



Reġjun Għawdex

RSM Malta
Mdina Road
Zebbug
ZBG9015
Malta

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

12th November 2021

RE: MANAGEMENT REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

1.0 FOLLOW UP TO LAST YEAR'S REPORT

Noted and as noted by the auditors themselves, the Region took action to address any pending issues which are under its control.

2.0 PROPERTY, PLANT AND EQUIPMENT

The Regional Council did not have a Government annual allocation and thus, was not in a position to seek quotations for the insurance. The Council is in the process of getting quotes for insurance to cover its assets. Any fixed assets disposals will be written off after being approved by the Regional Council meeting.

3.0 RECEIVABLES AND INCOME

Whilst the Gozo Regional Council agrees with the proposal that the five Regional Councils plan to have the LES Software audited, the detailed accounting system carried out for the period under review shows that reports provided by the LES Software were accurate. These were confirmed by reconciliations with the bank statements and remittance advices received from the Local Councils and other debtors. Invoices are issued to LESA at the end of every month. Any suggested reclassifications were posted in the updated financial statements.

4.0 CASH AND CASH EQUIVALENTS

Noted and audit adjustment posted. It is to be noted that such cheque was to one of the Street Lighting contractor and this contractor had their offices closed during the Covid19 period. Matter had been rectified with the supplier and a replacement cheque issued in 2021.

5.0 PAYABLES

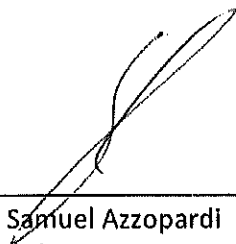
The transfer of balance payable to Guard and Wardens to LESA took place in 2018 and although we had chased LESA to prepare such agreement, such agreement was never signed. Payment to Guard and Wardens issued from LESA and copies of receipts issued by the supplier were forwarded to Gozo Regional Council, and such documentation was made available to the auditor during the audit. Any balances with payables are settled within the next Regional Council meeting and thus the Regional Council does not have any long term outstanding balances.

6.0 EXPENDITURE

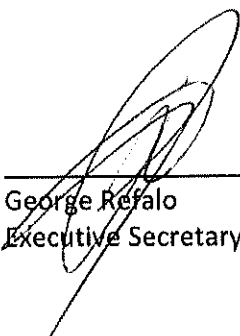
The Region is doing its utmost to issue Purchase Requests and Purchase Orders as requested by Procurement Procedures. The Council abides by the Procurement Procedures not to exceed the annual limit of €5,000, net of Vat, from each supplier without issuing a tender on the EPPS platform. The Region requests all recipients of payment to forward their fiscal receipts upon receipt of payment.

7.0 ANNUAL BUDGET

The Regional Council was awaiting the finalisation of the Local Councils' Reform and to be made aware of the actual duties and responsibilities of the same Council to be in a position to prepare an annual budget based on the responsibilities to be assigned to the Region.



Dr Samuel Azzopardi
President



George Refalo
Executive Secretary