

Scottish Information Commissioner Annual Audit Report

Financial year ending 31 March 2025

Prepared for the Scottish Information Commissioner
and the Auditor General for Scotland

1 October 2025



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our external audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect Scottish Information Commissioner or all weaknesses in your internal controls.

This report has been prepared solely for your benefit and Audit Scotland (under the Audit Scotland Code of Audit Practice 2021). We do not accept any responsibility for any loss occasioned to any third part acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

1 Headlines

Headlines (1)

Summary of the key findings and other matters arising from the external audit of the Scottish Information Commissioner and the preparation of the financial statements for the year ended 31 March 2025 for those charged with governance (the Commissioner) and the Auditor General for Scotland.

Financial statements

Under International Standards of Audit (UK) (ISAs) and Audit Scotland's Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:

- The Scottish Information Commissioner's financial statements give a true and fair view of the financial position of the organisation at the 31 March 2025;
- The Scottish Information Commissioner's financial statements have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (FReM);
- The Scottish Information Commissioner's financial statements and the audited parts of the Remuneration Report and Staff Report have been prepared in accordance with the requirements of the 2024/25 Financial Reporting Manual (FReM) and directions made thereunder by the Scottish Ministers;
- In all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers; and
- the Performance Report and Governance Statement is prepared in accordance with the FReM and is consistent with the financial statements.

We are required to report whether other information published together with the audited financial statements in the Annual Report and Accounts is consistent with the financial statements and has been prepared in accordance with the requirements. We have concluded that the other information to be published with the financial statements is consistent with our knowledge of the Scottish Information Commissioner.

We received the draft version of the financial statements on 25 July 2025 supported by comprehensive working papers. The Auditor General has set a date of 31 October to allow sufficient time to arrange for the accounts to be laid before Parliament and published by the statutory date. The Scottish Information Commissioner have convened an Advisory Audit Board on 30 September 2025, therefore, well in advance of target deadlines.

Our audit work was substantially completed during August and September 2025. Our findings are summarised on pages 10 to 17.

We have identified one immaterial audit adjustment to the primary financial statements totalling £0.014 million, that Scottish Information Commissioner have chosen not to amend as it is not material. The decision to not amend does not impact the audit opinion. Any disclosure issues noted were minor and are set out at Appendix A.

We issued an unmodified opinion on 1 October 2025 on the financial statements.

Headlines (2)

Financial statements (continued)

We have raised one recommendation for management from our audit work on the financial statements in relation to journal control authorisation procedures. This is set out in [Appendix B](#).

Our follow up of the recommendation from 2023/24 is noted at Appendix C.

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team in completing the external audit within a two-week audit period.

Wider scope and best value arrangements

In accordance with Code and supporting guidance: “Supplementary guidance - wider scope audit, less complex bodies and Best Value”, we have concluded that the Scottish Information Commissioner is a ‘less complex body’ and therefore, carried out more limited wider scope work.

As required by the Code and this supporting guidance, we have assessed both the quantitative and qualitative risk factors related to the Scottish Information Commissioner and concluded that the Scottish Information Commissioner qualifies for this exemption for 2024/25.

A review of the Annual Governance Statement and our conclusion on financial sustainability are the areas of focus for the wider scope work.

We did not raise any issues in relation to the disclosure within the Annual Governance Statement.

Further details of the work undertaken are outlined on pages 28 to 33.

We have not raised any recommendations for management from our audit work on wider scope.

We have confirmed that there are adequate arrangements in place to meet the Best Value obligations.

2 Our approach to materiality

Our approach to materiality (1)

As communicated in our Audit Plan dated 12 March 2025, we determined materiality at the planning stage as £52,975 based on 2.5% of prior year gross operating expenditure. On receipt of draft financial statements, we have reconsidered planning materiality based on the 2024/25 figures in the draft financial statements.

Our approach to determining materiality is set out here.

Materiality area	Amount (£)	Qualitative factors considered
Materiality for the financial statements	£60,375	This is equivalent to approximately 2.5% of the gross expenditure for the period ended 31 March 2025. Our materiality has been updated to reflect the 2024/25 figures in the draft financial statements although there has been no change to the % outlined within our audit plan. In 2023/24, materiality was £42,840, which represented 2.0% of gross expenditure.
Performance materiality for the financial statements	£45,250	Performance materiality has been set at 75% of financial statements materiality. This reflects our risk-assessed knowledge of potential for errors occurring. Performance materiality is used for the purposes of assessing the risks of material misstatement and determining the nature, timing, and extent of further audit procedures. This is the amount we set at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In 2023/24, performance materiality was £32,130 which represented 75% of our calculated materiality.

Our approach to materiality (2)

Materiality area	Amount (£)	Qualitative factors considered
Reporting threshold	£3,000	This balance is set at 5% of materiality. In 2023/24, our trivial threshold was £2,100 and this was set at 5% of materiality.
Auditable elements of the Remuneration and Staff Report: • Single total figure of remuneration for each director • Pension cash equivalent transfer value (CETV) disclosures for each director • Payments to past directors • Payments for loss of office • Fair pay disclosures • Exit packages The analysis of staff numbers and costs note will be audited at headline materiality.	£25,000	Due to the public interest in the specified remuneration disclosures, we apply specific audit procedures to this work and set a lower materiality level for this area. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be applicable for the specified remuneration disclosures. We evaluate errors in this disclosure for both quantitative and qualitative factors against this lower level of materiality. We will apply heightened auditor focus in the completeness and clarity of disclosures in this area and will request amendments to be made if any errors exceed the threshold we have set or would alter the bandings reported for any individual. This approach is a change from our audit plan, which noted that only the salary and pension (CETV) disclosures for senior management and board members would be audited at this lower materiality.

3 Overview of significant risks identified

Overview of significant risks identified (1)

The below table summarises the significant risks discussed in more detail on the subsequent pages.

Significant risks are defined by ISAs (UK) as an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum due to the degree to which risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement if that misstatement occurs. A significant risk can be a significant risk due to error or due to fraud. For the purposes of the ISAs (UK), the auditor is concerned with fraud or suspected fraud that causes a material misstatement in the financial statements. Two types of intentional misstatements are relevant to the auditor – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

As part of our consideration of risks relating to fraudulent financial reporting, we consider the potential for override of controls or other inappropriate influence over the financial reporting process, such as efforts by management to manage income and expenditure in order to influence the Scottish Information Commissioner's year-end performance.

Risk title	Risk level	Change in risk since Audit Plan	Fraud risk	Level of judgement or estimation uncertainty	Findings
Risk 1 Management override of controls	Significant	↔	✓	Medium	●
Risk 2 Fraud in expenditure recognition	Significant	↔	✓	Medium	●

Key:

- | | |
|--|--|
| ↑ Assessed risk increase since Audit Plan | ● No adjustment or change in disclosure required |
| ↔ Assessed risk consistent with Audit Plan | ● Non-material adjustment or change in disclosure required |
| ↓ Assessed risk decrease since Audit Plan | ● Material adjustment or change in disclosure required |

Overview of significant risks identified – financial statements (2)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Management override of controls Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities. Our risk focuses on the areas of the financial statements where there is potential for management to use their judgement to influence the financial statements alongside the potential to override the entity’s internal controls, related to individual transactions. We have therefore identified management override of controls, in particular journals, management estimates and of transactions outside the course of business as a significant risk of material misstatement.	In response to the risk highlighted in the audit plan, we carried out the following work: • Documented our understanding of and evaluated the design effectiveness of management’s key controls over journals; • Analysed your full journal listing for the year and use this to determine our criteria for selecting high risk journals; • Tested the high risk journals we have identified; • Gained an understanding of the critical judgements applied by management in the preparation of the financial statements and considered their reasonableness; • Gained an understanding of the key accounting estimates made by management and carried out substantive testing on in scope estimates. • Evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions	As part of our journals testing, management notified us that some journals would not be authorised due to staff absence. Due to the size of the finance team, if one person is absent there are no other finance team members who could authorise journals. This issue was also identified in our 2023/24 audit, and we were expecting the same issue to arise in 2024/25 following our planning procedures. This is detailed further at Appendix 1. Our testing did not highlight any indication of management override of controls. We reviewed each manual journal and confirmed that each journal had detailed and sufficient supporting documentation to support its business rationale.

Overview of significant risks identified – financial statements (3)

Risk identified in our Audit Plan	Audit procedures performed	Key observations
Fraud in Expenditure Recognition As set out in practice note 10 (Revised 2020) ‘The Audit of Public sector Financial Statements’, issued by the Public Audit Forum, which applies to all public sector entities, we consider there to be an inherent risk of fraud in expenditure recognition. Scottish Information Commissioner’s expenditure includes both payroll and non-payroll costs. We consider payroll costs to be well forecast and are able to agree these costs to underlying payroll systems. As such we believe there is less opportunity for a material misstatement as a result of fraud to occur in this area. We therefore focussed our risk on the following non-payroll expenditure streams: Other administration costs.	In response to the risk highlighted in the audit plan we carried out the following work: • Evaluated your accounting policy for recognition of expenditure for appropriateness and compliance with the FReM; • Performed detail testing of expenditure transactions at and around year-end to verify the accounting period transactions relate to and confirm that transactions have been recognised in the correct accounting period; and • Reviewed the judgements and estimates made by management when recognising accruals and provisions at year end within the financial statements and where appropriate challenge management accordingly • Our testing included a specific focus on year-end cut-off arrangements, including consideration of the existence of accruals in relation to non-payroll expenditure.	Our audit work has not identified any issues in respect of expenditure recognition.

4 Other findings

Other findings – key judgements and estimates (1)

Key judgement or estimate	Summary of management's approach	Auditor commentary	Assessment
Depreciation & Amortisation Property, Plant and Equipment: depreciation including useful economic lives (UELs) – £70,000	Scottish Information Commissioner's approach to depreciation is set out in the accounting policies: Note 1.4.3 – Property, plant and equipment – depreciation. Depreciation is provided at rates calculated to write off the valuation of buildings and other PPE assets by equal instalments over their estimated useful lives. SIC uses the UEL's recommended by the FReM: Furniture and equipment – five years Fixtures, fittings – five years IT equipment – three years	Our testing of property, plant and equipment included reviewing the useful lives. Furthermore, we have tested how management have made the accounting estimate whilst also developing an auditor's point estimate/range and comparing to the actual depreciation charged in year. Conclusion We identified two fixtures and fittings assets being depreciated outwith the UEL policy (both assets were being depreciated over ten years as opposed to the five years as stated by the policy). Management have amended the policy in the accounts to extend the useful life to ten years. No other issues were identified.	We consider management's process is appropriate and key assumptions are neither optimistic or cautious.

Other findings – key judgements and estimates (2)

Key judgement or estimate	Summary of management's approach	Auditor commentary	Assessment
Assessment of leases Net book value of right of use assets – £785,000	The Scottish Information Commissioner determines the amounts to be recognised as the lease liability as the present value of the payments for the remaining lease term, net of irrecoverable value added tax, discounted either by the rate implicit in the lease, or, where this cannot be determined, the rate advised by HM Treasury for that calendar year. The right-of-use asset is measured at the value of the liability, adjusted for any payments made or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease.	We reviewed the Scottish Information Commissioner's assessment of the estimate considering the requirements of ISA (UK) 540 requirements. The existing lease arrangement has a termination date of January 2041, meaning the contract for the lease of the building has approximately 16 years left to run. At the current time, the Scottish Information Commissioner does not intend to leave the building prior to the conclusion of the lease arrangement. Conclusion Our work is concluded in this area, and we have no matters to raise.	We consider management's process is appropriate and key assumptions are neither optimistic or cautious

Other findings – key judgements and estimates (3)

Key judgement or estimate	Summary of management's approach	Auditor commentary	Assessment
Accruals and deferred income Note 14 Trade and Other Payables – £38,000	The Scottish Information Commissioner accrues for expenditure to ensure that all expenditure that is incurred during the financial year, but has not yet been billed, invoiced or paid for, is recording in the year to which it relates. The Scottish Information Commissioner has two main types of accruals: Manual accruals These are largely non-purchase order-based accruals. Examples include the holiday and flexi pay accruals and back dated pay accrual. These are often based on best available information. Automatic accruals These are accruals automatically posted by Sage when a purchase invoice is entered into the system.	We have performed substantive testing on a sample of accruals. Conclusion We identified an error in the annual leave/flexi pay accrual totalling £0.014 million. This was due to the annual leave year changing during 2024/25. Scottish Information Commissioner have not adjusted for this error, and we have included this as an unadjusted misstatement at Appendix A. We have no other matters to raise.	We consider management's process is appropriate and key assumptions are neither optimistic or cautious

Other findings – information technology (1)

This section provides an overview of results from our assessment of Information Technology (IT) environment and controls which included identifying risks from the use of IT related to business process controls relevant to the financial audit. This includes an overall IT General Control (ITGC) rating per IT system and details of the ratings assigned to individual control areas.

IT application	Level of assessment performed	Overall ITGC rating	ITGC control area rating			Related significant risks/other risks
			Security management	Technology acquisition, development and maintenance	Technology infrastructure	
Sage	ITGC assessment (design and implementation effectiveness only)	Green	Green	Green	Green	All significant risks

Assessment

- Red - Significant deficiencies identified in IT controls relevant to the audit of financial statements
- Amber - Non-significant deficiencies identified in IT controls relevant to the audit of financial statements/significant deficiencies identified but with sufficient mitigation of relevant risk
- Green - IT controls relevant to the audit of financial statements judged to be effective at the level of testing in scope
- Grey - Not in scope for testing

5 Communication requirements and other responsibilities

Communication requirements (1)

Issue	Commentary
Matters in relation to fraud and irregularity	It is the Scottish Information Commissioner's responsibility to establish arrangements to prevent and detect fraud and other irregularity. As auditors, we obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We obtain annual representation from officers and those charged with governance regarding the Scottish Information Commissioner's assessment of fraud risk, including internal control, fraud risk and any known or suspected frauds in year. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed in the Annual Report and Accounts.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work. We have not identified any cases of money laundering or fraud at the Scottish Information Commissioner.
Accounting practices	We have evaluated the appropriateness of the Scottish Information Commissioner's accounting policies, accounting estimates and financial statement disclosures. We have identified some disclosure adjustments which have been detailed in Appendix 1. The decision to not amend for these issues does not impact our audit opinion.
National Fraud Initiative	The National Fraud Initiative (NFI) in Scotland is a biennial counter-fraud exercise led by Audit Scotland and overseen by the Cabinet Office for the UK as a whole. It uses computerised techniques to compare information about individuals held by different public bodies, and on different financial systems that might suggest the existence of fraud or error. Participating bodies, receive matches for investigation. Scottish Information Commissioner were not involved in the previous matching exercise.
Other returns to Audit Scotland	In accordance with the Audit Scotland Planning Guidance, as appointed auditors, we have prepared and submitted Fraud Returns and have contributed to shared intelligence for sector meetings and Technical Guidance Notes. There is nothing we need to bring to your attention in this respect.
Written representations	A letter of representation has been requested from the Scottish Information Commissioner as required by auditing standards. This can be found as a separate item to this report. We request specific representation around significant judgements.

Other responsibilities (1)

Issue

Commentary

Going concern

In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2022). The Financial Reporting Board recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.

Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the Commissioner meets this criteria, and so we have applied the continued provision of service approach.

In accordance with Audit Scotland guidance: Going concern in the public sector, we have therefore considered management's (senior officer's) assessment of the appropriateness of the going concern basis of accounting and conclude that:

- a material uncertainty related to going concern has not been identified
- management's (senior officer's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Other information

We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Minor amendments have been made to the Annual Report and we are satisfied that there are no unadjusted material inconsistencies to report.

Auditable elements of Remuneration and Staff Report

We are required to give an opinion on whether the parts of the Remuneration and Staff Report subject to audit have been prepared properly in accordance with the requirements of the Financial Reporting Manual (FReM) 2024/25, and directions there under.

We have audited the elements of the Remuneration and Staff Report, including the Fair Pay Multiple Disclosures, as required by the FReM. Due to delays across the public sector, the draft accounts did not include details of the executive pension disclosures due to a hold up in the calculation of CETV. This information was received in September 2025 and has been input into the Remuneration and Staff Report. Amendments were made to the Remuneration and Staff Report as set out at page 23.

Other responsibilities (2)

Issue	Commentary
Governance Statement	We are required to report on whether the information given in the Governance Statement is consistent with the financial statements and prepared in accordance with the requirements of the Financial Reporting Manual (FReM) 2024/25. No inconsistencies have been identified and we plan to issue an unqualified opinion in this respect.
Matters on which we report by exception	We are required by the Auditor General for Scotland to report on a number of matters by exception if, in our opinion: - adequate accounting records have not been kept; - the financial statements and the audit part of the Remuneration and Staff Report are not in agreement with the accounting records; - we have not received all the information and explanations we require for our audit; or - there has been a failure to achieve a prescribed financial objective. We have nothing to report on these matters.
Regularity	The Accountable Officer is responsible for ensuring the regularity of expenditure and income. We are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance Accountability (Scotland) Act 2000. In our opinion in all material aspects, the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

6 Audit adjustments

Audit adjustments (1)

We are required to report all non-trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

No audit adjustments have been identified during the audit.

There were no unadjusted misstatements in the prior year which would have an impact on current year opening reserves.

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure	Misclassification or change identified	Adjusted?
Review of Annual Report and Accounts (General)	We identified minor casting errors, figures which had not yet been included, transposition errors and formatting issues as part of our review of the Annual Report and Accounts. These were raised and processed by management where necessary. We identified that several comparators were incorrectly recorded and requested these were updated to the 2023/24 audited figures.	✓
Other Information	We have identified minor amendments required to be made to the annual report to ensure it is consistent with the financial statements. These have been amended by management.	✓
Remuneration and Staff report	We identified the following issues within the Remuneration and Staff Report: Pension Benefits: The draft accounts did not include details of the executive pension disclosures due to a hold up in the calculation of CETV across the public sector. These figures were received on 1 September 2025 and subjected to audit thereafter. We also identified minor banding errors either from rounding or formula driven issues. We also identified that a mandatory FReM disclosure was missing. All items were amended by management.	✓

Audit adjustments (2)

Disclosure	Misclassification or change identified	Adjusted?
Remuneration and Staff report (continued)	We identified that the prior year staff numbers disclosure was overstated due to double counting of three staff members. Scottish Information Commissioner have added a disclosure into the 2024/25 accounts explaining the discrepancy in the prior period figure. We identified that an overview of the results from the staff satisfaction survey should be included in the report.	✓
Note 1 - Accounting Policies	We identified that two building-related fixtures and fittings (F&F) assets were included under the standard F&F depreciation policy of five years, despite having a useful economic life (UEL) of 10 years. Management have amended the policy in the accounts to extend the useful life to ten years. We identified that additional disclosure should be made to confirm that there are no material estimates in the annual accounts. We identified that the adoption of new and revised standards note was out of date and referred to previous changes in accounting standards. This has been updated to remove the old reference.	✓
Note 6 - Staff Costs	We identified that Note 6 contained the same table as the Remuneration and Staff Report. There was no requirement for the table to be duplicated within the note to the accounts, and we requested that narrative was added to the annual accounts to signpost to the Remuneration and Staff report.	✓
Note 9 - PPE (Heritage Assets)	The Scottish Information Commissioner hold artwork which it has classified as property, plant and equipment on the balance sheet. We are of the opinion that this would more accurately be recognised as a heritage asset. This is a classification issue only. The decision to not adjust does not impact our audit opinion.	✗
Note 9 - Property, Plant and Equipment	We identified that the disclosure of nil balances relating to buildings could be removed from the accounts. We identified that references to a valuations exercise for artwork should be removed as this related to the 2023/24 annual accounts.	✓

Audit adjustments (3)

Disclosure	Misclassification or change identified	Adjusted?
Note 14 - Trade and Other Payables	We identified that the HMRC payable and accruals balances were transposed in the accounts, however there was no impact to the total of the note. Scottish Information Commissioner have amended the accounts to show the correct classification.	✓
	We identified that additional disclosure should be added to the note to confirm the timing of the lease liabilities. This was added to the accounts to show the correct ageing profile for liabilities greater than one year.	
Note 20: Financial Instruments	We identified that the financial instruments disclosure included in the draft financial statements did not disclose the value, classification or fair value of financial instruments. There was no reconciliation of the financial instruments to the balance sheet, there was no discussion of the fair value measurement basis or the hierarchy level. The financial instruments disclosure has been amended to reflect the requirements of the FReM	✓

Audit adjustments (4)

Impact of unadjusted misstatements

The table below provides details of all non-trivial errors which we identified during the course of our 2024/25 audit which management decided not to amend within the final set of financial statements. The unadjusted misstatements will be included in the Letter of Representation.

Detail	Statement of Changes in Net Expenditure £'000	Statement of Financial Position £'000	Impact on total gross expenditure £'000	Reason for not adjusting
Holiday Pay Accrual We identified that the holiday pay accrual calculations contained an error due to the treatment of public holidays. The issue occurred as Scottish information Commissioner updated their annual leave year during 2024/25. If the calculation was corrected, the impact would be an increase to gross administration costs of £0.014 million and an increase to creditors of £0.014 million.		DR Expenditure £14 CR Creditors £14	£14	Non-material error.

7 Wider scope and best value conclusions

Wider scope and best value arrangements (1)

This section of our report documents our conclusions from audit work on the wider scope and best value areas set out in the Code.

Our responsibilities under the Code extend beyond the audit of the financial statements. Under the Code and supporting guidance: “Supplementary guidance - wider scope audit, less complex bodies and Best Value” issued by Audit Scotland, there is an exemption in relation to the normal wider scope audit requirements of the Code for public bodies which are smaller and have limited financial activity (referred to as “Less Complex Bodies”).

As required by the Code and this supporting guidance, and as reported in our Audit Plan, we have assessed both the quantitative and qualitative risk factors related to Scottish Information Commissioner and concluded that it qualifies for this exemption for 2024/25.

From a quantitative perspective the gross revenue, gross assets and gross liabilities of Scottish Information Commissioner have not exceeded the £10.2 million limit set out in Audit Scotland’s guidance, and from a qualitative perspective we have not identified any wider scope risks beyond financial sustainability that would require further consideration during the audit.

Our wider scope work at Scottish Information Commissioner is limited to the following areas specified for Less Complex Bodies in the Code:



Financial Sustainability

Concluding on the financial sustainability of the body and the services that it delivers over the medium to longer term.



Annual Governance Statement

A review of the Annual Governance Statement

Wider scope audit (1)

This section of our report sets out our conclusions from our audit work on the wider scope area of financial sustainability.

Wider scope dimension	Plan risk	Wider scope audit response and findings
Financial Sustainability We are required to look ahead to the medium and longer term to consider whether the Scottish Information Commissioner is planning effectively so that it can continue to deliver services.	No risk identified	2024/25 Plan and Outturn The Scottish Parliamentary Corporate Body (SPCB) approved the Commissioner’s annual funding for 2024/25 in February 2024, setting a budget of £2.413 million for the financial year, which included £0.017 million for capital expenditure. This included funding for a 6.7% salary increase during 2024/25. The Scottish Information Commissioner’s actual outturn in 2024/25 was £2.426 million, an overspend in year of £0.013 million against budget. Accounting for all non-cash items, Scottish Information Commissioner had an underspend against cash funding of £0.130 million in 2024/25. 2025/26 Financial Planning and Beyond The SPCB approved the Commissioner’s annual funding for 2025/26 in February 2025, setting a budget of £2.564 million for the financial year, which included £0.020 million for capital expenditure. Following the budget being approved, the Scottish Information Commissioner was granted contingency funding during 2025/26 for two temporary staff totalling £0.133 million. Scottish Information Commissioner expect to draw down all additional funding during the financial year. We have previously reported that the Scottish Information Commissioner does not prepare any longer-term financial planning. This approach has been approved by Scottish Parliamentary Corporate Body following a review by the senior management team, who agreed that the existing procedures in place with the annual budget setting and approval processes were sufficient. Whilst we recognise management’s view, in the absence of a formal Medium Term Financial Plan, management should enhance the robustness of their financial planning within existing arrangements to ensure this is forward looking and is identifying and addressing risks to financial sustainability across the medium and longer term.

Wider scope audit (2)

Wider scope dimension	Plan risk	Wider scope audit response and findings
Financial Sustainability (continued)	No risk identified	Strategic Planning The Scottish Information Commissioner have a Strategic Plan covering 2024-2028. The strategic objectives set out in the plan are: • Increase knowledge and understanding of FOI rights • Enable and develop high standards of FOI law, policy and practice • Develop Scottish public sector culture and practice where the disclosure of information is routine, valued and increasingly proactive • Deliver fair defensible decisions in a timely and efficient manner • Contribute to Scotland being respected as a world-leader in openness and transparency • Be recognised as an organisation of independent and trusted experts that is run efficiently, governed effectively and is open and transparent Regular progress updates on the implementation and progress against the Strategic Plan is reported to the Senior Management Team (SMT) throughout the year. The Commissioner also publishes an annual Operational Plan, which sets out the specific programme of activity Scottish Information Commissioner will deliver over the year. This is linked to the Strategic Plan and progress monitoring updates are published every two months. The planned actions outlined in the Operational Plan are linked to the relevant strategic objectives.

Wider scope audit (3)

Wider scope dimension	Plan risk	Wider scope audit response and findings
Financial Sustainability (continued)	No risk identified	Sickness Absence The Remuneration and Staff Report notes that 446.51 days were lost to ill health absence during 2024/25. This was a decrease of 8.44 days from the total reported in 2023/24. The total ill health absence per Full Time Equivalent (FTE) member of staff is 16.66 days, which is significantly higher than the 4.4 days benchmark set by the Office of National Statistics. As the Scottish Information Commissioner is a small organisation, longer-term staff absence can have a significant impact on the sickness absence rate. This was the case in 2024/25, where some employees have had significant long-term illness which has prevented them from working. Sickness absence rates have improved during 2025/26, with 81.84 FTE days lost up to 29 August 2025. This results in an average sickness absence of 2.95 days per staff member, which is a considerable improvement on the position reported in 2024/25. Performance The Performance Report includes details of Scottish Information Commissioner’s performance during 2024/25. We note that there are several areas where the Scottish Information Commissioner are reporting significantly improved performance during the year, particularly in relation to the clearance of backlog cases: • 784 cases were closed during 2024/25, which was 65% higher than the number closed in the prior year • 342 decisions were made in 2024/25, 150% more than the total number of decision issued in the previous year This is a significant achievement and reflects the Commissioner’s focus on reducing the number of backlog cases. Reduction of the backlog will continue to be a priority into 2025/26.

Best value arrangements (1)

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.

The duty of Best Value, as set out in the SPFM, is:

- to make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost; and, in making those arrangements and securing that balance,
- to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development.

Guidance for Accountable Officers is structured around the nine characteristics for Best Value in the SPFM, grouping into five themes and two cross-cutting themes as follows:

Guidance for Accountable Officers	Scottish Public Finance Manual themes
Vision and Leadership	Commitment and leadership, responsiveness and consultation and sound governance at a strategic and operational level
Effective Partnerships	Joint working, responsiveness and consultation
Governance and Accountability	Responsiveness and consultation, commitment and leadership and accountability
Use of resources	Sound management of resources and use of review and options appraisal
Performance Management	Sound governance at a strategic and operational level, responsiveness and consultation
Equality	Equal opportunities arrangements
Sustainability	A contribution to sustainable development

The Code of Audit Practice requires that auditors assess and report on audited bodies' performance in meeting their Best Value and community planning duties as part of the annual audit. For central government bodies, we are required to consider the arrangements put in place by Accountable Officers to meet their Best Value obligations as part of our risk-based wider scope audit work.

Best value arrangements (2)

Best Value Area	Best value audit response and findings
Best Value	Scottish Information Commissioner have a legal duty to deliver "Best Value" in their services. This means they must make arrangements to ensure continuous improvement in their performance, while maintaining a balance between quality and cost, and consider economy, efficiency, effectiveness, equal opportunities, and sustainable development. The Code of Audit practice requires auditors to consider the arrangements put in place by Accountable Officers to meet their Best Value obligations. There are adequate arrangements in place to meet the Best Value obligations. From our review of Scottish Information Commissioner in the work required for wider scope, and the consideration of the themes in the Scottish Public Finance Manual there are no further issues to note within our report. Additional narrative could be added to the Annual Report on Best Value.

8 Independence considerations

Independence considerations (1)

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant matters that may bear upon the integrity, objectivity and independence of the firm or covered persons (including its partners, senior managers and managers). In this context, there are no independence matters that we would like to report to you.

We are required to report to you details of any breaches of the requirements of the FRC Ethical Standard, and of any safeguards applied and actions we have taken to address any threats to independence. No breaches have been identified by the team.

We confirm that we have implemented policies and procedures to meet the requirement of the Financial Reporting Council's Ethical Standard

As part of our assessment of our independence we note the following matters:

Matter	Conclusion
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and Scottish Information Commissioner that may reasonably be thought to bear on our integrity, independence and objectivity.
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by the organisation as a director or in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and Scottish Information Commissioner.
Contingent fees in relation to non-audit services	No contingent fee arrangements are in place for non-audit services provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of Scottish Information Commissioner's board, senior management or staff.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person (and network firms) have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements.

Fees and non-audit services (1)

We confirm below our final fee charged for the audit and confirm there were no fees for the provision of non-audit services.

External Audit Fee	Planned Fees	Final Fees	Fees for other non-audit services	Final Fees
Auditor Remuneration	£33,550	£33,550	We confirm that for 2024/25 we did not receive any fees for non-audit services	Nil
Pooled Costs	-£320	-£320		
Sectoral Cap Adjustments	-£8,900	-£8,900		
2024/25 Audit Fee	£24,330	£24,330		

This Annual Audit Report was considered by the Audit and Advisory Board on 30 September 2025 including agreement of audit fees. The agreement of our Report is by the Scottish Information Commissioner.

This covers all services provided by us and our network to Scottish Information Commissioner, its directors and senior management and its affiliates, that may reasonably be thought to bear on our integrity, objectivity or independence.

Fees and non-audit services (2)

Client service

We take our client service seriously and continuously seek your feedback on our external audit service. Should you feel our service falls short of expected standards please contact Joanne Brown, Head of Public Sector Assurance Scotland in the first instance who oversees our portfolio of Audit Scotland work (joanne.e.brown@uk.gt.com). Alternatively, should you wish to raise your concerns further please contact Mark Stocks, Partner, 8 Finsbury Circus, London, EC2M 7EA.

If your feedback relates to audit quality and we have not successfully resolved your concerns, your concerns should be reported to John Gilchrist, Audit Scotland Quality and Appointments in accordance with the Audit Scotland audit quality complaints process.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [transparency-report-2024-.pdf](#)

9 Appendices

A. Communication of audit matters with those charged with governance (1)

Our communication plan	Audit Plan	Annual Audit Report
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	●	
Confirmed no reliance on internal audit	●	
Confirmation of independence and objectivity	●	●
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	●	●
Significant matters in relation to going concern	●	●

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Annual Audit Report

This report is addressed to Scottish Information Commissioner and the Auditor General for Scotland and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

A. Communication of audit matters with those charged with governance (2)

Our communication plan	Audit Plan	Annual Audit Report
Views about the qualitative aspects of the organisation's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issue arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit		●
Significant deficiencies in internal control identified during the audit		●
Significant matters arising in connection with related parties		●
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		●
Non-compliance with laws and regulations		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Annual Audit Report, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

B. Action plan (1)

We set out here our recommendations for the organisation which we have identified as a result of issues identified during our audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue	Recommendations
Medium	Journal authorisation processes Not all journals were authorised in the ledger due to segregation of duties issues. This is due to the size of the finance team and the team member who authorises journals currently absent.	Management should review the current journal authorisation processes to see if they require updating, so they are based on the governance processes now in place. Management response: The Commissioner has updated his processes to align them to existing governance practices Responsible officer: Head of Business Support Implementation date: February 2025

Key

- High – Significant effect on control system and financial statements
- Medium – Effect on control system and financial statements
- Low – Best practice for control systems and financial statements

C. Follow up of previous recommendations (1)

We identified one issue in the audit of Scottish Information Commissioner’s 2023/24 financial statements, which resulted in a recommendation being reported in our 2023/24 Annual Audit Report.

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
Closed (superseded)	Journals: Not all journals were authorised in the ledger due to segregation of duties issues. This is due to the size of the finance team and the team member who authorises journals currently absent.	The resourcing issues that caused this finding are still ongoing, however off-ledger authorisation of journals has been implemented where staff are available. It is still the case that invoice entry requires approval, which is where the majority of the Scottish Information Commissioner’s expenditure originates. We have raised a new recommendation for journals authorisation and therefore this recommendation will be closed.

Assessment

✓ Action closed

X Not yet addressed



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