

## 21 Trade receivables

	31 December 17	31 December 2016 adj	Change
Trade Receivables	1,317.4	1,201.4	116.0
Allowance for bad debts	(271.0)	(211.1)	(59.9)
Receivables from clients for bills and invoices not yet issued	714.5	654.9	59.6
<b>Total</b>	<b>1,760.9</b>	<b>1,645.2</b>	<b>115.7</b>

Trade receivables comprise estimated consumption, for the portion pertaining to the period, relating to bills and invoices which will be issued after 31 December 2017, as well as receivables for revenues accrued over the course of the financial period for the water sector, which will be invoiced in the following financial periods, in compliance with the billing procedures established by the Authority. The provisions for bad debts are considered to be fair in relation to the estimated realizable value of said receivables.

Changes in the provisions for bad debts were as follows:

	Opening balance	Allocation to provisions	Changes in the scope of consolidation	Uses and other operations	Closing balance
Year 2016	203.4	85.1	0.9	(78.3)	211.1
Year 2017	211.1	103.4	0.5	(44.0)	271.0

The recording of the provision is made on the basis of analytical valuations in relation to specific receivables, supplemented by measurements made based on historic analyses of the receivables regarding the general body of the customers (in relation to the age of the receivables, the type of recovery action undertaken and the status of the debtor), as described in the following paragraph "credit risk".

The change in the scope of consolidation reflects the acquisition of control over the Aliplast Group, Verducci Servizi Srl and the "Enerpeligna" business branch.

The following table displays these receivables from clients on the basis of bills issued, organized by degree of past-due:

	31 December 17	Effect	31 December 16 Adj	Effect	Change
Not yet due	394.9	30%	406.0	34%	(11.1)
Due 0-30 days	107.8	8%	122.0	10%	(14.2)
Due 31-180 days	171.5	13%	139.6	12%	31.9
Due 181-360 days	139.7	11%	101.2	8%	38.5
Due beyond 360 days	503.5	38%	432.6	36%	70.9
<b>Total</b>	<b>1,317.4</b>		<b>1,201.4</b>		<b>116.0</b>

### Credit risk

The value of trade receivables reported in the financial statements at 31 December 2017 represents the Group's maximum exposure to credit risk. The procedure in place to govern the granting of loans to customers involves carrying out specific individual evaluations; this approach reduces the concentration and exposure to credit risk posed by both business customers and private ones. With regard to the mass client base, allocations are made to the provision for doubtful receivables, on the basis of historic analysis (in relation to the age of the receivables, the type of recovery action undertaken and the status of the creditor). From time to time, analyses are conducted on the individual positions, identifying any criticality, and if the amounts outstanding are uncollectible, in whole or in part, the related receivables are written down.

The carrying amount of trade receivables at year-end approximated their fair value.