



MARSAXLOKK LOCAL COUNCIL

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National Audit Office
Notre Dame Revelin
Floriana

6th November 2023

Dear Sir,

Reference is made to the Auditor's letter having reference MB/mf/118323. In terms of section P2.06B (c.02) of the Local Councils' (Audit) procedures 2006, on behalf of the Marsaxlokk Local Council we are presenting the following documents.

1. Previous Management Letter

The points that Auditors reported under this heading will be replied to in each of respective sections below.

2. Fixed Assets

Further to the point raised by the auditors on the fixed assets register, the council is currently working on updating the fixed asset register and this will include all the details as highlighted by the auditors.

Additions to fixed assets

The mistake has been adjusted for the in the accounts.

3. Receivables

Pre-regional LES debtors

The matter on the balances with LES will be discussed with Loqus as recommended by the auditors.

Garnishee Order

The council will be following the garnishee order dated 2008.

Confirmation of Debtors

The confirmation of balances with Debtor, Wasterserv Malta Ltd have been agreed with the accounts of the council.

Accrued Income

The accrued income has been reversed as recommended by the auditors.

Mayor: **Steven Grech**

Deputy Mayor: **Elenia Desira**

Councillors: **Daniel Zerafa | Stephen Caruana | Dr.Mary Muscat**

Executive Secretary: **Karen Scicluna**

4. Cash and cash equivalents

The cash and cash equivalents have been adjusted as per recommendations made by the auditors. The council prepares bank reconciliation on a monthly basis and will continue to do so.

5. Trade and other payables

Supplier Statements

The auditors' recommendation on the obtaining of monthly statements from the suppliers has been noted and the council's staff will be obtaining monthly supplier statements.

Debit-balances in creditors' list

The recommendation by the auditors has been noted and will go through the debit balances.

Long-outstanding creditors

The recommendation by the auditors has been noted and will go through the long-outstanding creditors.

Accrued Expenses

With regards to the accrued expense in relation to the court case, kindly note that a decision by the court was made on 27th April 2023 whereby council lost the appeal, and the council should pay part of the damages which amount to €19,588.96 together with legal fees.

The matter highlighted by the accruals on December salaries has been noted and the proposed adjustments recommended by the auditors has been accounted.

Deferred Income

The matter highlighted by the auditors on deferred income has been noted and the proposed adjustments were accounted for.

6. Government Allocation

The council has noted the recommendation made by the auditors.

7. Income

This matter on the joint committee will be raised to the Department for Local Government as recommended by the auditors.

8. Expenditure

Personal Emoluments

The recommendation made by the auditors have been noted.

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Operations and maintenance

The reclassification and adjustments which were proposed by the council have been accounted for and recommendations made by the council have been proposed.

Administration and other expenses

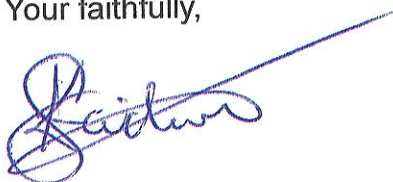
The adjustments proposed by the auditors has been accounted for and the recommendations made have been noted.

9. Opening Balances

The proposed adjustments made by the auditors have been accounted for.

We trust that our replies are to your satisfaction.

Your faithfully,



Karen Scicluna
Executive Secretary