



Grant Thornton
Tower business Centre , Suite 3
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Swatar BKR 4013

14th February, 2023

Grant Thornton,

Reply to Management Letter 2021

1. Previous management Letter

1.1 These were sent to the Councils Accountant to take action as per recommendations.

1.2 These were reclassified as per Auditor recommendations.

1.3 Noted but still pending.

1.4 Reminders were sent but no reply.

1.5 Refer to 6.1.

1.6 These balances are long outstanding because there were some pending issues with the suppliers. These were explained in the Audits. The Council will consider reversing in 2023.

2. Income

2.1 – 2.2 Other Government income

The Local Council would like to point out that any receipts from debtors in this Wasteserv Malta Limited will be allocated against debtors. So the Local Council accepts that any invoices which had been issued to Wasteserv Malta Limited and posted against other government income are reclassified under Organic waste as general income.

3. Expenditure

3.1 - 3.4 The Contracts were all provided with the initial requirements. Hence we don't agree with this.

4. Property, plant and equipment

Grants in Property, plant and Equipment schedule



The Local Council had adjusted the previous accounts as per local auditor's instructions. In fact year after year the local auditors will reclassify the grant accounts by splitting the account in various accounts and which never make up as a one account. The Local Council tends to partially disagree with the statement of the Local Auditors on the matter.

Fixed asset register and its upkeep, Tagging of fixed assets

The Xghajra Local Council would like to start tagging all the fixed assets but due to short of staff this is not possible in the present.

5. Debtors

The Council send reminders regularly but still pending. However we will consider writing off as Bad Debts in 2023 if still no success.

6. Trade and other payables

6.1 – 6.2 As explained in the Audit these are all creditors that did not supply fiscal invoice properly. We need to be realistic in these cases that some suppliers don't have proper invoicing system. They just present a Receipt. Hence even though we ask for fiscal invoices this will not be provided.

Long-outstanding creditors

6.3- 6.4 The Xghajra Local Council took note of the recommendation made by the auditors and will discuss the issue with the accountant.

Neil Attard

Mayor

Ranier Busuttil

Executive Secretary