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October 15, 2002

To: The Board of Governors of Exhibition Place

From: Ernest Vincent
General Manager, NTC

Subject: **Write-Off of Bad Debts – NTC from March 1, 2001 – October 31, 2002**

Recommendation:

It is recommended that accounts receivable of \$96,115.89 incurred from March 1, 2001 - October 31, 2002, as specified in Attachment # 1 to this report be written-off as bad debts.

Background:

Financial By-Law No. 2 respecting the writing off of Bad Debts.

Discussion:

An analysis of the accounts receivable has been carried out and it is recommended that the Toronto International Quarter Horse Show accounts be removed from the accounts receivable records because they have been determined to be un-collectible by City of Toronto, Legal. All efforts to obtain the monies owed to the NTC have been exhausted.

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

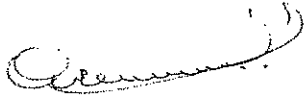
At the Board's meeting of October 26, 2001 it was requested that we further pursue the Polish Entertainment Group and report back to the Board. City of Toronto Legal obtained a Judgment and a writ had been filed to protect our interest. Examination was scheduled for September 10, 2002 unfortunately the process server was not successful in serving the examination after several attempts. At the direction of the City Solicitor it is suggested that we consider this account uncollectible and closed.



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Conclusion:

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



Ernest Vincent
General Manager

Appendix # 1

THE NATIONAL TRADE CENTRE
 ACCOUNTS RECEIVABLE AGING
 ADDITIONAL INFORMATION ON ACCOUNTS RECEIVABLE WRITE-OFF
 FROM MARCH 1, 2001 - OCTOBER 31, 2002

CUSTOMER NAME	AMOUNT OUTSTANDING	COMMENTS
TORONTO INT'L QUARTERHORSE SHOW	96,115.89	Event Services provided for 2001 Quarterhorse Show plus \$82,113.20 for building rent for 2002 cancelled event; Company is pursuing bankruptcy proceedings; City Legal advise that pursuing this account would be costly and provide no financial benefit
	96,115.89	

Note: Allowance provision for bad debts have been fully provided for against operating income for all accounts listed

