

**To: Finance, Resources and Customer Services Policy Board**

**On: 30 August 2017**

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**Report by: Director of Finance and Resources**

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**Heading: Non-Domestic Rates: Accounts for write off**

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## **1. Summary**

1.1 In accordance with Financial Regulation 3.5.10 a report regarding the write-off for sums over £10,000 due must be submitted to the Finance, Resources and Customer Services Policy Board.

1.2 The debt recovery process involves extensive effort by the Council and its collection agents to locate the debtor and recover the debt. During this process a stage can be reached when it is recognised that the recovery of the sums is no longer viable and it is prudent to write-off the recovery of the outstanding liability.

1.3 The Council has already pursued each of the debts summarised on the attached Appendix through its follow up cycle and it is considered prudent to write-off the outstanding balance.

1.4 The approval for the write-off will enable the Council to prudently reflect within the financial accounts an accurate representation of the collectable debt. The Council continues to monitor the accounts and, where the circumstances of the debtor alter, will instigate further recovery action as appropriate. The level of write-off will be contained within the Council's bad debt provision.

1.5 An analysis of the debt proposed for write-off highlighting the reason why collection is deemed irrecoverable is shown in table 1 below:

**Table 1**

<b>Non Domestic Rates</b>		
<b>Reason</b>	<b>No. Accounts</b>	<b>Amount</b>
Dissolved	6	£345,657.77
Liquidated	5	£204,267.63
Sequestrated	1	£10,248.27
Trust Deed	1	£18,073.87
<b>Total</b>	<b>13</b>	<b>£578,247.54</b>

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## **Recommendations**

2.1 The Board is asked to authorise the write-off of £578,247.54 as detailed above.

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## **2. Background**

Not Applicable.

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## **Implications of the Report**

1. **Financial** - There has been adequate provision made for these bad debts.
2. **HR & Organisational Development** – None
3. **Community Planning** – None
4. **Legal** – None
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** -

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

8. **Health & Safety** - None
9. **Procurement** - None

- 10. **Risk** - None
- 11. **Privacy Impact** - None
- 12. **Cosla Policy Position** – Not applicable

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**List of Background Papers**

(a) None

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# Finance, Resources and Customer Services Policy Board – Non Domestic Rates Accounts for Write Off

## Appendix

Name	Reason	Year	Amount
Culzean Ventures Ltd	Dissolved	2013	£94,230.45
Culzean Ventures Ltd	Dissolved	2014	£98,617.20
Culzean Ventures Ltd	Dissolved	2015	£78,820.19
			<b>£271,667.84</b>
JPK (Scotland) Ltd	Dissolved	2015	£12,496.72
JPK (Scotland) Ltd	Dissolved	2016	£7,257.51
			<b>£19,754.23</b>
Linarb Ltd	Dissolved	2014	£3,107.88
Linarb Ltd	Dissolved	2015	£7,656.00
Linarb Ltd	Dissolved	2016	£3,470.55
			<b>£14,234.43</b>

# Finance, Resources and Customer Services Policy Board – Non Domestic Rates Accounts for Write Off

## Appendix

Name	Reason	Year	Amount
Outdoor Franchise (Renfrew) Ltd	Dissolved	2015	£12,392.85
Outdoor Franchise (Renfrew) Ltd	Dissolved	2016	£5,032.27
			<b>£17,425.12</b>
Streety 110 Ltd	Dissolved	2014	£4,784.26
Streety 110 Ltd	Dissolved	2015	£7,452.59
			<b>£12,236.85</b>
Sleek Enterprises Ltd	Dissolved	2013	£10,339.30
			<b>£10,339.30</b>
Baru Limited	Liquidated	2013	£7,020.25
Baru Limited	Liquidated	2014	£2,652.41
Baru Limited	Liquidated	2015	£7,651.09

# Finance, Resources and Customer Services Policy Board – Non Domestic Rates Accounts for Write Off

## Appendix

Name	Reason	Year	Amount
Baru Limited	Liquidated	2016	£516.10
			<b>£17,839.85</b>
Black Cat Trading Co Scotland Ltd	Liquidated	2013	£6,237.00
Black Cat Trading Co Scotland Ltd	Liquidated	2014	£6,358.50
Black Cat Trading Co Scotland Ltd	Liquidated	2015	£1,986.49
			<b>£14,581.99</b>
Isim Ltd	Liquidated	2015	<b>£16,316.42</b>
			<b>£16,316.42</b>
Scented Scotland Ltd	Liquidated	2015	£62,835.67
Scented Scotland Ltd	Liquidated	2016	£69,290.14
			<b>£132,125.81</b>

# Finance, Resources and Customer Services Policy Board – Non Domestic Rates Accounts for Write Off

## Appendix

Name	Reason	Year	Amount
Weans World (Johnstone)Ltd	Liquidated	2013	£4,134.18
Weans World (Johnstone)Ltd	Liquidated	2014	£2,787.69
Weans World (Johnstone)Ltd	Liquidated	2015	£10,164.00
Weans World (Johnstone)Ltd	Liquidated	2016	£6,317.69
			<b>£23,403.56</b>
Sole Trader	Sequestrated	2014	£6,994.35
Sole Trader	Sequestrated	2015	£3,253.92
			<b>£10,248.27</b>
Sole Trader	Trust Deed	2014	£3,309.42
Sole Trader	Trust Deed	2015	£10,126.00
Sole Trader	Trust Deed	2016	£4,638.45



Finance, Resources and Customer Services Policy Board – Non Domestic Rates Accounts for Write Off

Appendix

Name	Reason	Year	Amount
			£18,073.87
			£578,247.54