



Grant Thornton
Tower business Centre , Suite 3
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19th September, 2023

Grant Thornton,

Reply to Management Letter 2022

2. Expenditure

IFRS 16 'Leases'

The Local Council took note of the management point raised in relation to leases. Kindly note that the contracts have been retrieved at the Council's premises and were passed on to our Accountant lately i.e 27th April 2023, after the date of the approved financial statements.

3. Upkeep of fixed asset register

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

Grants in Property, plant and Equipment schedule

The Local Council does not agree with the statement made by the Local Auditors due to the fact that the grants are allocated in the respective fixed asset schedule as presented in excel format.

4. Debtors

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

5. Trade and other payables

The Local Council hereby confirms that it had accepted the reclassification as proposed by the Local Auditor. Moreover, the Local Council is doing his utmost to obtain the necessary fiscal invoices and/or statements from these individuals and/or company to address the matter.

Long outstanding creditors

The Xghajra Local Council took note of the recommendation made by the auditors and will discuss the issue with the accountant and will be reversed in the year 2023.



IX-XGHAJRA

6. Restatement of 2021 balances

The Xghajra Local Council took note of the comment and recommendations made by the Local Auditors. We will do our outmost to chase the suppliers to provide the invoices in time in order to reflect a true and fair view of the financial statement of the Council.

Neil Attard

Mayor

Ranier Busuttill

Executive Secretary