AUDIT COMMITTEE MEETING

Wednesday 4th February 2026

MINUTE

Present:	**A Clark (Chair); R Elliott; W Raeburn; J McFadyen; L Fordyce**
In Attendance:	**C Ironside, K Miller (staff)**
	C Boyd (TIAA) for part of the meeting (virtual), S Beattie (Chiene and Tait LLP, CT) for part of the meeting
Minutes:	**F Hurrell (staff)**

The meeting started at 5.00 pm and was held in person & virtually.

Items 7, 10b and 8 were discussed at the start of the meeting so that C Boyd from TIAA and S Beattie from CT could leave the meeting after presenting their respective items. The minutes are documented in order of the agenda.

ACTION

1. Apologies for Absence

None

2. Declarations of Interest

R Elliott – Former RBS employee and RBS Shareholder
L Fordyce – Employee of Warmworks
J McFadyen – Employee of NatWest and Shareholder

3. Minutes of last meetings: 3rd December 2025

The minutes were approved as a true and accurate record of the meeting

Proposed: W Raeburn; Seconded: R Elliott

4. Matters Arising

W Raeburn was ratified as Vice Convenor.

5. Audit Committee Record of Actions

The Committee noted the Record of Actions.

For Approval

6. Draft 30-year Financial Plan and Budget 2026/27

K Miller presented the 30-year financial plan, highlighting the main items included in her report. A robust discussion followed where members discussed the professional fees budget, the ICT budget and the pension deficit specifically. **KM**

The Chair raised his concern that the recent advert for the PSD had included an incorrect salary. K Miller confirmed that the salary was correct and that we comply with the EVH salary scales for an organisation of our size. K Miller went on to explain that the figures included in note 8 of the statutory accounts might appear incorrect, but the presentation was in accordance with guidelines around Salary Sacrifice (and had been confirmed by the auditor). Members agreed to delegate this matter to the Chair for resolution with K Miller. **KM**

Post meeting note: The Audit Chair advised the Committee that our newly appointed auditors, CT, had informed us that our Note in last year's Statutory Accounts regarding Key Management Personnel was inaccurate and would require to be restated in the Statutory Accounts for the year ended 31st March 2026.

The Chair suspended Standing orders at 7pm

W Raeburn queried if we have enough staffing resources. K Miller and C Ironside confirmed that they are satisfied with staff numbers and would come back to the Board with any requests for additional support.

Members noted A Clark's concern that he felt the inflation and interest assumptions were light.

The Committee approved the 30-year Financial Plan and Budget for 2026/27.

Proposed: W Raeburn; Seconded: R Elliott

7. TIAA Internal Audit Programme 2026/27

C Boyd from TIAA presented the draft audit plan for 2026/27.

Following discussion, the Committee unanimously concluded that we would amend the plan to the following topics:

1. Risk Management
2. Tenancy Sustainment and Debt Management

3. Staff Recruitment and Retention
4. Tenant Safety (review of all areas to ensure J Dewar recommendations have been implemented or if it is too early for this, then Reactive repairs.)

C Boyd will reissue the Audit Plan with these changes.

8. External Audit Plan

S Beattie spoke to his report bringing Member's attention to the key risks and the timetable. He gave us reassurance that CT have experience of working with 35 other housing associations of varying sizes covering a range of issues.

S Beattie highlighted that changes in the Housing SORP and SHR Accounts Determination have been agreed in line with FRS102.

It was agreed that a list detailed list of the Associations properties (prepared by our solicitors) be sent through to CT. S Beattie confirmed that CT would receive a copy of the previous auditors file for the accounts to 31 March 2025 to assist their first audit of the group.

The Committee unanimously agreed the Audit Plan.

S. Beattie left the meeting at 18.30

9. Risk Assessment Review

C Ironside presented her report noting that a detailed review will be carried out with J McFadyen and whilst there are no major changes at this time, changes will follow to the May Audit Committee meeting. **CI**

The Chair asked how the Audit Committee was assured that staff are paid appropriately (Risk 1.07) and was assured that salaries and settlement agreements are implemented in line with EVH guidelines.

L McFadyen assured members that Risk 1.07 would be reworded as part of the review.

It was noted that the service failure of a principal contractor should be removed from the list of major risks as the revised result was below the major risks threshold. **CI**

Proposed: W Raeburn; Seconded: R Elliott

For Noting

10 a. Internal Audit – Internal Audit Tracker

The Committee agreed to carry this item forward to the next meeting. **CI**

10 b. Voids and Letting Audit

C Boyd presented the findings from the Voids and Letting Audit, noting that the Audit had been awarded “reasonable” assurance and explained this was a positive outcome and is in line with the sector. He went on to explain the recommendations.

The Committee noted the report and recommendations.

C Ironside to follow up with the Housing Management Team. **CI**

(C Boyd left the meeting after presenting this item)

10 c. Scotland Excel’s Review of MEHA Procurement Processes

Members noted the review.

11. Signed CT Engagement Letter

Members noted that this had been signed.

12. AOCB

The Audit Chair has raised his concern that the resignation of one of the Board members shortly after the AGM has resulted in an inadvertent breach of our Financial Rules. The rules state that membership of the Audit Committee shall not equal half of the total Board Members.

It was noted that the CEO has brought forward a limited Board recruitment to rectify this position.

13. Time with the Internal and External Auditors without staff present

The opportunity will be taken at a later meeting.

14. Date and Time of Next Meeting: 6 May 2026 at 5.00 pm

W Raeburn tendered his apologies and asked that consideration be given to changing the date of the meeting. CI/KM

The meeting closed at 7.36 pm