

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES COMMITTEE

9 SEPTEMBER 2004

SUBJECT: MISCELLANEOUS ACCOUNTS - DEBT WRITE-OFF

REPORT BY DIRECTOR OF FINANCE

<p>Abstract: This Report presents details of miscellaneous accounts, which are recommended for write-off.</p>
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1 RECOMMENDATION

- 1.1 It is recommended that the Committee agree that the accounts detailed on [Appendix 1](#) amounting to £12,797.27 be written off as irrecoverable.

2 INTRODUCTION

- 2.1 The purpose of this report is to provide a statement of accounts which are viewed as irrecoverable and which are therefore recommended for write off.

3 COMMENTARY

- 3.1 It is estimated that approximately 45,000 Sales Ledger accounts will be issued in the current financial year. The value of these accounts will be some £25 million. Approximately 7,000 of these accounts with a value of about £9 million will relate to internal accounts. Thus some 38,000 accounts with a value of about £16 million will be issued to external customers.
- 3.2 These accounts, if unpaid after 28 days, are subject to a recovery process embracing two automatically generated reminder letters; in some cases ad hoc letters; telephone calls where considered appropriate; and legal action or debt collection agency attention, again where considered appropriate.
- 3.3 The accounts, which are the subject of this report have gone through this process and are now considered within the confines of our internal recovery process as irrecoverable and hence should be written off. The reason for write off is noted on the attached Appendix.
- 3.4 The total recommended for write-off is some £12,797.27 (inclusive of VAT of £1,274.45) and hence the overall loss of income to the Council will be £11,522.82. It is stressed however although these accounts are being written off, the files remain open and every effort will be made to collect debts if circumstances change.

4 FINANCIAL IMPLICATIONS

- 4.1 The Council has made a Bad Debt Provision in its Accounts in respect of doubtful debts. While the write-off of the £12,797.27 will be ultimately charged to that Provision, there will be appropriate entries in the service revenue accounts to reflect the loss of income.

5 HUMAN RIGHTS IMPLICATIONS

5.1 There are no Human Rights Implications arising from this report.

6 CONSULTATION

6.1 The Chief Executive and the Director of Law and Administration have been consulted in the preparation of this Report.

7 CONCLUSION

7.1 A relatively small number of accounts have now been identified for write-off. The number and value in the context of the total number and value of accounts, issued in the year, are relatively insignificant. However, it is stressed that even though the debts are written off, they will be pursued in the light of any further information that may become available.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

DSS/RH/LB
23/08/04

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