



The Scottish Parliament
Pàrlamaid na h-Alba

Public Audit Committee

Professor Lydia Rohmer
Principal and Chief Executive
UHI North, West and Hebrides

By email

19 September 2025

Dear Professor Rohmer

The 2022/23 Audit of Lews Castle College

Following its [meeting on 3 September](#), the Committee considered the evidence from the Auditor General for Scotland (AGS) and Deloitte regarding the 2022/23 audit of Lews Castle College, alongside UHI North, West and Hebrides' written submission of 2 September 2025.

We are concerned that the central issue, the valuation of the College's interest in Cnoc Soilleir Ltd (CSL), remains unresolved.

We noted that possible routes to resolution were identified by the external auditor including:

- obtaining an independent professional valuation of the asset; or
- providing a reasonable estimate or valuation that is based on other properties in the area.

We heard that the auditors will accept an estimate provided it is supported by sufficient evidence and analysis to allow them to reach a conclusion and that this does not always require a formal valuation by a professional valuer.

In evidence, the AGS told us that:

“Deloitte's view was clear that it was not presented with sufficient technical evidence to justify the college's position. We clearly have a disagreement in accounting opinion, but the college's absence of a detailed technical analysis to support its opinion is the real story of today's report. There was insufficient evidence to justify an alternative approach being taken. It is not unusual for disagreements to arise between auditors and accountants; what is more unusual is what you have before

Contact: Public Audit Committee, The Scottish Parliament, Edinburgh, EH99 1SP.
Email publicaudit.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

you today, which is a case of an organisation being very clear in its view but not providing sufficient evidence to justify it”.

While the Committee welcomes the College’s ongoing liaison with Deloitte in an attempt to resolve the issue, we remain concerned that the College has not yet provided sufficient evidence to justify its position or adopted one of the approaches referred to above.

We should be grateful if UHI North, West and Hebrides could set out:

- What specific action it intends to take to resolve the valuation issue;
- Which approach it intends to pursue (or, if an alternative, how this will comply with FRS 102 and relevant guidance); and
- The timescale within which this matter will be resolved so that future accounts can be presented without qualification.

We should be grateful for a response to this letter by **Friday 17 October**.

Yours sincerely,

A handwritten signature in black ink that reads "Richard Leonard". The script is cursive and fluid.

Richard Leonard MSP

Convener