



Our Ref.: DGL/03/2017.

29th May 2017.

Director Local Government
Monitoring Unit
Department for Local Government
26/28, Archbishop Street,
Valletta
Malta

RE: REPLY TO REPORT BY AUDITOR GENERAL FOR THE PERIOD ENDED 31 DECEMBER 2016

1.0 FOLLOW UP TO LAST YEAR'S REPORT

Noted and currently action is being taken to, as much as possible, address any pending issues.

2.0 PROPERTY, PLANT AND EQUIPMENT

The issue about Property, Plant and Equipment has been with the Council for a couple of years. It's the intention of the Council to tackle the Fixed Asset Register problem, to compile, reconcile and update the Fixed Asset Register. As discussed also in the management report itself, this is not an easy and straight forward task, however, the Council will be doing its utmost to reconcile and update the Fixed Asset Register. This also in line the latest Circular to this matter as issued from the Department for Local Government.

3.0 BANK AND CASH

The Council always strives to get prior approval from the Council before issuance of payments. However, kindly note that cheques for wages and salaries do not require such approval prior to their issuance as long as they are then included in the following schedule of payments to be approved during the Council meeting. This is in line with the Council's obligation as an employer to issue the salaries to its employees in a timely manner.

4.0 PAYABLES

Noted. Any requirements, mainly in relation to Amortisation of Government Grants coming out from International Financial Standard 20 will be adhered to. Any proposed audit adjustments and reclassifications were posted in the updated financial statements.

5.0 EXPENDITURE AND TENDERS

Noted. The Council actually experienced a decrease in the actual Community Service cost from 2015 to 2016 amounting to Eur1719 and had a minimal increase in national and international membership of just Eur40. The council does its utmost to stick to the budget, however one have to keep in mind that it's the priority of the Council to keep the locality well maintained. Overall the Council experienced a considerable decrease in operation and maintenance expenses and administration and other expenditure. Comment about the tender for the cleaning of the public convenience noted. However, as stated during the audit, the Council is acting very diligently by using the services of a Government Entity and saving considerable amount of money since the cost of a new tender is expected to be six times the current cost of the Council.



Carmen Said
Mayor



Anthony Grech
Executive Secretary

Copies: National Audit Office, Malta.
RSM Malta