



Director,  
Department for Local Government  
26, Archbishop Street,  
Valletta

21<sup>st</sup> May 2024

Dear Sir,

### **Management Letter – Financial Year – 2023**

Reference is made to the above-mentioned letter dated 18<sup>th</sup> April 2024, received at the Western Region on the 29<sup>th</sup> April 2024, concerning the systems and controls used by the Council to safeguard the Regional Council's assets in line with prevailing legislation dealing with local councils.

The contents of the Management Letter were read and discussed by the Council during the meeting held on 17<sup>th</sup> May 2024, where it was deemed appropriate to forward the following comments:

#### FEEDBACK ON LAST YEAR' MANAGEMENT LETTER

The Regional Council has addressed all matters which were mentioned in last year's management report, other than those involving external entities, which are beyond its control. We will strive to continue to improve.

#### 1. TRADE AND OTHER RECEIVABLES

##### 1.1 Balance with Wasteserv Malta Ltd

The situation with Wasteserv Malta is very unstable and we had a lot of queries as at year end because our invoices were not being recognized and accepted by Wasteserv. We have included in our books the information which was known to the Region. It is strongly suggested that the auditors make the recommendation to DLG to handle the situation with Wasteserv regarding the Waste matters and give us instructions which we can abide with. Regjun Punent in 2024 will try to make more frequent meetings with Wasteserv to reach a set-off agreement. The latter could not be done until we finalize the agreement with the PROs.

##### 1.2 Balances with other Local Councils

Matter noted. During the process of closing off the accounts, we noticed some immaterial adjustments with the Local Councils, for which we issued invoices/credit notes. The Councils may have not yet reflected these transactions in their books.

## 2. TRADE AND OTHER PAYABLES

### 2.1 Balances with other Local Councils

Auditors' comment noted. Any invoices which were received by year end were recorded in our books. We also provided under accruals any bills which we were aware of but were invoiced to the Regional Council after year end

### 2.2 Other payables

Auditors' comment noted. Ammount suggested by the auditors were adjusted in the financial statements The balance with DLG covers the reimbursement of wages for the Managers. DLG does not send any statements.

## 3. ADMINISTRATIVE EXPENSES

### 3.1 Classification of expenses to budget line items

Matter noted. Any suggested reclassification by the auditors were adjusted in the financial statements. Such reclassification were between advertising and community expenses, social events and community, deferred income vs loans from DLG which does not have any effect on the financial statements.

### 3.2 Deferred expenses

Noted and adjustment recorded in the updated financial statements. The project was reaching its final stages in line with its agreed timeframes.

### 3.3 Assitances to other Councils

Matter noted. The main aim of Regjun Punent is to support Local Councils. Considering that some local councils either do not have ES or adequate clerical staff and/or had a change in their ES, we tried to facilitate matters.

## 4. PRESENTATION OF FINANCIAL STATEMENTS

Matter noted. Any suggested reclassification and adjustments by the auditors were adjusted in the updated financial statements.

---

**President: Sandro Azzopardi**

Sindki Membri: Peter J. Dei Conti Sant Manduca (Mdina), Mark Camilleri (Haż- Żebbuġ), Dominic Grech (Siggiewi), Raymond Schembri (Haż-Dingli), Terence Agius (Haż Kirkop), Grace Marie Zerafa (Mqabba), Alexander Craus (Rabat), Johan Mula (Haż Safi), Rita Grima (Żurrieq).

**Viçi President: David Schembri (Qrendi)**

**Deputat Segretarju Eżekuttiv: Tania Farrugia**

5. CONCLUSIONS

Matter noted with thanks.

Please note that Ms. Tania Farrugia was appointed as Agent Deputy Executive Secretary on 15 April 2024. Though she had a short period of time, she had a basic handover both from the Ex. Agent Deputy Executive Secretary Ms. Elke Sghendo and a more in depth explanation of the Financial accounts and Financial situation (of deficit for 2023) from the Regional accountant Mr. Daniel Galea. Considering that on 18 April, meeting 34-KRP-24 was her first meeting upon her appointment and during which we had on the agenda the approval for the Auditors adjusted Annual Report & Financial statements, and in virtue that a sufficient handover was given, she felt confident to sign and approve these documents.

Yours faithfully,

S. Azzopardi  
**President**



T. Farrugia  
**Acting Executive Secretary**