

The Audit Committee (“Committee”) operates under the Guidelines of section 125 of the Credit Unions and Caisses Populaires Act 1994 and as per DUCA Financial Services Credit Union Ltd., (“DUCA”) Governance Policies and Bylaws. The Committee meets on a regular basis to discuss and review the reports of the Internal Auditor, the External Auditor, Management, DICO, FSCO, and FINTRAC. The Committee oversees and investigates as required the outcome of examination and audit reports.

The Internal Auditor reports on a regular basis to the Committee and provides to the Committee detailed audit reports, control issues and future audit plans. In addition the Internal Auditor has provided to the Committee his upcoming draft audit plans for next fiscal year. At all times, the Committee has obtained the full co-operation of the staff, senior management and the Internal Auditor and has taken an open book approach during this fiscal year.

KPMG the External Auditors of DUCA for fiscal year 2013 have been in contact with the Committee during this fiscal year and have advised the Committee that there is no relationship between DUCA and KPMG that may reasonably be thought to bear on their independence and have provided to DUCA a signed section 172 report, a written confirmation.

This report is respectfully submitted by the Committee.

A. Pollard, Chairman
H. Buikema,
D. Cowan,
R. Kikkert, (ex. officio)
J. Visser.