Technical Guidance Note TGN 2025/1

Guidance on Potential Misstatements

AUDIT SCOTLAND

Prepared by Audit Scotland
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Introduction

Purpose and use of this Technical Guidance Note

The purpose of the modules in this Technical Guidance Note (TGN) from Audit Scotland's Innovation & Quality (I&Q) is to support external auditors in performing an audit of the 2024/25 Annual Accounts of bodies appointed by the Auditor General and the Accounts Commission.

The TGN concisely explains the appropriate accounting treatment on areas of known complexity or uncertainty to assist auditors in evaluating whether the body has complied with the applicable requirements.

This is the first year in which a combined TGN has been prepared for all sectors. The following changes have been made to the guidance to reflect this change:

- terminology has been standardised to align the language used across sectors, for example using "balance sheet" instead of "statement of financial position".
- the guidance has been refined to identify the underlying accounting standards, incorporating references to the accounting code or FReM where they provide specific interpretations or adaptations.
- where relevant, guidance that is specific only to certain sectors has been highlighted.

Modules

- Module 5: Guidance on misstatements in local government reserves in 2024/25
- Module 6: Guidance on misstatements in group financial statements in 2024/25
- Module 7: Guidance on misstatements in leases and similar arrangements in 2024/25
- Module 8: Guidance on misstatements in grants and other income in 2024/25
- Module 9: Guidance on misstatements in other financial statement areas in 2024/25
- Module 10a: Guidance on misstatements in local government Remuneration Reports (audited part) in 2024/25
- Module 10b: Guidance on misstatements in the Remuneration and Staff Report (audited part) in central government in 2024/25
- Module 11a: Guidance on misstatements in Statutory Other Information in local government in 2024/25
- Module 11b: Guidance on misstatements in Statutory Other Information in central government in 2024/25
- Module 12: Guidance on irregular transactions in 2024/25
- Module 13: Guidance on misstatements in integration joint boards in 2024/25
- Module 14: Guidance on Local Government Pension Scheme pension fund accounts in 2024/25
- Module 15: Guidance on misstatements in Section 106 Charities in 2024/25
- Module 16: Guidance on Charitable NDPBs in 2024/25
- Module 17: Guidance on potential misstatements specific to health boards in 2024/25

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