

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 5 OCTOBER 2000

PROPOSED SUNDRY DEBTORS WRITE-OFFS

Report by Director of Finance

1 PURPOSE OF REPORT

- 1.1 To recommend that sundry debtors debt for which bills were raised prior to 31 March 2000, and is now considered irrecoverable, be written-off within the financial year 2000/01.

2 BACKGROUND

- 2.1 The financial accounts of the authority include debts for sundry debtors bills which are irrecoverable and a provision in respect of non-payment debt. No debts have been written-off since 1 April 1996. The Accounts Commission have indicated that, in their opinion, it is good accounting practice to write such amounts off within the accounts.

3 PROPOSAL

- 3.1 The authority is currently holding debt in three separate sundry debtors systems which were inherited on reorganisation. The only system currently being used to issue bills is the former SRC system. It is requested that this Committee approve writing the values on these systems which are considered irrecoverable as shown in the table below out of the accounts in the current year.

Sundry Debtors System	Pre 1 April 1996 Debt £	Post 1 April 1996 Debt £	Grand Total £
Ex-Cumnock	73,371.63	-	73,371.63
Ex-Kilmarnock	147,868.24	137,756.80	285,625.04
Ex-SRC	339,064.03	98,942.03	438,006.06
TOTAL	560,303.90	236,698.83	797,002.73

- 3.2 All the above amounts have been pursued and although they will be written out of the financial records of the authority, records will be kept. If in the future information comes to hand which suggests that funds are available to a debtor to pay any debt off it is still possible for payment to be demanded.

- 3.3** Full detailed listings of these debts will be made available to departments to enable them to take account of the existence of any debt in their future dealings with any debtor.

4 FINANCIAL IMPLICATIONS

- 4.1** This will have no effect on the financial position of the Council as the provision for non-payment of sundry debtors at 31 March 2000, is adequate to cover the above amounts.

5 LEGAL IMPLICATIONS

- 5.1** Nil.

6 RECOMMENDATIONS

It is recommended that Members:

- 6.1** approve the write-off in the 2000/01 financial year of the sums detailed in the table at Section 3; and
- 6.2** otherwise note the contents of this report.

Alex McPhee
Director of Finance

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21 September 2000

LIST OF BACKGROUND PAPERS NIL

AGENDA