



Our Ref: PC/mc/123626

The Director  
National Audit Office  
Notre Dame Ravelin  
Floriana FRN 1601  
Malta

29 May 2026

**Re: Management letter for audit for the period ended 31<sup>st</sup> of December 2025**

Dear Sir,

We are in receipt of the management letter received on the 16 April 2026 in relation to the annual audit of the Council's financial statements for the year ended 31<sup>st</sup> of December 2025. Whilst we would like to take this opportunity to thank your firm for the professional services and co-operation provided to the Local Council during their fieldwork, we would also like to comment as follows:

**1. Previous management letter**

The issues in respect of previous years management letter will be tackled in detail under their respective section.

**2. Fixed Asset Registry**

2.1 to 2.3 The Local Council will include the missing details in the Fixed Asset registry when possible.

2.4 to 2.5 The difference identified by the auditors of € 1,222 mainly relates to Assets under construction of € 8,260 not yet included in the Fixed Assets Registry since the assets are not yet in operation. The Local Council is aware that there is a difference of € 7,038 between the FAR and Financial statements as per Reconciliation statement provided by the auditors.

### 3. Receivables

3.1 & 3.2 The Local Council will report the Loqus debtor and related Provision for Bad debts in the accounting system.

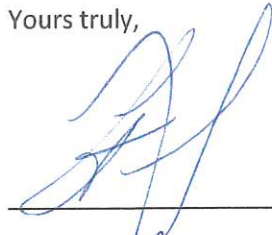
### 4. Deferred Income

4.1 & 4.2 As explained to the auditors the grant related to the Accessibility Scheme given to the Local Council in 2011. An amount of € 3,400 was used when the Local Council purchased the stairlift. The difference of € 3,200 will be utilized once the Local Council incurs expenses to give fully access to its premises or the Council Hall. It is expected that such works will be done in 2026.

### 5. Retained Earnings

5.1 & 5.2 This consisted in an error pointed out by the auditors which was corrected as stated in the management letter.

Yours truly,



Etienne Montfort

Executive Secretary



Dr Dorian Sciberras

Mayor of L-Iklin