AUDIT COMMITTEE MEETING

Wednesday 17th June 2026

MINUTE

Present:	**W Raeburn (Chair) (virtually); R Elliott; L Fordyce; J McFadyen**
In Attendance:	**C Ironside, K Miller (staff)**
	C Beattie (CT, Auditors)
Minutes:	**F Hurrell (staff)**

The meeting started at 4.55 pm and was held in person & virtually.

ACTION

1. Apologies for Absence

A Clark

2. Declarations of Interest

R Elliott – Former RBS employee, NatWest Shareholder and member of SHAPS Employer Committee
L Fordyce – Employee of Warmworks
J McFadyen – Employee of NatWest and Shareholder

3. Minutes of last meetings: 6th May 2026

Members approved the minutes of the 6th of May 2026 as a true and accurate record of the meeting.

Proposed: R Elliott; Seconded: L Fordyce

4. Matters Arising

None.

5. Audit Committee Record of Actions

The Committee noted the Record of Actions all of which have been completed.

For Approval

6. Audited Accounts to 31st March 2026

K Miller presented the Accounts to the Committee for approval.

It was noted that the new Board Members were listed as appointed on 27 May 2026, but this should be amended to "co-opted" as at that date. **KM**

K Miller highlighted the following key points in the Accounts:

- A separate statement of Boards responsibilities is now included in respect of Internal Financial Control.
- The surplus before tax is £1.35m
- There is an actuarial gain of £93,000 in the pension fund
- Emoluments and interests of key management personnel have been revised as per advice received from CT and this has resulted in a restatement of the figures for 2025.
- A Revolving Credit Facility (RCF) loan repayment has already been made since the year end and another one is scheduled at the end of June 2026.

W Raeburn queried whether the RCF loan repayment should be included in the short-term liabilities given it is "repayable on demand" and not as a long term liability as currently presented. Following discussion Members agreed that S Beattie will review the guidelines on this and provide advice to K Miller as to the treatment of the RCF balance in the accounts. It was noted that depending on the advice received the accounts and loan portfolio return may need to be changed prior to being presented to the Board next week for approval. KM agreed to clarify the position for the members prior to the meeting of the main Board. **CT & KM**

It was agreed that approval of the Accounts will be deferred to the Board next week following clarification on how to present the RCF in the SOFP.

7. Audit Summary Report and Technical Developments Briefing Document

S Beattie from CT presented a summary of the Audit findings and confirmed that the audit had gone well and they have provided a clean audit report and are satisfied we are a going concern.

S Beattie explained that we could consider treating gift aid received from the MEAL subsidiary on an accruals basis if we wanted to, but the current method is also acceptable.

S Beattie confirmed that there was sufficient work performed during the audit to assure him that MEHA were implementing Salary Sacrifice as they should. This matter had been raised previously by the Audit Chair.

S Beattie flagged that changes to the Financial Reporting Standard FRS102 (and the resultant changes to the Housing SORP) will affect the accounts next year. This will also mean that leased assets to MEAL (MEHA subsidiary) will require to be restated in line with the guidance.

Members thanked the auditors for their work and asked K Miller to pass their thanks on to the Corporate Services Team involved in the audit this year. **KM**

K Miller to send the link to the new SORP webinar by the NHF to Members. **KM**

8. Letter of Representation 2026

The Letter of Representation to CT follows the standard wording and is sent by the Board to assure the auditors that they know of nothing which would impact the accounts since the audit. The letter will be signed by the MEHA Board next week.

9. Activity Analysis

K Miller presented the report and proposed that the MEAL management charge is reduced from £60,000 to £55,000 as this would ensure that we keep well under the VAT threshold from next year.

Members approved the reduction and the Activity Analysis.

Proposed: R Elliott; Seconded: L Fordyce

For Noting

10. Loan Portfolio

K Miller presented the annual return which will be submitted to the Regulator following approval from the Board.

The Committee noted the report.

11. Internal Audit Tracker

C Ironside presented the internal tracker and explained that some of the deadlines relating to the Property Services Director have been amended to accommodate their short time in the post. Members agreed it would be useful to add commentary into the tracker to mark progress. C Ironside to implement. **CI**

The Committee noted the Tracker.

12. AOCB

C Ironside confirmed that the revised Risk Register will be presented at a future Board meeting for approval.

Members thanked J McFadyen for her help in updating the Risk Register.

Members congratulated R Elliott on his appointment to the SHAPs Member Committee where he will represent MEHA.

14. Date and Time of Next Meeting: 7th October 2026 at 5.00 pm

The meeting closed at 6.07 pm