

14th June 2023

Director
Department of Local Government
26, Archbishop Street
Valletta VLT1443

Dear Sir,

Thank you for the management letter of the 23rd May 2023 contents of which have been considered.

The Council considers that the points raised will enable the Council to continue having the good governance in the best interest of the community as well as the proper administration and use of public finance entrusted to the Council.

For sake of clarity we will address the points as per same letter above acknowledged.

1.Previous Management Letter

1.1 Joint Committee

The Auditors` comments have been noted. In the past the Council made various attempts with the Joint Committee to obtain the state of affairs but such attempts to recover such documents have proved futile. The figure or any part thereof has not been recognized in the accounts under review and we have always been told by the previous administrator that the funds have all been distributed and that the fund is liquidated.

The Council has also raised this matter with the Director General of the Department for Local Government to ensure that the Joint Committee is actually liquidated and that the Gudja Local Council will receive any amount due to it in this connection.

1.2 (2.1/2.2) Trade and other payables.

The Council agrees with the auditors remarks on the importance of having the creditors` statements in place. Certainly, the Council continues to chase the suppliers for such statements where required. Meanwhile the Council also ensures that the creditors are duly recorded.

1.3 (3) Upkeep of fixed asset register.

Your point has been noted. The Council will continue working on this task to ensure that the fixed asset register will be updated to the recommended standards. The Council has also

notified the accountant to carry out the necessary modifications in the computerized register to comply as necessary.

1.4 Wasteserv reconciliation

Refer to note 4

2. Trade and other payables

Supplier Statements

Already dealt with 1.2

2.3/2.4 Debit balances in creditors` list

Note have been taken and the Council will undertake to allocate and review any debit balances included with Payables.

3. Fixed Assets

Fixed Asset Register

3.1/3.2/3.3 Kindly note that in SAGE FAR module, the details mentioned in 3.2 are included. However, in the Report Generator of the FAR, not all details show. Therefore, the FAR is actually updated except for the Location but the Council does keep track of the Location of each item included in the FAR.

4. Wasteserv reconciliation

We agree with this recommendation and the Council will be doing the utmost best to recover the full amount which will be monitored regularly.

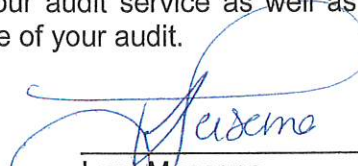
Conclusion

The Council is always conscious to be fully compliant with financial and other regulations concerning the proper administration and operations of the Local Council.

It is in the opinion of the Local Council that good and proper governance especially from the point of view of finance entrusted to the Local Council gives the maximum value to the community we serve.

We also take this opportunity and thank you for your audit service as well as for the co-operation and courtesy of your staff during the course of your audit.


Dr. Marija Sara Vella Gafà
Mayor


Lara Mascena
Executive Secretary

Cc: General Auditor – NAO
Auditors – Grant Thornton