Grant Thornton

Grant Thornton Malta
Fort Business Centre, Level 2
Triq L-Intornjatur, Zone 1
Central Business District
Birkirkara CBD1050 Malta
T +356 20931000

The Mayor
Isla Local Council
2, St Joseph Street,
Isla, ISL 1229
Malta

Department For
05 JUN 2026
Local Government

REGISTRY
- 2 JUN 2026
NATIONAL AUDIT OFFICE

Our ref PC/mc/126626

28 April 2026

Dear Sirs,

Financial statements for the year ended 31 December 2025

During the course of our audit for the year ended 31 December 2025, we have reviewed the accounting system and procedures operated by Isla Local Council ('the council'). We set out in this report the more important points that arose as a result of our review.

1 Previous management letter

1.1 General income

We did not identify any matters of concern in relation to general income during the period under review.

1.2 Expenditure

We are pleased to note that we did not encounter any unusual reversal of expenditure during the current year.

1.3 Other receivables

We further note that no outstanding or unaccounted-for receivable balance from WasteServ Malta was identified.

1.4 Other creditors

We again noted that the council did not commence the project. The council obtained an extension agreement in 2026 (refer to note 2.1).

Grant Thornton

2 Trade and other payables

Other creditors

2.1 In 2021 the council received an amount of €36,540.21 in relation to SPCI/SCI/3/2020. In 2022, additional funds were received in relation to SPCI/SCI/8/2021 and MDIA Project amounting to €17,904.71 and €43,329.60, respectively. The letters of approval of the three schemes state that the projects should have been completed in 2023. In 2025, the council obtained an extension approval for the MDIA Project until 30 June 2025 only, a further extension was signed on 6 May 2026.

2.2 We recommend the Council to ensure that all signed agreements and extensions are requested in a timely manner prior to closing the Council's books of account.

Conclusion

We would like to point out that the matters dealt with in this report came to our notice during the conduct of our normal audit procedures which are primarily designed for the purpose of expressing an opinion on the financial statements of the company. In consequence our work did not encompass a detailed review of all aspects of the system and cannot be relied upon necessarily to disclose defalcation or other irregularities or to include all possible improvements in internal control that a more extensive special examination might develop.

We would like to take this opportunity to thank Ms Graziella Gellel and her staff for their co-operation and assistance during the course of our audit.

Yours faithfully,

Grant Thornton