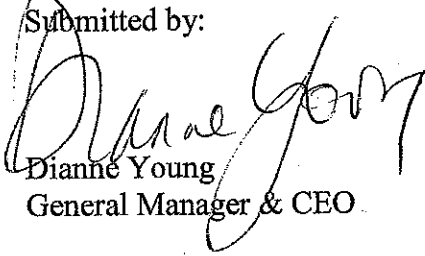
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Submitted by:



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