

11. WRITE OFF OF BAD DEBT

Officer responsible Financial Services Manager	Author Lindsay Lamont, DDI 371-1420
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The purpose of this report is to seek the Committee's approval to write off a bad debt which is greater than \$10,000 and, therefore, requires the Committee's approval. The Council has delegated authority to the Director of Finance to write off debts under \$10,000 to the Strategy and Resources Committee to write off debts above this amount.

Mike Neil Excavation is indebted to the Council for \$16,722.78. This debt relates to sealing of trenches and supplies of asphalt plus associated charges for the repair of damaged water mains. The debt goes back to 1998 although the bulk of the debt \$16,179.97 relates to the period June 1999.

Mike Neil Excavation is a partnership between Michael Gary Paul Neil and Deidre-Ann Neil, trading as Mike Neil Excavating. Michael Neil was adjudicated bankrupt on 6 September 1999, to be followed by the adjudication of Deidre-Ann Neil on 22 October 1999.

Prior to the adjudications the account had been lodged with Bay Collection Agency, in an attempt to secure payment of monies owing. As Mike Neil Excavating was a partnership, upon the adjudication of Mr Neil, Bay Collection were instructed to pursue Mrs Neil for payment. However, as stated Mrs Neil was adjudicated bankrupt and this prevented any collection action being taken against her.

Although there was some equity in the partnership the Official Assignee's Office advised that this was only sufficient to met the debts of preferential creditors.

Recommendation: That monies owed by Mike Neil Excavating (Michael Gary Paul Neil and Deidre-Ann Neil in Partnership, adjudicated bankrupt) be written off

Chairman's Recommendation: That the above recommendation be adopted.