



GOVERNMENT OF BERMUDA  
Ministry of Public Works

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**Office of the Minister of Public Works**

November 19, 2015

Mrs. Shernette Wolffe  
Clerk to the Legislature  
House of Assembly  
Sessions House

Dear Mrs. Wolffe,

Parliamentary Questions

I am in receipt of questions from The Honorable Derrick Burgess J.P., M.P. regarding the WEDCO and BLDC Account Receivable write offs. Accordingly, my responses are as follows:

Question 1

Would the Honourable Minister please inform this Honourable House how much money in accounts receivable has been written off each year for the last eight years by WEDCO and BLDC?

Response:

WEDCO:

WEDCO's response for years ended March 31, 2008 to March 31, 2015:

- a) For the years ended March 31, 2008, 2009, 2010, 2011, 2012, 2013 and 2015, no amounts were written off
- b) For the Year ending 2014: \$160,809.89 was written off

BLDC:

BLDC's response for years ended March 31, 2008 to March 31, 2015:

- a) For the years ended March 31, 2008, 2009, 2014 and 2015, no amounts were written off.
- b) For the year ended March 31, 2010, \$187,511.02 was written off.
- c) For the year ended March 31, 2011, \$189,348.50 was written off.
- d) For the year ended March 31, 2012, \$57,187.50 was written off.
- e) For the year ended March 31, 2013, \$11,192.04 was written off.

## Office of the Minister of Public Works

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### Question 2

*Would the Honourable Minister please inform this Honourable House who authorized the write off and the reason for the write offs?*

Response

WEDCo:

The WEDCo Board approved the Fiscal Year 2014 write-offs after consultation with the Ministry of Finance. The reasons range from:

- Liquidated companies
- Persons who no longer reside in Bermuda
- Debts older than 120 days as far as 7 years

BLDC:

March 31, 2010

All amounts written off in 2010 have been subject to audit by the Office of the Auditor General and were authorized by the former BLDC CEO. \$131,096.76 was written off after discussion with the tenant about the accuracy of the lease charges but there is limited information about the basis for the additional \$56,142.26 write off. Total \$187,511.02.

March 31, 2011

\$183,000 of the amount written off in 2011 was authorized by a former BLDC Board Chairman. It related to rent owing from a former tenant who offered certain assets in exchange for the debt. The \$6,348.50 was authorized by the BLDC CFO after negotiation with a former tenant that disputed the legitimacy of the amount due. Total \$189,348.50.

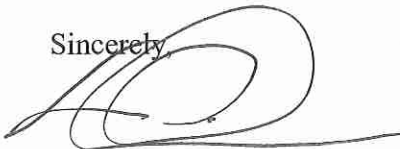
March 31, 2012

The \$32,187.50 write-off was authorized by a former BLDC CEO pursuant to a formal tenant liquidation, when it was determined by the Court that there were insufficient assets to pay creditors. An additional \$25,000 write off was approved by Ministerial directive from the former Minister of Public Works. The write off was related to lease arrears that arose from annual increases that were not billed for a 5 year period. Total \$57,187.50

March 31, 2013

The \$11,192.04 was written off pursuant to a Court agreed settlement with a former tenant that disputed the amount due. The total amount due was \$20,992.04 and the tenant paid \$9,800.00.

Sincerely,



The Hon. L. Craig Cannonier, J.P. M.P.  
Minister of Public Works