

10 March 2026

Richard Leonard MSP  
Convener  
Public Audit Committee  
Scottish Parliament  
Edinburgh  
EH99 1SP

Dear Convener

### **The 2023/24 Audit of UHI North, West and Hebrides**

On 6 November 2025 I wrote to you regarding the Section 22 report on the 2022/23 audit of Lews Castle College (now part of the merged UHI North, West and Hebrides), noting the progress described by the Principal and Chief Executive of UHI North, West and Hebrides in her letter to the Public Audit Committee dated 17 October 2025.

I advised I was unable to comment further on the content of the Principal and Chief Executive's letter until I had sight of the UHI North, West and Hebrides annual accounts and annual audit report (AAR) for 2023/24. The 2023/24 annual accounts were signed on 3 March 2026, and I have now received the accounts and the AAR from the appointed auditor.

The auditor has issued an unmodified opinion on the accounts. The AAR confirms that the appointed auditor and college management have reached agreement on the accounting treatment of Cnoc Soillier Ltd and partnership with Ceolas Uibhist Limited.

The college brought forward further evidence to the auditor to support its valuation approach with reference to accounting standards within the Higher Education and Further Education Statement of Recommended Practice (HE/ FE SORP). Following review of the evidence, the auditor resolved the issue about the accounting treatment of Cnoc Soillier Ltd with the college.

The college's valuation impairs its interest in the partnership to £1. The auditor has concluded that, after making the prescribed accounting policy adjustments to record the college's interest in the joint venture, the valuation is not materially misstated.

Our review of the 2023/24 accounts and AAR found no further significant risks requiring further reporting and so I do not intend to bring forward a further statutory report on UHI North, West and Hebrides. I will continue to monitor the auditor's findings from future audits, noting that the 2024/25 audit remains outstanding and is due to conclude in the spring.

Yours sincerely

**Stephen Boyle**  
**Auditor General for Scotland**