

**Lambton County Community Services
Housing Services Department
Policy and Procedure Manual**

SUBJECT: Uncollectable Revenue		INDEX NO.: 2.008
EFFECTIVE: 01/01/03	APPROVED:	REVISED:

Policy:

All balances in the accounts of former tenants, who vacated their premises in the 12 month period prior to July 1 of the current year are recommended for write-off at year-end. This procedure is designed to ensure that the rent receivable accounts are not overstated in the financial statements. The outstanding amounts are valid claims against the former tenants and collection efforts shall continue.

Procedure:

Each year on the first working day following July 1st, a Former Tenant Rent Arrears Report will be printed indicating former tenants in arrears as of June 30th, this will be considered the Annual Write-Off Report.

In December of the same year this report will be updated, and tenant accounts adjusted from Former status to Written Off status, this procedure will debit the revenue account and credit the appropriate Accounts Receivable accounts for the amount of arrears for each tenant identified in the annual write-off report.

Payments received subsequent to the write-off activity are to be recorded as Other Revenue, Recoveries-Former Tenants.

Further details are available in the Vadim Housing Module Policies and Procedures.