



Kunsill Reġjonali Lvant

8th May, 2023

Management Letter – Financial Year – 2022

Dear Sir/Madam,

Reference is made to the above-mentioned letter dated 24th April 2023 received at the Region offices on the 5th May 2023 concerning the accounting systems and procedures used by the Region to safeguard the Region's assets in line with prevailing legislation dealing with local councils.

The contents of the Management Letter were read and discussed, where it was deemed appropriate to forward the following comments.

2. INCOME

2.2 CIES Payroll reimbursement will in the future be shown as a separate item in the Income Statement.

3. EXPENDITURE

3.4 Although it is the intention of the Regional Council to terminate the present lease, since the Regional Council is looking for alternative premises as its administration offices and Tribunal, an IFRS 16 assessment will be performed to account for the rent expense in accordance with IFRS 16 accounting treatment for the rest of the lease duration.

4. LOCAL ENFORCEMENT SYSTEM

4.3 Point noted

4.5 Point noted

Anthony Chircop
President

Jeanette Galea
Executive Secretary

Date: 8th May 2023