Zero Waste Scotland

2024/25 Annual Audit Report

Prepared for Zero Waste Scotland and the Auditor General for Scotland
November 2025

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2 Our 2024/25 audit work identified one key audit matter, along with two unadjusted misstatements that were not corrected by Zero Waste Scotland.

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3 Zero Waste Scotland has broadly effective and appropriate arrangements in place for Financial Management; Financial Sustainability, Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.

4 The company transitioned to being re-categorised as a non-departmental public body during 2024/25. Management undertook a significant amount of work to facilitate the transition and ensure its governance processes complied with these new requirements.

5 The body should strengthen its governance and scrutiny arrangements by establishing key performance indicators that are regularly monitored and reported to the Board, and by developing a standalone set of financial regulations.

6 ZWS has broadly effective and appropriate arrangements in place for securing Best Value.

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of Zero Waste Scotland's annual report and accounts and the wider scope areas specified in the Code of Audit Practice (2021).

2. The Annual Audit Report is addressed to Zero Waste Scotland, hereafter referred to as 'ZWS', and the Auditor General for Scotland, and will be published on Audit Scotland's website in due course.

Appointed auditor and independence

3. As reported in the Annual Audit Plan, Michael Oliphant (appointed auditor) and the audit team are independent of ZWS in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from ZWS, including no provision of non-audit services.

Acknowledgements

4. We would like to thank ZWS and its staff, particularly those involved in preparation of the annual report and accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the audit appointment.

Audit scope and responsibilities

Scope of the audit

5. The audit is performed in accordance with the Code of Audit Practice, including supplementary guidance, International Standards on Auditing (ISA) (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- An audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement, including the regularity of income and expenditure.
- An opinion on statutory other information published with the financial statements in the annual report and accounts, namely the Performance Report and Governance Statement.
- An opinion on the audited parts of the Remuneration and Staff Report.
- Conclusions on the ZWS's arrangements in relation to the wider scope areas: Financial Management; Financial Sustainability; Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.
- Reporting on ZWS's arrangements for securing Best Value.

Responsibilities and reporting

6. The Code of Audit Practice sets out the respective responsibilities of ZWS and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

7. The responsibilities of auditors in the public sector are established in the Public Finance and Accountability (Scotland) Act 2000. These include providing an independent opinion on the financial statements and other information reported within the annual report and accounts, and concluding on the body's arrangements in place for the wider scope areas and Best Value.

8. The matters reported in the Annual Audit Report are only those that have been identified by the audit team during normal audit work and may not be all that exist. Communicating these does not absolve ZWS from its responsibilities outlined below.

9. The Annual Audit Report includes an agreed action plan at Appendix 1 setting out specific recommendations to address matters identified and includes details of the responsible officer and dates for implementation.

Zero Waste Scotland's responsibilities

10. ZWS has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety, and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- Establishing arrangements to ensure the proper conduct of its affairs.
- Preparation of an annual report and accounts, comprising financial statements for ZWS that gives a true and fair view and other specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

National and performance audit reporting

11. The Auditor General for Scotland and the Accounts Commission regularly publish national and performance audit reports. These cover a range of matters, many of which may be of interest to ZWS and the Audit and Risk Committee. Details of national and performance audit reports published over the last year can be seen in Appendix 3.

Audit of the annual report and accounts

Main judgements

All audit opinions stated that the annual report and accounts were free from material misstatement.

Our 2024/25 audit work identified one key audit matter, along with two unadjusted misstatements that were not corrected by Zero Waste Scotland.

Audit opinions on the annual report and accounts

12. ZWS's annual report and accounts were approved by the Board on 13 November 2025. The Independent Auditor's Report is included in ZWS's annual report and accounts and reports that these were free from material misstatement with no modifications across each audit opinion.

Audit timetable

13. The unaudited annual report and accounts and all working papers were received on 20 September 2025, in advance of the agreed audit timetable of 28 September 2025.

Audit Fee

14. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £60,656. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

Materiality

15. Materiality is applied by auditors in planning and performing an audit. The concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual report and accounts. Auditors set a monetary threshold when determining materiality, although some issues may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

16. Materiality levels for the audit of ZWS were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were reassessed on receipt of the unaudited annual report and accounts. Materiality levels were updated and these can be seen in Exhibit 1.

Exhibit 1
2024/25 Materiality levels for ZWS

Materiality	
Materiality – set at 1.2% of gross expenditure.	£352,000
Performance materiality – set at 68% of materiality. As outlined in the Annual Audit Plan, this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required.	£239,000
Reporting threshold – set at 5% of materiality.	£17,000

Source: Audit Scotland

There were no significant findings however one key audit matter was identified from our 2024/25 audit work

17. ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged as governance, which for ZWS is the Audit and Risk Committee. We did not identify any significant findings during our 2024/25 audit, but we have one key audit matter to report.

18. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

19. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.
- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.
- Significant events or transactions that occurred during the year.

20. Our audit identified that a former board member received a payment in error for one additional month following their departure from the organisation, resulting in an overpayment of £546. Management was made aware of the error by the former board member, but decided no recovery action was made to due to its low value. ZWS should seek to recover the overpayment and review the payroll leaver controls in relation to board members to ensure it is an isolated incident.

Recommendation 1

ZWS should seek to recover the overpayment from the former board member. ZWS should recover all known overpayments, irrespective of value. Payroll leaver controls for board members should be reviewed to ensure future final payments are accurate and that it is an isolated incident.

Qualitative aspects of accounting practices

21. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of the body's accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

22. The appropriateness of accounting policies adopted ZWS was assessed as part of the audit. These were appropriate to the circumstances of ZWS, and there were no significant departures from the accounting policies set out in the Government Financial Reporting Manual (FReM).

Accounting estimates

23. Accounting estimates are used in ZWS's financial statements, including the valuation of provisions. Audit work considered the process management of ZWS has in place around making accounting estimates, including the assumptions and data used in making the estimates. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

Disclosures in the financial statements

24. The adequacy of disclosures in the financial statements was assessed as part of the audit. The quality of disclosures was adequate.

Audit adjustments

25. No audit adjustments were made to the financial statements greater than the reporting threshold of £17,000.

26. However, there were two misstatements identified that were not adjusted. The value, nature, and circumstances of the uncorrected misstatements were considered, individually and in aggregate, by the audit team, and it was concluded these were not material to the financial statements. As a result, these did not have any impact on the audit opinions given in the Independent Auditor's Report.

27. It is the auditor's responsibility to request that all misstatements greater than the reporting threshold are corrected, even if they are not material. Management of ZWS have not processed any audit adjustments to correct these misstatements. However, the final decision on whether an audit adjustment is processed to correct a misstatement rests with the Board as those charged with governance.

28. Details of the uncorrected misstatements can be seen in Appendix 2.

Significant risks of material misstatement identified in the Annual Audit Plan

29. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in Exhibit 2, (page 10).

Exhibit 2
Significant risks of material misstatement to the financial statements

Risk of material misstatement	Planned audit response	Outcome of audit work
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.	The audit team will: • Evaluate the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries.	Audit work performed found: • When assessing the design and implementation of controls over journal processing, we identified that all general ledger users (Finance staff only) could self-approve journals. However, ZWS had a mitigating control in place to prevent this. We expanded our journal testing to review the mitigating control and

Risk of material misstatement	Planned audit response	Outcome of audit work
	• Test journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. • Assess changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias.	found no issues. Please see paragraph 36 for more details. • No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting. • No significant issues were identified from testing of journal entries. • There were no transactions outside the normal course of business. • The controls in place for identifying and disclosing related party relationships and transactions were adequate. • No significant issues were identified with changes to methods and underlying assumptions used to prepare accounting estimates and there was no evidence of management bias. **Conclusion:** We did not identify any instances of fraud caused by management override of controls.

Risk of material misstatement	Planned audit response	Outcome of audit work
Risk of fraud in expenditure (grants) In accordance with auditing standards in the public sector, there is a presumed risk that operating expenditure is misstated or not treated in the correct period (risk of fraud in expenditure). As the majority of Zero Waste Scotland's non-pay-related expenditure relates to grants, the nature of this expenditure represents an inherent risk of material misstatement in the financial statements.	The audit team will: • Evaluate the design and implementation of controls over grant expenditure. • Perform focused substantive testing of grant expenditure and any accruals or prepayments made at the year-end. • Perform focused cut-off testing of grant expenditure around the year end.	Audit work performed found: • The design and implementation of controls over grant expenditure were appropriate. • No issues were identified from our substantive testing of grants provided by ZWS. • No issues were identified from our cut-off testing of grant expenditure around the year end. **Conclusion:** We did not identify any issues or instances of fraud in grant expenditure.

Source: Audit Scotland

Wider scope and Best Value audit

Conclusion

Zero Waste Scotland has broadly effective and appropriate arrangements in place for Financial Management; Financial Sustainability, Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.

The company transitioned to being re-categorised as a non-departmental public body during 2024/25. Management undertook a significant amount of work to facilitate the transition and ensure its governance processes complied with these new requirements.

The body should strengthen its governance and scrutiny arrangements by establishing key performance indicators that are regularly monitored and reported to the Board, and by developing a standalone set of financial regulations.

ZWS has broadly effective and appropriate arrangements in place for securing Best Value.

Audit approach to wider scope and Best Value

Wider scope

30. As reported in the Annual Audit Plan, the wider scope audit areas are:

- Financial Management.
- Financial Sustainability.
- Vision, Leadership and Governance.
- Use of Resources to Improve Outcomes.

31. Audit work is performed on these four areas and a conclusion on the effectiveness and appropriateness of arrangements ZWS has in place for each of these is reported in this chapter.

Duty of Best Value

32. The Scottish Public Finance Manual (SPFM) explains that Accountable Officers have a specific responsibility to ensure that arrangements have been made to secure Best Value. Best Value in public services: guidance for Accountable Officers is issued by Scottish Ministers and sets out their duty to ensure that arrangements are in place to secure Best Value in public services.

33. Consideration of the arrangements ZWS has in place to secure Best Value has been carried out alongside the wider scope audit.

Conclusions on wider scope audit

Financial Management

34. The audit work performed on the arrangements ZWS has in place for financial management found that ZWS's financial management arrangements were broadly effective and appropriate. However, several areas for improvement were identified, which are detailed in paragraphs 35 to 45. Our overall judgement is evidenced by ZWS:

- having a system of internal control in place that is operating effectively and has no significant weaknesses or deficiencies;
- having policies and procedures in place that broadly ensure effective financial management and prevent and detect fraud and other irregularities;
- having suitably qualified and experienced staff leading the finance function, which has sufficient skills, capacity, and capability to effectively fulfil its role; and
- having appropriate arrangements in place to support sound financial management, with scrutiny and challenge provided by the Audit and Risk Committee.

35. As part of our review of the control environment, we assessed the process for inputting and authorising journals within the general ledger. Journals are used to record financial transactions and update the general ledger, and therefore are of critical importance in the preparation of financial statements. We identified that during 2024/25, all system users (restricted to finance staff) on the general ledger had identical permissions and privileges, meaning a user could input and approve the same journal.

36. To mitigate this, ZWS had in place a self-imposed rule whereby users do not input and authorise a journal. We carried out detailed testing on a sample of journal entries to obtain assurance that input and authorisation was not being undertaken by the same user. From this testing we identified no issues.

37. In October 2025, the organisation implemented a new general ledger system. As part of this transition, we recommend that ZWS ensures the system is configured to prevent users from both inputting and authorising their own journals.

38. As part of our audit, we reviewed the overall IT control environment and the use of information systems. Our review of general ledger controls identified that ZWS does not itself undertake any testing of its general ledger data backups. ZWS advised that this was due to the data being held via the cloud, and that to undertake this testing would require a change to the contract that was in place for 2024/25. It is important that backups are tested on a regular basis to ensure data can be restored and that business continuity arrangements are effective.

Recommendation 2

As part of its move to new general ledger software, ZWS should ensure access is configured to prevent users from being able to input and authorise their own journal entries. It should also ensure that there are appropriate arrangements to verify that backups are tested on a regular basis to ensure data can be restored.

39. Zero Waste Scotland's payroll function is provided by a third party provider. As part of ZWS's own monthly payroll controls, a number of checks are undertaken prior to finalising the pay run. This includes reviewing changes made by the human resources department, and analysing variances from the previous month.

40. However, evidence of these checks is not formally documented or retained. While we were able to confirm that the overall pay run was formally authorised, we were not able to verify that other individual checks were undertaken. We therefore recommend that the finance team formally documents evidence that these controls have taken place, for example through a checklist.

Recommendation 3

Zero Waste Scotland should document the checks undertaken as part of its monthly payroll process, which should then be approved by an appropriate person.

41. As detailed in its 2024/25 Annual Report and Accounts, ZWS became a Non-Department Public Body (NDPB) in October 2024. Becoming a NDPB has meant ZWS must now comply with an increased set of regulatory requirements, which are set out in the Scottish Public Finance Manual (SPFM) and in other official guidance. To prepare for and deliver the transition to NDPB, ZWS undertook a detailed review of requirements and established a formal Transition Project. In addition, ZWS carried out internal training and supported staff as they embedded new NDPB processes.

42. As part of our audit, we identified one area of improvement. ZWS does not currently have stand-alone financial regulations. Instead, they are mainly addressed within its Framework document and the Scheme of Delegation. We recommend that ZWS develops a standalone set of financial regulations to ensure clarity and strengthen the overall financial framework.

Recommendation 4

To comply with good practice, ZWS should develop a standalone set of financial regulations to ensure clarity and strengthen the overall financial framework.

43. ZWS has a whistleblowing policy, however we identified that the policy had not been reviewed since 2022. In addition to this, there was no dedicated training in relation to whistleblowing and there was no reference to whistleblowing on the ZWS website.

44. During our 2024/25 audit, we recommended to ZWS that they update the whistleblowing policy, provide training to staff and include a whistleblowing page on its website. In response, management created a whistleblowing webpage and confirmed that all ZWS staff are required to complete mandatory training on its learning management system.

45. The executive leadership team and board members complete individual registers of interest, detailing any potential conflict they have that could potentially be seen to influence their decisions. For transparency purposes, it is good practice to have the registers of those charged with governance (i.e. board members) publicly available. We recommended to management that registers should be published on the ZWS website. The registers of interest of board members are now available on the ZWS website.

Financial Sustainability

46. The audit work performed on the arrangements ZWS has in place for securing financial sustainability found that these were broadly effective and appropriate. This judgement is evidenced by ZWS:

- having in place a medium-term financial plan that is linked to its Corporate Plan and priorities;
- having appropriate arrangements in place for identifying risks to financial sustainability over the medium-term, and understanding medium and longer-term demand pressures that could impact on available resources; and

- having arrangements in place to maximise other income that will allow ZWS to respond any increased fiscal pressure and to deliver wider Public Sector Reform.

Vision, Leadership and Governance

47. The audit work performed on the arrangements ZWS has in place around its Vision, Leadership and Governance found that these were broadly effective and appropriate. We have, however, identified that the organisation should develop key performance indicators, (refer paragraph 48). The overall judgement is evidenced by ZWS:

- having a Corporate Plan in place, supported by annual Delivery Plans, that set out its vision, strategy, and priorities;
- involving service users, delivery partners, and other stakeholders in the development of its vision, strategy, and priorities to ensure these align to their needs;
- having financial and performance reporting in place, with scrutiny and challenge of performance provided by the Portfolio and Business Review Group; and
- having appropriate governance arrangements in place in general, as reflected in the Governance Statement included in the annual report and accounts.

48. In the 2024/25 Annual Report and Accounts, ZWS recognises its first year as an NDPB and that it is working to develop a monitoring and evaluation framework to measure and report its performance. This included rolling out a Performance Monitoring and Evaluation Framework (PMEF). While we acknowledge this, it is important that ZWS develops a suite of Key Performance Indicators (KPIs) that clearly demonstrate ZWS performance and contributions. As part of this, ZWS should have robust data, targets and KPIs that are routinely monitored and reported to the board.

Recommendation 5

As part of the work ZWS are undertaking to develop a monitoring and evaluation framework, ZWS should develop a suite of Key Performance Indicators that clearly demonstrate ZWS performance and contributions. As part of this, ZWS should have robust data, targets and KPIs that are routinely monitored and reported to the board.

Use of Resources to Improve Outcomes

49. The audit work performed on the arrangements ZWS has in place around its Use of Resources to Improve Outcomes found that these were broadly effective and appropriate. This judgement is evidenced by ZWS:

- being able to demonstrate a clear link between the use of resources and delivery of its priorities;
- having arrangements in place to benchmark its performance to identify areas of improvement; and
- having a Performance Monitoring and Evaluation Framework (PMEF) that oversees all performance activity within the organisation.

Conclusions on duty of Best Value

50. The audit work performed on the arrangements ZWS has in place for securing Best Value found these were broadly effective and appropriate. This judgement is evidenced by:

- ZWS having appropriate governance arrangements in place, with the Best Value being an aspect of the governance arrangements.
- The arrangements ZWS has in place around the four wider scope audit areas, which are broadly effective and appropriate, contribute to it being able to secure Best Value.
- ZWS having in place a Best Value approach.

51. As part of its transition to NDPB, ZWS prepared a self-assessment of Best Value in Zero Waste Scotland. The paper provides a general overview of the Duty of Best Value and a current assessment of how ZWS aligns to Best Value guidance, considering each of the duties and themes set out in the SPFM. We consider this self-assessment to be an example of good practice.

Appendix 1

Action plan 2024/25

2024/25 recommendations

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
1. Salary overpayment A board member received a salary payment in error after they had left their position. Management chose to write this error off due to the low value of the payment (an extra month's salary, £546). **Risk**: If there are weaknesses around board member leaver controls, further overpayments may occur.	ZWS should seek to recover the overpayment from the former board member. ZWS should recover all known overpayments, irrespective of value. Payroll leaver controls for board members should be reviewed to ensure future final payments are accurate and that it is an isolated incident.	**Accepted** Since becoming an NDPB and subject to SPFM on 1 October 2024, we have implemented additional processes and controls with respect to the treatment of any overpayments irrespective of value. We will conduct a further review of leaver controls and implement any enhancements as required. We are confident these steps would prevent a recurrence of this issue. We will also seek to recover the £546 overpaid in error in April 2024. **Finance & Corporate Services Director** **22 January 2026**
2. Journal authorisation and testing of general ledger backups During 2024/25, users of the general ledger software (all finance staff) had the same permissions and privileges. **Risk**: A general ledger user could potentially input and self-approve a journal. The contract in place with the former software provider for the general ledger system did	As part of its move to new general ledger software, ZWS should ensure access is configured to prevent users from being able to input and authorise their own journal entries. It should also ensure that there are appropriate arrangements to verify that backups are tested on a regular basis to ensure data can be restored.	**Accepted** The new general ledger has been configured to prevent users being able to input and authorise their own journal entries. Appropriate arrangements have been put in place to verify that backups are tested on a regular basis to ensure data can be restored. **Head of Finance** **Complete**

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
not include provision of evidence relating to routine testing of general backup data. **Risk**: ZWS could lose information if a viable backup was not available.		
3. Evidencing pre-payroll checks ZWS finance staff undertake a number of checks on the payroll information provided by the third-party payroll provider prior to each pay run. However, these checks are not sufficiently evidenced. **Risk**: Without documented checks, there is increased risk of fraud or error going unnoticed.	ZWS should document the checks undertaken as part of its monthly payroll process, which should then be approved by an appropriate person.	**Accepted** A monthly checklist has been implemented as part of the payroll process to document checks undertaken and appropriate approvals. **Head of Finance** **Complete**
4. Financial Regulations While the information is available via multiple documents, ZWS does not currently have a standalone set of financial regulations. **Risk**: That the overall financial governance framework lacks clarity and consistency.	To comply with good practice, ZWS should develop a standalone set of financial regulations to ensure clarity and strengthen the overall financial framework.	**Accepted** A standalone set of financial regulations consolidating information currently contained in separate documents will be created. **Head of Finance** **30 June 2026**
5. Key Performance Indicators ZWS reporting of performance is largely narrative and broad in nature in its annual report. This makes it difficult for users to monitor and understand performance trends. ZWS are currently working to develop a monitoring and evaluation framework to measure and report its performance.	As part of the work ZWS are undertaking to develop a monitoring and evaluation framework, ZWS should develop a suite of Key Performance Indicators that clearly demonstrate ZWS performance and contributions. As part of this, ZWS should have robust data, targets and KPIs that are routinely monitored and reported to the board.	**Accepted** The performance of our delivery against our corporate outcomes will be monitored and measured by a hierarchy of four sets of indicators: • Indicator set 1 – Monitoring our outputs • Indicator set 2 – Monitoring performance of our engagement

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
Risk: ZWS's performance and contribution is not recognised or monitored effectively.		• Indicator set 3 – Evaluating Performance against intermediate outcomes • Indicator set 4 – Measuring Scotland's progress. Processes for Indicator Set 1 are in place with quarterly review of outputs. Indicator set 4 is under development as part of the work supporting Scottish Government's Circular Economy Monitoring and Indicator Framework. We have established a dedicated project team to oversee the development and embedding of the work to develop and implement indicators sets 2 and 3. **Finance & Corporate Services Director** **Initial reporting against KPIs in 25/26 Annual Report & Accounts (with progress to this end milestone supported by project plan and intermediary milestones).**

Appendix 2

Summary of uncorrected misstatements

Details	Financial statements lines impacted	Statement of Comprehensive Net Expenditure (SoCNE)		Statement of Financial Position (SoFP)	
Uncorrected misstatements		**Dr**	**Cr**	**Dr**	**Cr**
		£000	**£000**	**£000**	**£000**
1. The 2024/25 audit fee recognised in the financial statements incorrectly includes VAT.					
	Trade and other payables - accruals			12	
	Expenditure – operating costs		12		
2. Expenditure was recognised as a prepayment when it should have been recognised in year plus an accrual should also have been recognised.					
	Trade and other receivables - prepayment				26
	Expenditure – operating costs	26			
	Trade and other payables - accruals				12
	Expenditure – operating costs	12			

Appendix 3

Supporting national and performance audit reports

Report name	Date published
Local government budgets 2024/25	15 May 2024
Scotland's colleges 2024	19 September 2024
Integration Joint Boards: Finance and performance 2024	25 July 2024
The National Fraud Initiative in Scotland 2024	15 August 2024
Transformation in councils	1 October 2024
Alcohol and drug services	31 October 2024
Fiscal sustainability and reform in Scotland	21 November 2024
Public service reform in Scotland: how do we turn rhetoric into reality?	26 November 2024
NHS in Scotland 2024: Finance and performance	3 December 2024
Auditing climate change	7 January 2025
Local government in Scotland: Financial bulletin 2023/24	28 January 2025
Transparency, transformation and the sustainability of council services	28 January 2025
Sustainable transport	30 January 2025
A review of Housing Benefit overpayments 2018/19 to 2021/22: A thematic study	20 February 2025
Additional support for learning	27 February 2025
Integration Joint Boards: Finance bulletin 2023/24	6 March 2025
Integration Joint Boards finances continue to be precarious	6 March 2025
General practise: Progress since the 2018 General Medical Services contract	27 March 2025
Council Tax rises in Scotland	28 March 2025

Zero Waste Scotland

2024/25 Annual Audit Report

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