

Report of Infrastructure to the Ordinary Meeting of Council held on Monday 21 November 2016

IN2 – Write-off of Bad Debt

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Write-off of Bad Debt

1009

TRIM 1201

EXECUTIVE SUMMARY

- Council undertakes legal recovery actions for outstanding debtor accounts. Once all legal avenues have been exhausted and payment of the outstanding debt has not been achieved, Council has little recourse other than to write the debt off.
- This report recommends that 1 debt of \$20,000.00 be written-off.

REPORT

Annually, Council generates around \$4 million revenue from the fees and services it provides. Outstanding invoices are pursued by Council's Debt Recovery Officer and if required a debt recovery agency is engaged.

All reasonable recovery actions have been undertaken by Council to secure payment of the debt, however it is considered unlikely there to be any chance of recovery of the outstanding amount. Once a debt is older than six years, the debt can no longer be recovered legally under the Limitations Act 1969 (NSW). This report recommends the writing off of a debt that is more than six years old.

CONSULTATION

Finance, Debtor

FINANCIAL IMPLICATIONS

Council has a provision for doubtful debts. The proposed write-off amount is within the provision.

ATTACHMENTS

Nil.

RECOMMENDATION

That the debt of \$20,000.00 be written off and debtor account number 10314.03 be marked as written off in the ledger.