



Report of the audit committee

In fiscal 2018, the audit committee fulfilled its responsibilities pursuant to the *Credit Unions and Caisses Populaires Act, 1994* and any regulations thereunder. The committee met five (5) times to review the caisse's operations and the various elements involved in managing the caisse. In compliance with its administrative rules, the committee fulfilled its responsibilities in terms of the supervision of ethical and cooperative aspects.

The audit committee:

- Analyzed the independent auditors' mandate and audit plan and recommended them and any resulting fees to the board for approval
- Reviewed the independent auditor's recommendations and reports regarding the caisse's commercial activities, financial statements, and caisse management's response to this issue, and presented recommendations to the board for approval
- Reviewed and recommended the audited annual financial statements to the board
- Reviewed the planning and efficiency of the caisse's internal audit practices and made recommendations to the board to address any loopholes
- Recommended to the board measures to take to protect caisse assets, ensure the accuracy and reliability of accounting data, ensure compliance with applicable policies and loan and investment processes and to address any questions regarding the caisse's financial policies
- Reviewed the caisse's policies and processes governing how it complies with the requirements set forth in the Act and any other applicable law.

Supervision of ethical aspects

Every year, caisse directors and employees renew their commitment to comply with the Desjardins Code of Professional Conduct. The Code sets out the behaviours that are expected as well as those that are not acceptable.

The audit committee ensured that the caisse, directors and employees took the values of Desjardins into account to guide their conduct.

Here is a supervision report for the past year concerning three rules of professional conduct:

1. Conflict of interest situations

The audit committee declares that no conflict of interest situations were noted.

2. Deposits from and loans to restricted parties¹

The audit committee noted no exceptions:

- To the rule of professional conduct regarding deposits accepted by the caisse from restricted parties
- To the rules of professional conduct regarding credit granted to restricted parties and the handling of irregular situations concerning such credit.

3. Contracts for the supply of goods and services awarded by the caisse to restricted parties subject to the Code²

The caisse may sign a contract with restricted parties subject to the Code in accordance with the conditions stipulated to that effect. As such, the caisse granted one (1) contract, that totalled \$25,153.76. The contract was signed in accordance with the professional rules of conduct.

¹ Restricted parties: Caisse directors, officers and general manager, directors of the Fédération des caisses populaires de l'Ontario and their associated persons.

² Restricted parties subject to the Code: Restricted parties, caisse employees and their associated persons.

Supervision of cooperative aspects

With regard to the supervision of cooperative aspects, the audit committee must ensure that Desjardins values are an integral part of the caisse's business and management practices. It must also make sure that the caisse contributes to the development of its community and the economic and financial education of its members. Lastly, it ensures that members are informed about topics of importance to them.

The audit committee is satisfied with the work carried out in the past year.

I would like to thank the members of the committee for their contribution, and the general manager for helping us deliver on our mandate.

Geneviève Robineau

Chair of the audit committee

Members of the audit committee

Geneviève Robineau, Chair
Sabrina Leblanc, Vice-Chair
Jocelyn Duquette, Director
Martine Nolin-Simard, Director
Geneviève Evelyn Patry, Director
Denis Pommainville, Director