



29th May 2024

Grant Thornton,
Fort Business Centre
Triq L-Intornjatur, zone 1
Central Business District
Birkirkara, CBD 1050
Malta

Attn: Mr. Mark Bugeja

Dear Sir,

Reference is made to your management letter dated 24th April 2024, received at our offices on the 3rd May, 2024.

The council noted all points and will be addressing all points separately. See our responses below:

1. Prior year management letter points

Joint Committee – please see detailed comments in section 2 below.

Trade receivables – please see detailed comments in section 3 below.

2. Income

Income from LESA and Wasteserv recorded twice – the council agrees with these findings where inadvertently this income was recorded twice on the accounting system. Going forward, a review of the income accounts on the accounting system from LESA and any other debtors from who we receive regular income (mainly the 0037, 0040 and 0113 nominal codes) will be introduced to identify any double postings of income as part of the quarterly financial report accounting process.

Joint Committee – as per previous management letter the council is aware that no Financial Statements by the Birkirkara Joint Committee were presented to the council since 2015. The council had contacted the Department of Local Government on the 23rd November 2023 to remind them to perform such liquidation, up till now a response on the estimated date when this will happen has not been received.

Bazaar proceeds – the proceeds from the yearly bazaar held in December are then donated to charities in the following year. Going forward, the council will include an accrual in the annual financial statements to recognise the expense side associated with this income.

3. Trade Receivables

Kunsill Lokali H'Attard, 13/15, Triq Sant'Anna, H'Attard

E-mail: attard.lc@gov.mt

T: 21 411 111 / 21 433 979 | M: 9950 0722

A Statement of Account and reminders have been sent to the parties from which a receivable was noted as overdue in the management letter and for which a provision was not recognised. The council is confident to receive these amounts in 2024. If this is not the case, the provision for doubtful debts will be adjusted accordingly or a write-off will be carried out on the amounts not received.

On behalf of the Local Council and staff I would like to thank our Auditors for their collaboration and professional attitude during the course of the audit.

Regards,

Signed

Stefan Cordina

Mayor