

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 27 MARCH 2007

PROPOSED NON-DOMESTIC RATES WRITE-OFFS

Report by Executive Head of Finance

1 PURPOSE OF REPORT

- 1.1 To recommend that Non-Domestic Rates debt relating to years 1998/99 to 2003/04 inclusive is written-off within the financial year 2006/07.

2 BACKGROUND

- 2.1 The financial statements of the Council include debts for Non-Domestic Rates for years 1998/99 to 2003/04 together with a full Bad Debt Provision in respect of the debts. The Accounts Commission has indicated that, in their opinion, it is good accounting practice to write such amounts off within the financial statements.

3 PROPOSAL

- 3.1 It is requested that Members approve writing off the values shown in the table below in the financial statements for the current financial year.

Year (as at Period 12)	Non-Domestic Rates £	Statutory Additions £	Grand Total £
1998/99	274,534.69	27,453.47	301,988.16
1999/00	362,017.50	36,201.75	398,219.25
2000/01	274,697.35	27,469.73	302,167.08
2001/02	275,973.78	27,597.38	303,571.16
2002/03	371,279.43	37,127.94	408,407.37
2003/04	309,872.24	100,362.43	410,234.67
Outstanding Debtor	1,868,374.99	256,212.70	2,124,587.69
less Provision	1,868,374.99	256,212.70	2,124,587.69
Net Balance	0.00	0.00	0.00

4 FINANCIAL IMPLICATIONS

- 4.1** This accounting entry will have no effect on the financial position of the Council. Wherever possible, the individual debts are being and will continue to be pursued either by Sheriff Officers or by the Revenue Section of the Finance Service.

5 LEGAL IMPLICATIONS

- 5.1** Nil.

6 RECOMMENDATIONS

It is recommended that Members:

- 6.1** approve the write-off in the 2006/07 financial year of the sums detailed in the table at Section 3; and
- 6.2** otherwise note the contents of this report.

Alex McPhee
Executive Head of Finance
7 March 2007

**LIST OF BACKGROUND PAPERS
NIL**

Members wishing further information should contact Ruth Donaghy, Financial Services Manager – Systems and Support, Tel: (01563) 576442.