

### SPT Annual Audit Report 2024/2025

**Committee**      Audit and Standards

**Date of meeting**    5 September 2025

**Date of report**    15 August 2025

**Report by Director of Finance & Corporate Support**

#### 1. Object of report

To provide the Committee, as those charged with governance, with the final audit report from Audit Scotland, Strathclyde Partnership for Transport (SPT's) external auditor following the final year audit of SPT's accounts and financial arrangements for 2024/2025.

#### 2. Background

The scope of the work to be undertaken by Audit Scotland was outlined in their Audit Plan, which was presented to the committee on 21 February 2025. The core elements of the audit work included:

- an audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement;
- an opinion on statutory other information published with the financial statements in the annual accounts, the Management Commentary, and the Annual Governance Statement, and an opinion on the audited part of the Remuneration Report;
- conclusions on SPT'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 SPT's arrangements for securing Best Value;
- providing assurance on the Whole of Government Accounts (WGA) return and Railway Safety Levy return; and
- provision of an Annual Audit Report setting out significant matters identified from the audit of the annual accounts and the wider scope areas specified in the Code of Audit Practice.

#### 3. Outline of proposals

The covering letter and 2024/2025 Annual Audit Report to members of the Strathclyde Partnership for Transport and the Controller of Audit is attached for noting at Appendix 1 and Appendix 2 respectively.

There are no recommendations within the report for the current year. Prior year recommendations in relation to register of interests and the external assessment of internal audit have been implemented / completed and therefore there are no outstanding recommendations.

#### 4. Committee action

The Committee is asked to note the details of the covering letter and the 2024/2025 Annual Audit Report for SPT.

#### 5. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>It is a legal requirement to have externally audited financial statements.</i>
Financial consequences	<i>As detailed in the report.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>None.</i>
Climate Change, Adaptation & Carbon consequences	<i>None.</i>

**Name** Lesley Aird  
**Title** **Director of Finance & Corporate Support**

**Name** Valerie Davidson  
**Title** **Chief Executive**

For further information, please contact *Stuart Paul, Head of Finance*, on 0141 333 3382.

## Audit & Standards Committee

5 September 2025

### Strathclyde Partnership for Transport Audit of 2024/25 annual accounts

#### Independent Auditor's Report

1. My audit work on the 2024/25 annual accounts is now substantially complete. I anticipate being able to issue unmodified audit opinions in the Independent Auditor's Report on 19 September 2025. The proposed Independent Auditor's Report is attached at [Appendix A](#).

#### Annual Audit Report

2. Under International Standards on Auditing in the UK (ISA (UK)), I am required to report specific matters identified from the audit of the annual accounts to those charged with governance of Strathclyde Partnership for Transport in sufficient time to enable appropriate action. For Strathclyde Partnership for Transport, those charged with governance is the Audit & Standards Committee. I present for the committee's consideration my draft Annual Audit Report on the 2024/25 audit. The section headed "Significant findings and key audit matters" sets out the issues identified in respect of the annual accounts, including those that I am required to report to you.

3. The Annual Audit Report also sets out conclusions on the wider scope areas that frame public audit as set out in the Code of Audit Practice.

4. The Annual Audit Report will be issued in final form after the audit of the annual accounts has been completed.

#### Uncorrected misstatements

5. I also report to those charged with governance all uncorrected misstatements in the annual accounts which I have identified during the course of my audit, other than those of a trivial nature, and request that these misstatements be corrected.

6. There are no uncorrected misstatements to report.

#### Other ISA (UK) matters

7. In presenting this letter and the Annual Audit Report to the Audit & Standards Committee, I seek confirmation from those charged with governance on the following matters:

- if they are aware of any instances of actual, suspected, or alleged fraud,
- if they are aware of any subsequent events that have occurred since the date of the financial statements,
- if they are content that the methods, assumptions, and data used in making accounting estimates in the annual accounts are appropriate,

- if all related party relationships and transactions they are aware of are reflected in the annual accounts, and
- if they are aware of any non-compliance with laws and regulations.

**8.** Any issues that I have identified from my audit in relation to other ISA (UK) matters that I am required to report to those charged with governance have been reported in the section headed “Other matters to report” in the Annual Audit Report.

### **Representations from the Section 95 Officer**

**9.** As part of the completion of the audit, I am seeking written representations from the Director of Finance & Corporate Support, who is the Section 95 Officer, on aspects of the annual accounts, including the judgements and estimates made.

**10.** A draft letter of representations is attached at [Appendix B](#). This should be signed and returned to me by the Section 95 Officer with the signed annual accounts prior to the Independent Auditor’s Report being signed.

## Appendix A: Proposed Independent Auditor's Report

### Independent auditor's report to the members of Strathclyde Partnership for Transport and the Accounts Commission

#### Reporting on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Strathclyde Partnership for Transport for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and Movement in Reserves Statement and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of Strathclyde Partnership for Transport as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of Strathclyde Partnership for Transport in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to Strathclyde Partnership for Transport. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Strathclyde

Partnership for Transport's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on Strathclyde Partnership for Transport's current or future financial sustainability. However, I report on Strathclyde Partnership for Transport's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

## **Risks of material misstatement**

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

## **Responsibilities of the Director of Finance & Corporate Support and the Audit and Standards Committee for the financial statements**

As explained more fully in the Statement of Responsibilities, the Director of Finance & Corporate Support is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Director of Finance & Corporate Support determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director of Finance & Corporate Support is responsible for assessing Strathclyde Partnership for Transport's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue Strathclyde Partnership for Transport's operations.

The Audit and Standards Committee is responsible for overseeing the financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of Strathclyde Partnership for Transport;
- inquiring of the Director of Finance & Corporate Support as to other laws or regulations that may be expected to have a fundamental effect on the operations of Strathclyde Partnership for Transport;
- inquiring of the Director of Finance & Corporate Support concerning Strathclyde Partnership for Transport's policies and procedures

regarding compliance with the applicable legal and regulatory framework;

- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Strathclyde Partnership for Transport's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

I have audited the parts of the Remuneration Report described as audited. In my opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### Other information

The Director of Finance & Corporate Support is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

## **Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### **Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

### **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**[Signature]**

Fiona Mitchell-Knight FCA  
Audit Director  
Audit Scotland  
4<sup>th</sup> Floor, The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

19 September 2025



## **Appendix B: Letter of Representations (ISA (UK) 580) [the Section 95 Officer should reproduce this on the audited body's letterhead]**

Fiona Mitchell-Knight  
Audit Scotland  
4<sup>th</sup> Floor, The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

Dear Fiona

### **Strathclyde Partnership for Transport**

#### **Annual accounts 2024/25**

This representation letter is provided in connection with your audit of the annual report and accounts of Strathclyde Partnership for Transport, hereafter referred to as SPT, for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view and have been properly prepared, and for expressing other opinions on the Remuneration Report, Management Commentary, and Annual Governance Statement.

I confirm to the best of my knowledge and belief, and having made such enquiries as I considered necessary, the following representations given to you in connection with your audit of SPT's annual accounts for the year ended 31 March 2025.

#### **General**

I have fulfilled my responsibilities for the preparation of the 2024/25 annual accounts as set out in your 2024/25 Annual Audit Plan. All the accounting records, documentation, and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by SPT have been recorded in the accounting records and are properly reflected in the financial statements.

I am not aware of any uncorrected misstatements other than those reported by you.

#### **Financial Reporting Framework**

The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (2024/25 Code), and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003, and the Local Authority Accounts (Scotland) Regulations 2014.

In accordance with the Local Authority Accounts (Scotland) Regulations 2014, I have ensured that the financial statements give a true and fair view of the financial position of SPT at 31 March 2025 and the transactions for 2024/25.

## **Accounting Policies and Estimates**

All material accounting policies applied are as shown in the note included in the financial statements. The accounting policies are determined by the 2024/25 Code, where applicable. Where the 2024/25 Code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to SPT's circumstances and have been consistently applied.

The methodology, significant assumptions, and data used in making accounting estimates are reasonable, and have been properly reflected and disclosed in the financial statements in accordance with the 2024/25 Code. Judgements made in making estimates have been based on the latest available and reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

## **Going Concern Basis of Accounting**

I have assessed SPT's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on SPT's ability to continue to adopt the going concern basis of accounting.

## **Assets**

I carried out an assessment at 31 March 2025 as to whether there is any indication that an asset may be impaired and have recognised any impairment losses identified in the financial statements.

I have provided you with all information of which I am aware regarding any valuation exercises carried out after 31 March 2025.

There are no plans or intentions that are likely to affect the carrying value or classification of the assets recognised in the financial statements.

Owned assets are free from any lien, encumbrance, or charge, except as disclosed in the financial statements.

## **Liabilities**

All liabilities at 31 March 2025 of which I am aware have been reported in the financial statements.

Provisions have been recognised in the financial statements for all liabilities of uncertain timing or amount at 31 March 2025 of which I am aware where the conditions specified in IAS 37, as adapted by the 2024/25 Code, have been met. The amount recognised as a provision is the best estimate of the expenditure likely to be required to settle the obligation at 31 March 2025. Where the effect of the time value of money is material, the amount of the provision has been discounted to the present value of the expected payments.

Provisions recognised in previous years have been reviewed and adjusted, where appropriate, to reflect the best estimate at 31 March 2025, or to reflect material changes in the assumptions underlying the calculations of the provisions.

The accrual recognised in the financial statements for annual leave untaken by 31 March 2025 has been estimated on a reasonable basis.

The pension assumptions made by the actuary in the IAS 19 Report for SPT have been reviewed and I confirm that they are consistent with management's own view.

There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

## **Contingent Liabilities**

There are no significant contingent liabilities arising either under formal agreement or through formal undertakings requiring disclosure in the financial statements. All known contingent liabilities have been fully and properly disclosed in accordance with IAS 37, as adopted by the 2024/25 Code.

## **Litigation and Claims**

All known actual or possible legal claims have been disclosed to you and have been accounted for and disclosed in the financial statements in accordance with the 2024/25 Code.

## **Fraud**

I understand my responsibilities for the design, implementation, and maintenance of internal control to prevent fraud and I believe I have appropriately fulfilled those responsibilities.

I have provided you with all information in relation to:

- my assessment of the risk that the financial statements may be materially misstated as a result of fraud,
- any allegations of fraud or suspected fraud affecting the financial statements, and
- fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

## **Laws and Regulations**

I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

## **Related Party Transactions**

All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with IAS 24, as adopted by the 2024/25 Code. I have made available to you the identity of all of SPT's related parties and all the related party transactions of which I am aware.

## **Remuneration Report**

The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014, and all required information of which I am aware has been provided to you.

## **Management Commentary**

29. I confirm that the Management Commentary has been prepared in accordance with statutory guidance, and the information is consistent with the financial statements.

## **Corporate Governance**

I confirm SPT has undertaken a review of the system of internal control during 2024/25 to establish the extent to which it complies with proper practices set out in *Delivering Good Governance in Local Government: Framework 2016*. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

I confirm that the Annual Governance Statement has been prepared in accordance with the *Delivering Good Governance in Local Government: Framework 2016* and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements, or issues identified, since 31 March 2025 which require to be reflected in the Annual Governance Statement or annual accounts.

## **Events Subsequent to the Date of the Balance Sheet**

All events subsequent to 31 March 2025 for which IAS 10, as adopted by the 2024/25 Code, requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Director of Finance & Corporate Support

# Strathclyde Partnership for Transport

2024/25 Annual Audit Report



Prepared for Strathclyde Partnership for Transport and the Controller of Audit  
September 2025

---

# Contents

---

Key messages	3
Introduction	5
Audit scope and responsibilities	6
Audit of the annual accounts	8
Wider scope audit	16
Best Value audit	34
Appendix 1	38
Appendix 2	39

---

## Accessibility

You can find out more and read this report using assistive technology on our website [www.audit.scot/accessibility](http://www.audit.scot/accessibility).

---

# Key messages

---

## Audit of the annual report and accounts

- 1 All audit opinions state that the annual report and accounts are free from material misstatement.
- 2 There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by Strathclyde Partnership for Transport (SPT).

## Financial management and sustainability

- 3 SPT has effective and appropriate arrangements to secure sound financial management. The revenue expenditure of £36.6 million was in line with the budget.
- 4 SPT has significant levels of usable reserves totalling £178.327 million (2023/24 £173.801 million) to fund its large projects. The total reserves balance has increased by £35.211 million with a £4.1 million increase in the level of earmarked reserves to £106.7 million.
- 5 Total capital expenditure in 2024/25 was £37.8 million. Despite initially being awarded no capital funding as part of the 2024/25 budget settlement, SPT received £32.1 million. This comprised £28.1 million for SPT essential or legally committed projects and £4.0 million for the People and Place programme which SPT was administering on behalf of Transport Scotland. The balance was funded by contributions from the Subway Infrastructure Fund of £5.7 million.
- 6 The 2025/26 capital programme has been reprofiled to reflect the reducing future capital funding commitments from government and from Transport Scotland for Subway Modernisation.

## Other wider scope and Best Value audit findings

- 7 Governance arrangements are appropriate and operated effectively.

- 8** SPT has an established and effective performance management framework in place to report on its service performance.
  - 9** Total subway patronage was 12.97 million for 2024/25 which is 3% less than 2023/24. The reduction in patronage was a result of one-off events in 2023/24 and 2024/25. During 2024/25 Storm Eowyn brought transport across the country to a halt and resulted in a full day closure of the system. During 2023/24 the cycling world championships in Glasgow and the extra day for the leap year increased in year patronage numbers.
  - 10** SPT has 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 Strathclyde Partnership for Transport'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 Strathclyde Partnership for Transport, hereafter referred to as 'SPT' and the Controller of Audit, and will be published on [Audit Scotland's website](#) in due course.

## Appointed auditor and independence

3. Fiona Mitchell-Knight (FCA), of Audit Scotland, has been appointed as external auditor of the body for the period from 2022/23 until 2026/27. As reported in the Annual Audit Plan, Fiona Mitchell-Knight (FCA) and the audit team are independent of the body 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 the body, including no provision of non-audit services.

## Acknowledgements

4. We would like to thank the Audit and Standards Committee members, senior management, and staff at SPT, particularly those involved in preparation of the annual accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the five-year 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.
- An opinion on statutory other information published with the financial statements in the annual accounts, namely the Management Commentary and Annual Governance Statement.
- An opinion on the audited part of the Remuneration Report.
- Conclusions on the body'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 the body's arrangements for securing Best Value.
- Provision of this Annual Audit Report.

## Responsibilities and reporting

**6.** The Code of Audit Practice sets out the respective responsibilities of the body 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 Local Government (Scotland) Act 1973. These include providing an independent opinion on the financial statements and other information reported within the annual 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 the body 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. We are pleased to report that there are no new recommendations for SPT to action this year. The action plan includes an update on the previous years actions.

## **SPT's responsibilities**

**10.** SPT 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 accounts, comprising financial statements for the body 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 SPT, its Board, and the Audit and Standards Committee. Details of national and performance audit reports published over the last year can be seen in [Appendix 2](#).

# Audit of the annual accounts

## Main judgements

All audit opinions stated that the annual accounts are free from material misstatement.

There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by the body.

## Audit opinions on the annual accounts

**12.** SPT's annual accounts were approved by the Audit and Standards Committee on 5 September 2025 and signed by the appointed auditor on the 19 September 2025. The Independent Auditor's Report is included in the SPT's annual accounts, and this reports that, in the appointed auditor's opinion, these are free from material misstatement.



## Audit timetable

**13.** The unaudited annual report and accounts and all working papers were received on 16 June 2025 in accordance with the agreed audit timetable.

## Audit Fee

**14.** The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £92,380. 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.** The concept of materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual accounts.

**16.** Broadly, 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.

**17.** Materiality levels for the audit of SPT 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 accounts.

---

**Exhibit 1**  
**2024/25 Materiality levels for SPT**

Materiality	
Materiality – set at 1% of net assets	£4.8 million
Performance materiality – set at 65% 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.	£3.1 million
Reporting threshold – set at 1% of materiality.	£0.05 million

Source: Audit Scotland

---

**18.** The materiality threshold was set with reference to net assets, which we judged as the figure most relevant to users of the financial statements.

**Significant findings and key audit matters**

**19.** ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged as governance, which for SPT is the Audit and Standards Committee.

**20.** 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.

**21.** 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.

**22.** The significant findings and key audit matters to report are outlined in [Exhibit 2](#).

## Exhibit 2

### Significant findings and key audit matters

Significant findings and key audit matters	Outcome
<p><b>Capital adjustments in the Cash Flow Statement</b></p> <p>During our review of the Cash Flow Statement, we noted that capital adjustments relating to non-cash operating and investing activities had not been properly recorded. As a result, the movements in the Cash Flow Statement were inaccurate.</p> <p>The accounts have been updated to include the correct capital adjustments. Although the corrected movements affect the presentation of cash flows, they do not alter the net change in cash and cash equivalents. As such, the reported cash and cash equivalents balance at the end of the reporting period remains unchanged.</p>	<p>As a result of the capital adjustments:</p> <ul style="list-style-type: none"> <li>• In note 11, the decrease in creditors of £11.897 million became an increase in creditors of £0.719 million.</li> <li>• The total non-cash movements in note 11 moved from -£14.694 million to £2.078 million.</li> <li>• The purchase of property, plant and equipment, investment property, intangible assets and grants in note 12 was amended from -£43.127 million to -£55.743 million.</li> <li>• As a result, the total net cash flows from investing activities in note 12 became -£48.116 million, from -£35.500 million.</li> </ul> <p>The above changes were reflected on the face of the Cash Flow Statement. The total cash and cash equivalents at the end of the reporting period was unchanged but the balances making up this total were updated in line with the updated notes.</p>

Source: Audit Scotland

### Qualitative aspects of accounting practices

**23.** 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

**24.** The appropriateness of accounting policies adopted by SPT was assessed as part of the audit. These were considered to be appropriate to the circumstances of SPT, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

## Accounting estimates

**25.** Accounting estimates are used in number of areas in the SPT's financial statements, including the valuation of land and buildings assets and the valuation of the pension liability. Audit work considered the process SPT has in place around making accounting estimates, including the assumptions and data used in making the estimates, and the use of any management experts. 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

**26.** The adequacy of disclosures in the financial statements was assessed as part of the audit. The quality of disclosures was adequate, with additional levels of detail provided for disclosures around areas of greater sensitivity, such as the valuation of the pension liability and the valuation of rolling stock.

## SPT continued to apply the statutory override for the accounting of infrastructure assets

**27.** The Code of Practice for Local Authority Accounting in the United Kingdom (the Code) requires infrastructure assets to be measured using the historical cost measurement basis and carried at depreciated historical cost. Where a component of an asset is replaced, the carrying amount (i.e., net book value) of the old component shall be derecognised to avoid double counting and the new component shall be reflected in the carrying amount of the infrastructure asset.

**28.** Due to practical difficulties in applying component accounting for the recognition and derecognition of replaced components of infrastructure assets, in large part due to data limitations, the Scottish Government approved a [Statutory Override – Accounting for Infrastructure Assets](#) that is applicable to 31 March 2024. The statutory overrides were extended for 12 months until 31 March 2025 to allow more time for a permanent solution to be put in place. The statutory override is formed of two parts:

- **Statutory Override 1:** For accounting commencing from 1 April 2021 until 31 March 2024 (and extended to 31 March 2025), a local

authority body is not required to report the gross cost and accumulated depreciation for infrastructure assets.

- **Statutory Override 2:** For accounting periods commencing from 1 April 2010 until 31 March 2024 (and extended to 31 March 2025), the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be taken to be accounted for as a £nil amount. No subsequent adjustment shall be made to the carrying amount of the asset with respect to that part.

**29.** Infrastructure assets within SPT relate to the subway network and are comprised of the rolling stock, tunnels, track and associated electrical infrastructure. As in prior years, SPT applied both parts of the statutory override in the 2024/25 accounts. As part of our audit, we reviewed the infrastructure assets disclosures and the related notes, including the relevant disclosures in the accounting policies. We are satisfied that these disclosures reflect the statutory override and adequately explain the approach adopted to the readers of the annual accounts.

### **Actuarial forecasts have resulted in a pension liability on the balance sheet**

**30.** As part of our audit planning work, we identified areas where we considered there to be other, non-significant, risks of material misstatement to the financial statements. The pension liability was identified as an area of audit focus due to the material value and significant assumptions used in its calculation.

**31.** The net pension liability, as disclosed on the Balance Sheet is £2.115 million. This figure represents the difference between the expected future payments to pensioners, and the underlying value of pension fund assets available to meet this liability.

**32.** Historically there has been considerable volatility year-on-year in the valuation of pension fund assets and liabilities across the public sector. Modest changes in actuarial assumptions can have a significant impact on the calculation of the closing position. This was exemplified by the pension asset in 2022/23 becoming a liability in 2023/24.

**33.** For 2024/25, there remains a pension liability. A pension asset ceiling was applied of £144.129 million in accordance with the requirements of IAS 19 and IFRIC 14.

**34.** SPT is an admitted member of Strathclyde Pension Fund. Valuation of pension fund assets and liabilities is assessed by an independent firm of actuaries (Hymans Robertson LLP). Pension assets and liabilities are calculated annually for each individual member body, by the actuary, for inclusion in the annual accounts. Annual valuations are dependent on a number of external variables, including projected rates and mortality estimates. We have reviewed the actuarial assumptions used for the



valuation and are satisfied that they appear reasonable and in line with assumptions used by other public sector actuaries over the same period.

## Other matters to report

**35.** Auditing standards require auditors to report a number of other matters if they are identified or encountered during an audit. This includes:

- Suspected or identified fraud.
- Non-compliance with laws and regulations.
- Other ISA (UK) 260 matters such as significant difficulties encountered during the audit, circumstances that affect the form and content of the auditor's report, or any other matters that are relevant to those charged with governance.
- Significant deficiencies in internal control.
- Related parties.
- Going concern.

**36.** There are no other matters to report in respect of the above-mentioned areas.

## Significant matters discussed with management

**37.** All significant matters identified during the audit and discussed with the body's management have been reported in the Annual Audit Report.

## Audit adjustments

**38.** It is the auditor's responsibility to request that all misstatements greater than the reporting threshold are corrected, even if they are not material.

**39.** Management of the body processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no uncorrected misstatements to report.

**40.** No audit adjustments were required to the financial statements greater than the reporting threshold of £0.05 million other than the changes to the cash flow statement detailed in [Exhibit 2](#).

## Whole of Government Accounts (WGA) return

**41.** The body is part of the WGA boundary and therefore prepares a return that is used by HM Treasury to prepare the WGA. The National Audit Office (NAO) is the auditor for the WGA and issues instructions outlining audit procedures auditors must follow when auditing a WGA return. The threshold for requiring audit procedures to be performed on the WGA

return was set at £2 billion. SPT was below this threshold and therefore only limited audit procedures were required, and submission of an assurance statement to the NAO.

## Significant risks of material misstatement identified in the Annual Audit Plan

**42.** 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 3](#).

### Exhibit 3

#### Significant risks of material misstatement to the financial statements

Risk of material misstatement	Audit response	Results and conclusions
<p><b>Fraud caused by management override of controls</b></p> <p>Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> <li>• We made inquiries of staff.</li> <li>• We undertook detailed substantive testing of journal entries, accruals and invoices.</li> <li>• We evaluated significant transactions outside the normal course of business.</li> <li>• We assessed any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.</li> <li>• We substantively tested income and expenditure transactions around the year-end.</li> </ul>	<p><b>Conclusion:</b> no evidence of fraud caused by management override of controls.</p>

Risk of material misstatement	Audit response	Results and conclusions
<p><b>Valuation of land and buildings</b></p> <p>SPT held £331.842 million of property, plant and equipment (PPE) at 31 March 2024, of which £122.965 million was land and building assets.</p> <p>It is a requirement of the local government accounting framework that land and building assets are revalued sufficiently regularly to ensure that their carrying amount is not sufficiently different from their fair value at year-end. As a minimum, valuations need to be completed every five years. The last revaluation was completed on 31 March 2023 and SPT has confirmed that a valuation is not planned for 2024/25.</p> <p>Valuations are subject to a significant degree of subjectivity and are based on specialist assumptions, and changes in assumptions can result in material changes to valuations. In years where a valuation is not planned, management need to obtain sufficient, appropriate evidence that there is not a material difference between the carrying value and fair value of SPT's land and building assets.</p>	<p>We reviewed management's assessment that the value in the balance sheet of land and building assets not subject to a valuation process in 2024/25 is not materially different to current value at the year-end. We confirmed that:</p> <ul style="list-style-type: none"> <li>• The District Valuer assesses the carrying value of assets not subject to revaluation in year to ensure that the carrying amount does not 'differ materially' from that held in the Balance Sheet.</li> <li>• Management are involved in the valuation process and have an appropriate level of oversight.</li> <li>• Management's assessment of assets not subject to a valuation process in 2024/25 was reasonable and concluded there was unlikely to be a material difference to the current value at the year-end.</li> </ul>	<p><b>Conclusion:</b> the valuation of PPE is not materially misstated.</p>

---

Source: Audit Scotland

---

## Prior year recommendations

**43.** SPT has implemented the agreed prior year audit recommendations. Actions are outlined in [Appendix 1](#).

---

# Wider scope audit

---

## Conclusion

SPT has effective and appropriate arrangements to secure sound financial management. The revenue expenditure of £36.6 million was in line with the budget.

SPT has significant levels of usable reserves totalling £178.327 million (2023/24 £173.801 million) to fund its large projects. The total reserves balance has increased by £35.211 million with a £4.1 million increase in the level of earmarked reserves to £106.7 million.

Total capital expenditure in 2024/25 was £37.8 million. Despite initially being awarded no capital funding as part of the 2024/25 budget settlement, SPT received £32.1 million. This comprised £28.1 million for SPT essential or legally committed projects and £4.0 million for the People and Place programme which SPT was administering on behalf of Transport Scotland. The balance was funded by contributions from the Subway Infrastructure Fund of £5.7 million.

The 2025/26 capital programme has been reprofiled to reflect the reducing capital funding commitments from government and from Transport Scotland for Subway Modernisation.

Governance arrangements are appropriate and operated effectively.

SPT has an established and effective performance management framework in place to report on its service performance.

Total subway patronage was 12.97 million for 2024/25 which is 3% less than 2023/24. The reduction in patronage was a result of one-off events in 2023/24 and 2024/25. During 2024/25 Storm Eowyn brought transport across the country to a halt and resulted in a full day closure of the system. During 2023/24 the cycling world championships in Glasgow and the extra day for the leap year increased in year patronage numbers.

## Audit approach to wider scope

### Wider scope

**44.** 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.

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

### Significant wider scope risks

**46.** In the Annual Audit Plan, we identified one significant wider scope audit risk. The outcome of audit work performed on this risk is summarised in [Exhibit 4](#).

## Exhibit 4

### Significant wider scope and Best Value risks

Significant risk	Audit response	Outcome of audit work
<p><b>Capital funding</b></p> <p>The Capital Plan 2024/25 to 2026/27 including the Capital Budget 2024/25 was approved by the Partnership in March 2024. However, as a result of revisions to capital funding, a revised 2024/25 capital programme was agreed by the Strategy and Programmes Committee in November 2024. The revised programme includes no General Capital grant from the Scottish Government (£15.3 million 2023/24) and SPT is drawing on earmarked reserves for other projects and a contribution from revenue to fund most of this gap. This position is not sustainable and there is a risk that without sufficient capital funding, SPT may not be able to deliver the Capital Plan which underpins delivery of the Regional Transport Strategy.</p>	<ul style="list-style-type: none"> <li>Reviewed development of the 2025/26 Capital Budget to assess whether both short and longer-term capital funding is in place to deliver the Capital Plan.</li> <li>Reviewed SPT's progress in meeting the objectives of the Regional Transport Strategy Delivery Plan 2024/25 – 2026/27 and the 2024-2028 Corporate Plan.</li> </ul>	<p>The local government allocation of capital funding has been reinstated for 2025/26, but the level of funding is lower than in previous years.</p> <p>In response, SPT reprofiled the 2025/26 capital programme to focus on legally committed, operationally essential, and strategically important projects. SPT has also committed a revenue contribution to capital in 2025/26 and a transfer of further funding from earmarked reserves.</p> <p>The Regional Active Transport Strategy 2024-2038 sets out the actions, projects and services to be progressed. The Corporate Plan has been designed to support the Strategy.</p> <p>The 2025/26 capital budget is summarised by the principal RTS objective being met by each project. The plan may be revised based on the outcome of projects scheduled for delivery in 2024/25 which have been affected by the current economic climate. Any changes are reported to the Strategy and Programmes Committee.</p> <p>Overall, there is an appropriate plan in place, aligned to the RTS objectives, within the capital funding available.</p>

Source: Audit Scotland

## Financial Management

**47.** The audit work performed on the arrangements the body has in place for securing sound financial management found that these were effective and appropriate. This judgement is evidenced by SPT:

- having a system of internal control in place that is operating effectively and has no significant weaknesses or deficiencies.
- having clear and up-to-date policies and procedures, for example, financial regulations and scheme of delegation, in place that ensure effective financial management.
- having clear and up-to-date policies in place for preventing and detecting fraud and other irregularities, and participation in fraud prevention and detection activities such as the National Fraud Initiative (NFI).
- having suitably qualified and experienced staff leading the finance function, which has sufficient skills, capacity, and capability to effectively fulfil its role.
- having effective arrangements in place for the scrutiny of arrangements that support sound financial management, and effective scrutiny and challenge provided by the Audit and Standards Committee.
- Reporting a revenue outturn for 2024/25 in line with the revenue budget and a level of resources in line with the reserves strategy.
- Reporting a capital outturn in line with the capital programme and demonstrating effective management of the capital programme.

### **SPT's overall spend was in line with its budget in 2024/25**

**48.** A balanced revenue budget of £36.6 million for 2024/25 was approved by the Partnership Board at its meeting on 15 March 2024. The budget was prepared on the assumption that Subway passenger numbers will be sustained and will generate increased Subway income compared with the 2023/24 budget.

**49.** The revenue expenditure of £36.6 million was in line with the budget. It was met by requisitions of £35.9 million from the 12 local authority partners in the SPT areas, and £0.617 million from Scottish Government direct grants.

## Budget processes were appropriate

**50.** We observed that senior management and members receive regular and accurate financial information on SPT's performance against budgets. SPT has appropriate budget setting and monitoring arrangements.

## SPT has significant levels of usable reserves totalling £178.327 million to fund its large projects

**51.** The usable reserves available for use by SPT at 31 March 2025 are detailed in [Exhibit 2](#).

### Exhibit 5 Usable Reserves

	31 March 2025 (£m)	31 March 2024 (£m)
<b>General Fund</b>	<b>120.2</b>	<b>116.1</b>
Capital Grants Unapplied	29.0	28.6
Capital Fund	26.4	26.4
Repair and Renewal Fund	1.5	1.5
Insurance Fund	1.2	1.2
<b>Total</b>	<b>178.3</b>	<b>173.8</b>

## The General Fund reserves balance has increased by £4.2 million

**52.** The General Fund balance increased from £116.1 million at 31 March 2024 to £120.2 million at 31 March 2025 mainly as a result of transfers to earmarked reserves of £6.848 million from the Subway Infrastructure Fund and the Transport Future Investment Fund.

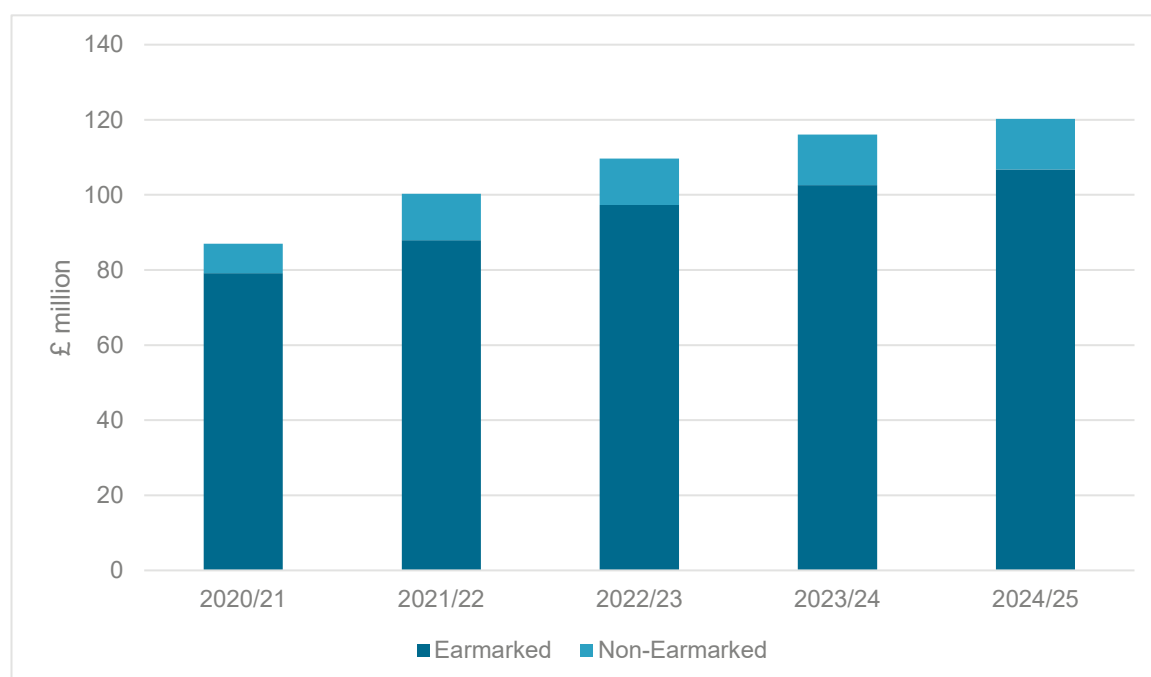
**53.** This leaves a balance of £13.5 million of unallocated reserves which represents approximately six months of all SPT income and is held as an organisational contingency. This is consistent with SPT's reserves policy which was presented to the Strategy and Programmes Committee in February 2025 and states that SPT are to hold a non-earmarked general fund balance at approximately six months of operational income.



## There has been a significant upward movement in the level of earmarked reserves

**54.** [Exhibit 2](#) provides an analysis of the General Fund reserves balance over the last five years split between earmarked and non-earmarked reserves. This shows that the level of earmarked reserves has been rising since 2020/21 primarily due to funds being set aside within Reserves to fund Subway Modernisation and other strategic commitments.

### Exhibit 6 Analysis of general fund balance



Source: SPT Annual Accounts

**55.** The earmarked element of usable reserves has increased in year from £102.6 million to £106.7 million in 2024/25. There are four earmarked reserves which SPT has maintained over a number of years which are both capital and revenue in nature. These are the Subway Fund (£61.5 million), the Subway Infrastructure Fund (£24.6 million), the Transport Future Investment Fund (£15.4 million) and the Strategic Bus Routes Fund (£5.2 million).

**56.** In 2024/25 SPT made contributions of £3.4 million to the Subway Infrastructure Fund, and £3.4 million to the Transport Future Investment Fund.

**57.** None of the £61.5 million general fund earmarked balances brought forward from 2023/24 for the Subway Fund were used in 2024/25.

**Capital funding was received in year, and an allocation has been reinstated for 2025/26; however, the level of funding is lower than in previous years**

**58.** SPT received no funding commitment from the Scottish Government or Transport Scotland at the beginning of 2024/25 for either core capital grants or the previously agreed specific grant for the Subway Modernisation Project. SPT challenged this allocation.

**59.** Funding for Subway Modernisation was agreed part way through the year. In total, SPT received £32.1 million of government grants and other contributions which included £28.0 million for the Subway Modernisation Project. SPT also had direct revenue contributions from the Subway Infrastructure Fund of £5.7 million. Total capital expenditure in 2024/25 was £43.0 million (2023/24: £42.4 million).

**60.** Capital funding via the local government allocation has been reinstated for 2025/26, however the level of funding is lower than in previous years. Transport Scotland also confirmed a continued reduction in the funding commitment for the remainder of the Subway Modernisation Project. In response to the reduced capital funding availability, the 2025/26 capital programme has been reprofiled to focus on legally committed, operationally essential projects and strategically important projects only. SPT has also committed a revenue contribution to capital in 2025/26 as well as a transfer of further funding from earmarked reserves.

**61.** The provisional Local Government Finance Settlement was announced in December 2024, confirming a general capital grant to SPT of £12.4 million. The 2025/26 Capital Plan therefore supplements the reduced general capital funding grant to support transport projects.

**62.** SPT has a specific Programme Office for monitoring and supporting internal projects. There is also internal four weekly reporting carried out by the finance department on performance against expenditure for all budget managers and the Strategy Group, as well as regular reporting on the capital programme to the Strategy and Programmes Committee.

**Cash and investments have decreased by £25.7 million**

**63.** At 31 March 2025, SPT's cash and cash equivalents and short-term investments were held at a combined value of £159.2 million (£2023/24: £184.9 million). This reduction is because of drawdown of funds being set aside within reserves and the Capital Grants Unapplied Account to fund Subway Modernisation and other strategic projects.

**64.** Cash and investments are managed in line with SPT's Treasury Management Strategy. SPT has no external debt.

## **SPT has appropriate financial control arrangements in place**

**65.** As part of our audit, we develop an understanding of SPT's control environment in those accounting systems which we regard as significant to produce the financial statements. Our objective is to gain assurance that SPT has systems of recording and processing transactions which provide a sound basis for the preparation of financial statements. Our audit is not controls based and we have not placed reliance on controls operating effectively as our audit is fully substantive in nature.

**66.** No material weaknesses or areas of concern were identified from our controls work which would have caused us to alter the planned audit approach as documented in our 2024/25 Annual Audit Plan.

## **Financial Sustainability**

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

- having effective arrangements in place for identifying risks to financial sustainability over the medium and longer-term, and understanding medium and longer-term demand pressures that could impact on available resources.
- having effective arrangements in place to develop medium and longer-term financial plans.
- having a reserves strategy in place to manage the use of reserves in line with its priorities.

## **The 2025/26 budget is based on known cost pressures**

**68.** A balanced revenue budget of £37.3 million for 2025/26 was approved by the Partnership Board at its meeting on 14 March 2025. The budget was prepared on the assumption that Subway passenger numbers will be sustained at the current level, generating increased Subway income with an increase in Subway fares from January 2026.

**69.** The budget accounts for known cost pressures including staffing, inflation and contractual obligations across property and transport services. Key elements include:

- Implementation of the pay award and increased staffing to support organisational priorities including Subway Modernisation and Clyde Metro.
- Inclusion of increased national insurance contributions.

- Adjustment to property costs, notably reduced electricity expenditure and increased cleaning costs aligning with a new regime.
- Growth in third-party payments largely due to Subway-related obligations.
- Reduction in bus operations income, partially offset by increased returns from bus station facilities.
- Revenue contributions to capital and the Subway Fund to support continued infrastructure investment and transitional costs for the Subway Modernisation Project.

**70.** There is internal four weekly reporting on performance against budget to all budget managers and the Strategy Group and regular reporting to the Strategy and Programmes Committee and the Partnership Board on the financial position.

### **SPT Long Term Financial Strategy forecasts for a ten-year period**

**71.** SPT's Long Term Financial Strategy (LTFS) was presented to the Strategy and Programmes Committee in February 2025. It takes into consideration Subway modernisation, as the most notable future change for SPT.

**72.** The LTFS outlines the requirement to use the Subway Fund in the short to medium term to support the transition to a modernised system and mode of operation. The Strategy also recognises the current requirement to continue with the existing programme of business.

**73.** Within the LTFS, the financial forecast is projected forward over a ten-year period, broadly split into short-, medium- and longer-term forecasting. Taking into account assumed inflation factors, and no planned funding increases, there would be a deficit that without corrective action would result in either an unbalanced budget, or requirement for a short term draw on reserves.

**74.** It is anticipated that over the term of the LTFS, all earmarked reserves will be significantly utilised.

- The Subway Fund will be used to fund transitional costs being incurred as part of the Subway Modernisation Project.
- The Subway Infrastructure Fund is used for the vital work that is carried out annually in tunnels. It will require a transfer in from the Subway Fund to ensure this work continues.
- The Transport Future Investment Fund will be fully utilised to support work around bus reform.

**75.** It is anticipated that the balance on reserves will reduce from £174 million to £90 million over the span of the LTFS. The Strategy notes that the financial forecast will need to be monitored closely over the coming years and corrective measures put in place if the funding deficit remains.

## Capital Programme

**76.** As a result of funding uncertainty and significantly reduced capital funding in 2024/25, the Capital Plan for 2024/25 included only those proposals deemed to be 'Category 1'. These are legally committed and operationally essential projects. 'Category 2' projects are those which are not legally committed or operationally essential and may require further development work or additional funding.

**77.** The Capital Plan 2025/26 to 2027/28 including the Capital Budget 2025/26 was approved by the Partnership Board at its meeting of 14 March 2025. Both 'Category 1' and 'Category 2' projects are included in the Capital Plan 2025/26 in line with the current budget available. However, 'Category 2' projects will only be progressed during financial year 2025/26 where funding is available and full development work is complete.

**78.** 'Category 2' projects which could not be included in the 2024/25 Capital Plan due to insufficient funding have been included in the 2025/26 Capital Plan, such as:

- Hope Street / Renfield Street Bus Stop Improvements.
- Port Glasgow Park & Ride Extension.

**79.** Projects in the Capital Budget can be summarised by the five principal objectives per the Regional Transport Strategy:

- **Objective 1:** improving accessibility, affordability, availability and safety of the transport system, ensuring everyone can get to town centres, jobs, education, healthcare and other everyday needs.
- **Objective 2:** reducing carbon emissions and other harmful pollutants from transport in the region.
- **Objective 3:** enable everyone to walk, cycle, or wheel and for these to be the most popular choices for short, everyday journeys.
- **Objective 4:** making public transport a desirable and convenient travel choice for everyone.
- **Objective 5:** improve regional and inter-regional connections to key economic centres and strategic transport hubs for passengers and freight.

**80.** The proposed 2025/26 capital programme position for capital expenditure is £49.5 million. This is split between £26.5 million for Subway Modernisation, and £23.0 million for general capital.

### **The Subway Modernisation Project**

**81.** At 31 March 2025, £253.9 million (£229.8 million in 2023/24) had been incurred against the total budget of £288.7 million.

**82.** The most recent progress update on progress of the Subway Modernisation Project was taken to the Partnership Board and reported on by the Director of Transport Operations in June 2025. The first two of five principal workstreams are fully complete:

- Stations and accessibility improvements.
- A new ticketing system.

**83.** There are three remaining workstreams:

- Renewal and upgrade of existing infrastructure and depot facilities.
- New rolling stock, signalling and automated control systems.
- Organisational change and employee relations.

**84.** All seventeen new trains have been formally accepted by SPT. Three trains have been reserved as test trains and are being mainly used to test the new signalling system until it is brought into operation.

**85.** Transport Scotland committed to fund up to £225 million for the project. This is £21 million less than the previous commitment of up to £246 million. As at 31 March 2025, £199.9 million has been received. The remaining £25.1 million will be received in 2025/26. The overall Subway Modernisation budget is £288.7 million, and the 2025/26 budget for the project is £26.5 million in total.

**86.** Overall, the Subway Modernisation Project remains within the approved budget, including programme contingency and available funding through noting the ongoing assessment of claims received.

### **SPT are leading on the development of the case for investment for the Clyde Metro**

**87.** Plans for the Clyde Metro system were initially announced in January 2022, when the Scottish Government included the project in its 20-year transport strategy. Since November 2023, SPT has been acting as the lead partner for development of the Case for Investment (CFI) for the programme. The project partners are Glasgow City Council for Glasgow City Region, with Transport Scotland taking an assurance role.

**88.** The CFI will develop the programme level business case and is the first step towards setting out the programme of projects which will make up the Clyde Metro. The programme will be delivered through the following packages:

- CFI Stage 1a – Case for Change and Initial Option Development.
- CFI Stage 1b – Client Advisory Services.
- Clyde Metro Framework.
- CFI Stage 2 – Programme Business Case.

**89.** Stage 1 of the CFI process was completed in March 2025. The Case for Change was established, and four potential Network Options were developed and subject to stakeholder engagement.

**90.** As part of the CFI development, SPT established a multi-disciplinary consultancy services framework – the Clyde Metro Professional and Technical Services Framework – to support the completion of Stage 2 of the CFI. Stage 2 will undertake preliminary and detailed appraisal of three potential network options, with one preferred network option being selected as a result.

**91.** At March 2025, preparations for Stage 2 are underway with the project partners having collaborated to develop scopes for the workstreams. Detailed scopes have been developed and procured for five workstreams with a further two to be processed in the financial year 2025/26.

**92.** Funding for the Clyde Metro project is provided by Glasgow City Region via Glasgow City Council. Cabinet approved an allocation of £12.155 million to support the development of the project. This funding is split between Glasgow City Council and SPT.

**93.** SPT spent £0.567 million on the Clyde Metro project during financial year 2024/25. There was a funding contribution of £0.600 million for the year. Of this, £0.439 million has been claimed from Glasgow City Council, and accrued income of £0.128 million is expected to be paid at the beginning of financial year 2025/26.

**94.** New grant funding is available for stage 2 and future stages of the project. SPT will start to claim for this in 2025/26.

**95.** We will continue to monitor developments on the Clyde Metro project during 2025/26.

## Vision, Leadership and Governance

**96.** The audit work performed on the arrangements the body has in place around its Vision, Leadership and Governance found that these were effective and appropriate.



## **A Corporate Plan for 2024-2028 has been prepared to support the Regional Transport Strategy**

**97.** In July 2023, Scottish Ministers approved the final draft Regional Transport Strategy (RTS), 'A Call to Action': The Regional Transport Strategy for the west of Scotland 2023-38.

**98.** To support the RTS, a Corporate Plan covering 2024-2028 was prepared and presented to the Partnership Board in March 2024. The Corporate Plan sets out seven strategic objectives which are based on the RTS and are intended to guide the development of SPT policies, plans and project.

**99.** The first five strategic objectives replicate the principal objectives in the RTS as outlined in paragraph 80. The final two objectives are:

- To provide effective and efficient management for the Partnership's people and resources.
- To provide a high level of service based on the needs and expectations of customers.

## **Registers of Interest**

**100.** In accordance with SPT's Code of Conduct for Members, each member of the Board is required to complete a register of interests. The register is intended to be a public record of interests that might, by their nature, be likely to conflict with a members' role.

**101.** Maintaining up to date registers is important for public transparency, and to ensure the Board meet the accounting requirements of IAS 24 Related Party Disclosures which requires certain interests to be disclosed explicitly within the annual accounts.

**102.** Declarations of interests is a standing item at meetings of the Board, and we are aware all councillors complete register of interests with the local authority that they represent. This does not apply to the appointed members.

**103.** Registers of interests were completed by members on their appointment to the Board in 2022 following the local government elections and these are published on the SPT website. We reported in 2023/24 that the registers of interest had not been updated since 2022. A recommendation was included in the 2023/24 action plan that registers of interest for all members should be completed. We also noted that management should issue an annual reminder at a minimum for members to review their individual registers. See Appendix 1.

**104.** From our current year audit work, all registers of interest for Board members were available on the SPT website, and all had been subject to review within the last twelve months.



## **Governance arrangements are appropriate and operated effectively**

**105.** As part of the audit process, we assess the governance arrangements within SPT and review the Annual Governance Statement in the annual accounts. We concluded that arrangements are appropriate and operated effectively during 2024/25.

**106.** Through our attendance at Audit and Standards Committee meetings, we concluded that committee papers were well prepared and shared in sufficient time in advance of the meeting for review, adequate time was allowed to discuss the issues on the agenda, and the committee members were well-prepared and asked appropriate questions. This enables the Audit and Standards Committee to exercise effective scrutiny.

## **Internal controls over key financial systems operated effectively**

**107.** As part of our audit, we develop an understanding of the control environment in those accounting systems which we regard as significant to produce the financial statements.

**108.** Our objective is to gain assurance that systems of recording and processing transactions provide a sound basis for the preparation of the financial statements.

**109.** Our audit is not controls based and we have not placed reliance on controls operating effectively as our audit is fully substantive in nature. No material weaknesses or areas of concern were identified from our work which would have caused us to alter the planned audit approach as documented in the 2024/25 Annual Audit Plan.

## **Internal audit provided a reasonable assurance opinion for the year to 31 March 2025**

**110.** In June 2025, the Internal Audit function submitted its opinion and annual report for 2024/25 to the Audit and Standards Committee. The opinion provided, based on the audit work undertaken throughout the year, was one of reasonable assurance.

**111.** Twelve assurance engagements were completed during 2024/25. Of these, four have been classified as 'reasonable' and eight have been classified as 'sound in most areas'.

**112.** To avoid duplication of effort we place reliance on the work of internal audit wherever possible. In 2024/25 we did not plan to place formal reliance on the work of internal audit to support our financial statements audit opinion. However, we considered internal audit report findings as part of our work. None of the internal audit findings have impacted our audit approach.

**113.** Public Sector Internal Audit Standards (PSIAS) require external assessments of internal audit to be carried out at least once every five

years. An external quality assessment of the SPT Internal Audit function was conducted by Azets in April 2025. It determined that the function largely complies with the requirements set out in the Public Sector Internal Audit Standards (PSIAS). This was an improvement on the prior year position where we noted that the SPT internal audit function were not meeting the requirements as they had not obtained an external assessment since 2017.

### **Standards of conduct and arrangements for the prevention and detection of fraud and error were appropriate**

**114.** Audited bodies are responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption and to ensure that their affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.

**115.** SPT has a range of established procedures in place designed to maintain standards of conduct, prevent and detect bribery and corruption and prevent and detect fraud and error.

**116.** The Counter Fraud Strategy is available to all staff via the SPT website within the SPT Governance Manual. There are codes of conduct for members and staff which are available on the SPT intranet.

### **Cyber security arrangements**

**117.** As reliance on technology grows within audited bodies, failure of network and information systems has a bigger impact on the delivery of public services. In addition, there are more opportunities to compromise those systems. All public bodies need to recognise these cyber threats and embrace the importance of protecting data and securing information.

**118.** SPT have confirmed that their internal Digital team follow the Cyber Resilience Framework in assessing the risks applicable to their IT systems. Reports from SPT's own reviews on Cyber Security are presented to the Cyber Security Group and Strategy Group. Cyber security and system continuity are detailed in the corporate risk register. A Vulnerability Register is also maintained and reviewed at least monthly.

**119.** SPT has membership to the 'cyber security information sharing partnership' and cyber incident response protocols, aligned with central mechanisms. Staff are provided with training and awareness raising processes as well as workplace learning against cyber threats.

### **Use of Resources to Improve Outcomes**

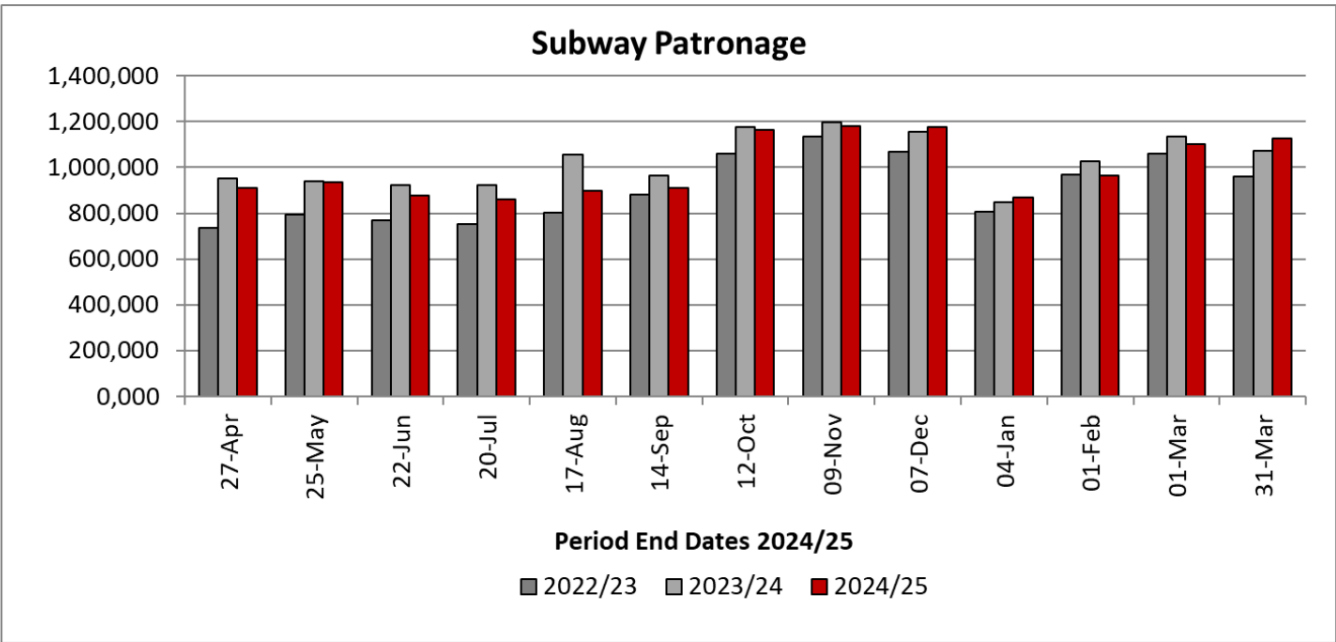
**120.** The audit work performed on the arrangements SPT has in place around its Use of Resources to Improve Outcomes found that these were effective and appropriate.

SPT has an effective performance management framework in place

**121.** The Operations Committee is routinely presented with monitoring reports on the operational performance of public transport services and facilities.

**122.** The largest areas of SPT’s expenditure relate to subway and bus operations. Exhibit 7 illustrates the subway patronage by period over the last three years.

**Exhibit 7**  
**Subway patronage over the last three years**



**Source:** SPT Operations Committee, April 2025, Agenda Item 4 – Monitoring report on public transport services and facilities in the SPT area.

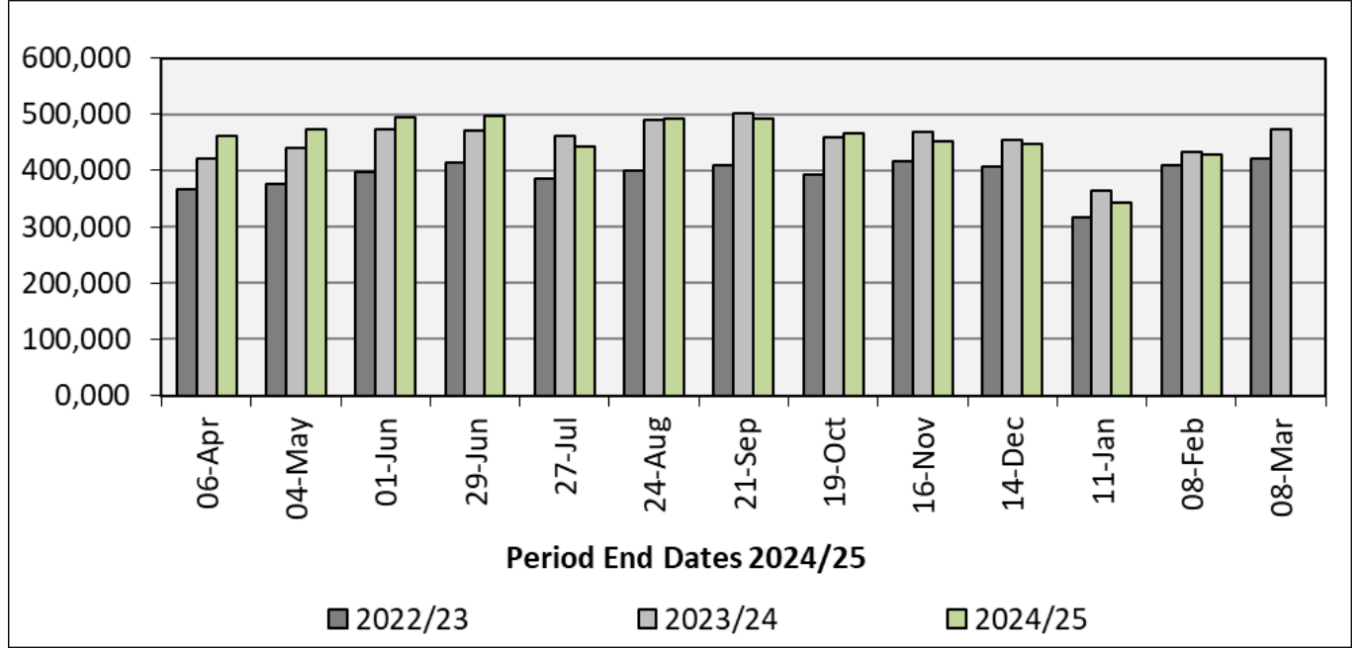
**123.** There were more than 3.1 million Subway journeys in the three periods to 31 March 2025. This was down 1.3% on the equivalent period in 2024. Total subway patronage was 12.97 million for 2024/25 which is 3% less than 2023/24.

**124.** These reductions can be attributed to a number of factors such as:

- Cycling world championships in previous years.
- Leap year in 2024 therefore an additional day for travel.
- Storm Eowyn during 2024/25.

**125.** [Exhibit 2](#) shows a slight reduction of 2.7% on the three periods to 8 February 2025 when compared with the same time in the previous year. In total there were over 1.2 million supported bus journeys in this period for 2024/25.

**Exhibit 8**  
**Bus patronage over the last three years**

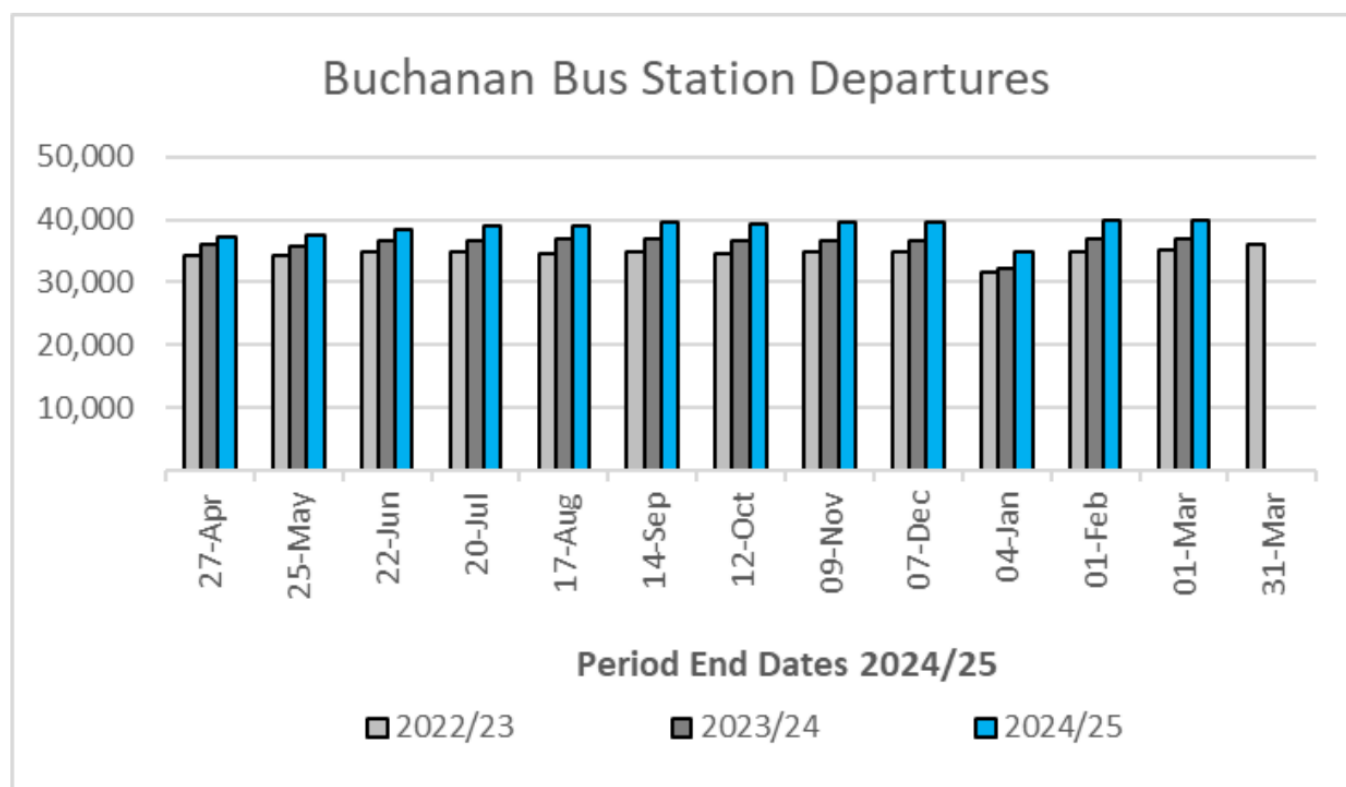


**Source:** SPT Operations Committee, April 2025, Agenda Item 4 – Monitoring report on public transport services and facilities in the SPT area.

**126.** [Exhibit 2](#) shows Buchanan Bus Station departures for the current year and the previous two years. The monitoring report from April 2025 notes that there were more than 114,000 bus departures from Buchanan Bus Station in the three periods to 1 March 2025. This is a 7.9% increase year-on-year.

## Exhibit 9

### Buchanan bus station departures over the last three years



**Source:** SPT Operations Committee, April 2025, Agenda Item 4 – Monitoring report on public transport services and facilities in the SPT area.

**127.** In addition to the operational performance depicted in the above three exhibits, SPT’s monitoring reports also routinely provide details on school transport, MyBus, compliance inspections, complaints and rail services within the area.

**128.** We concluded that SPT has an established and effective performance management framework that managers and members can clearly understand. This provides a sound base for improvements.

### The Annual Report was published in June 2025

**129.** SPT’s Annual Report 2024/25 was published in June 2025 and is one of the key documents used to inform stakeholders of activities during the year, and how resources have been allocated to deliver outcomes.

**130.** The Annual Report provides links to the Regional Transport Strategy 2023-28, development of the Strathclyde Regional Bus Strategy and preparing for the Clyde Metro along with highlights from the year including the Subway Modernisation Project, improvements to bus infrastructure, and school and community transport. The report also details progress on supporting active travel and provides a carbon management update.

---

# Best Value audit

---

## Conclusion

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

## Audit approach to Best Value

**131.** The Code of Audit Practice sets out the responsibilities of auditors in assessing whether local authority bodies, including those within Section 106 of the Local Government (Scotland) Act 1973 such as SPT, meet their statutory duty to secure Best Value. As part of the annual audit, auditors are required to take a proportionate approach to the size and type of Section 106 body, and evaluate whether arrangements to secure continuous improvement, good governance and effective resource use are in place.

## Best Value arrangements

### Best Value assurance framework

**132.** In March 2024, the Director of Finance and Corporate Support reported to the Partnership Board on the outcome of a formal review of the Best Value assurance framework and an assessment of SPT's Best Value arrangements.

**133.** The seven themes within the Scottish Government's Best Value guidance were used as the basis for the review. No improvement actions were identified from the review. There have been no significant changes in the BV arrangements since March 2024.

### The Regional Active Travel Strategy & Delivery Plan was subject to a public consultation in summer 2024

**134.** In July 2023, 'A Call to Action: The Regional Transport Strategy (RTS) for the West of Scotland 2023-2038' was approved by Scottish Ministers. Following this, work commenced to develop an RTS Delivery Plan.

**135.** The new RTS identified promoting active travel and modal shift from private car use to more sustainable methods of travel as key ways of achieving the vision of the RTS and addressing issues facing the region's transport system. In support of this, the Active Travel Strategy (ATS) has

been developed, seeking to alleviate key issues such as car dependency, reduce transport-related carbon emissions and to improve health and wellbeing by setting out an ambitious approach to active travel across the region.

**136.** The ATS has been developed in close collaboration with SPT's local authority partners and has taken account of public and stakeholder views through workshops and engagement meetings. Strategy development has been undertaken in accordance with Scottish Transport Appraisal Guidance (STAG) and with Transport Scotland's ATS Guidance.

**137.** The aim of the ATS and Delivery Plan is to help guide and co-ordinate strategic, cross-boundary active travel infrastructure projects and investments in the region, providing active travel delivery partners and funders with an improved understanding of the regions level of ambition and investment requirements, priorities and timescales for achieving a step change in active travel provision and quality.

**138.** A Monitoring and Evaluation Plan was incorporated within the draft ATS. A six-week public consultation was undertaken during July and August 2024. Following analysis of the responses and subsequent amendments to the strategy, the Partnership Board formally approved the final Regional Active Travel Strategy for the West of Scotland 2024–2038 in December 2024.

## The Strathclyde Regional Strategies

**139.** The RTS recognises the need to invest in transformative public transport that prioritises the movement of people over vehicles, ensuring a sufficiently attractive 'offer' to move more people by more sustainable transport modes rather than by car, and help achieve climate change targets and improve quality of life. The RTS concluded that the strategy vision will not be achieved without improving the quality and integration of the bus network and set out a policy aiming for a world class passenger focused transport system.

**140.** Given this conclusion, a scoping study was carried out in partnership with Glasgow City Council to review the bus improvement provisions of the Transport (Scotland) Act 2019; The conclusions of the study were reported to Committee in February 2022. Following this, the need for the development of a Strathclyde Regional Bus Strategy (SRBS) was identified.

**141.** In June 2023 the Strategy and Programmes Committee awarded a contract to specialist consultants to support the development of the SRBS. A 'Case for Change' was subsequently prepared to identify issues facing bus travel in the region and drawing upon work already carried out in the RTS development.

**142.** The analysis set out in the 'Case for Change' highlights that whilst travel by bus needs to increase to meet a wide range of policy objectives

set out in the RTS, bus services and patronage have been in decline for many years. The 'Case for Change' highlights that the key aim for the SRBS has been set as:

- To provide a world class bus network which reverses the long-term decline in travel by bus, by developing a more efficient bus system which is fully integrated with other public transport, affordable to all and plays a key role in the social, environmental and economic development of the region.

**143.** This key aim of the SRBS gives rise to three strategy objectives:

- Improving service quality.
- Improving affordability of the network.
- Improving the attractiveness of the network.

**144.** The 'Case for Change' also sets out that three core policy areas will flow from these objectives, focused on level of service, affordability and service quality.

**145.** In later 2023, an options appraisal process was developed to assess the current model the bus services in the region use, and alternative delivery models, to identify the most effective way of delivering the vision and objectives of the RTS.

**146.** At its March 2024 meeting, the Partnership Board approved the beginning of the public consultation on the recommended options. The consultation was launched in April 2024 for a two-week period. An update report was presented to the Partnership Board in June 2024, and it provided a summary of responses to the consultation.

**147.** SPT plan to complete the development of the SRBS in 2025. The bus reform options that SPT will progress in the medium and longer term will be set out. SPT will deliver a Masterplan for Buchanan Bus Station to ensure it continues to meet the needs of passengers and has a zero-emissions bus fleet.

**148.** We will continue to monitor development of the SRBS during 2025/26.

## Conclusions on duty of Best Value

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

- SPT having well established and effective governance arrangements in place, with the Best Value being a key aspect of the governance arrangements.



- the arrangements in place around the four wider scope audit areas, which are effective and appropriate, contribute to it being able to secure Best Value.

# Appendix 1

## Action plan 2024/25

### Follow-up of prior year recommendations

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
<p><b>1. Register of Interests</b></p> <p>Register of interests for some members of the Board are not held. All other registers have not been updated since 2022 with no reminders issued.</p> <p><b>Risk:</b> Members interests are not identified, and the Board does not comply with the requirements of IAS 24 Related Party Disclosures.</p>	<p><b>Recommendation:</b> Registers of interest for all members should be completed. Management should issue an annual reminder at a minimum for members to review their individual registers.</p> <p><b>Management response:</b> This was an oversight. Reminders have since been issued and will be issued annually going forward.</p> <p><b>Responsible officer:</b> Senior Solicitor.</p> <p><b>Agreed date:</b> Complete</p>	<p><b>Completed</b></p> <p>Registers of interest pertaining to the twenty elected and nine appointed members of the Partnership are published on the SPT website. All entries have been refreshed within the last twelve months.</p>
<p><b>2. Internal Audit External Assessment</b></p> <p>Public Sector Internal Audit Standards (PSIAS) requires that external assessments of internal audit must be carried out at least once every five years. The last external assessment of SPT IA was carried out in March 2017.</p> <p><b>Risk:</b> SPT's internal audit function are not compliant with Public Sector Internal Audit Standards.</p>	<p><b>Recommendation:</b> To comply with PSIAS, SPT should obtain an external assessment of their Internal Audit function once every five years.</p> <p><b>Management response:</b> SPT await the new PSIAS guidance and plan to conduct an external assessment exercise in 2025, the last assessment was in 2017.</p> <p><b>Responsible officer:</b> Audit &amp; Assurance Manager.</p> <p><b>Agreed date:</b> 31.12.2025</p>	<p><b>Completed</b></p> <p>An external quality assessment of the SPT Internal Audit function was conducted by Azets in April 2025. It determined that the function largely complies with the requirements set out in the Public Sector Internal Audit Standards (PSIAS).</p>

# Appendix 2

## Supporting national and performance audit reports

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

# Strathclyde Partnership for Transport

2024/25 Annual Audit Report



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN  
Phone: 0131 625 1500 **Email: [info@audit.scot](mailto:info@audit.scot)**  
**[www.audit.scot](http://www.audit.scot)**