

Audit Committee Report

Committee:	Audit
Chair:	James Bennett, Board
Committee Members:	Greg Osborne, Board Michael Pontus, Board Ron Philip, Board Eric Macdonald, Staff Katja Waldman, Staff

The Audit Committee met with the Auditing Firm of Meyers Norris Penny LLP on three occasions during 2007/08 to address the 2008 audit process and audit for St. Joseph's General Hospital.

On November 28, 2007, the committee met to review the results of an internal audit by staff of specific processes and procedures in place. This audit covered:

1. Cheque Register Review
2. Cheque Back-up Review
3. Vendor Master File Review
4. Lab Inventory

The committee also discussed the process of preparing a consolidated financial statement for St. Joseph's General Hospital and St. Joseph's Hospital Foundation.

The committee met again on March 6, 2008 to review and approve the "Engagement Letter" covering the 2008 Audit. The "Audit Services Plan" for the 2008 audit as prepared by the auditors was reviewed. The committee also examined with the auditor, administration and staff, last years audit findings and recommendations. The auditor noted that from their perspective, St. Joseph's has made obvious progress in putting specific controls in place and that these controls look very strong.

The committee met again on May 21, 2008, to:

1. Review the 2008 Audit Report from Meyers Norris Penny LLP.
2. Review the 2008 Financial Statements and accompanying reports.
3. Review the 2008 Management Letter and recommendations contained therein.

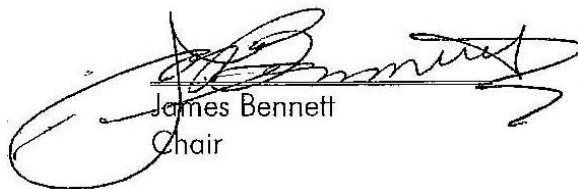
The committee also met with the auditors independent of administration and staff.

The auditors are satisfied that the 2008 financial statements and accompanying financial reports fairly represent the financial standing of St. Joseph's General Hospital as at March 31, 2008 and for the fiscal year ended on that date.

The auditors were generally satisfied with the processes and controls in place at St. Joseph's given the limited human resources available for financial management. They were complementary of the staff and management for the support they provided during the audit.

The Audit committee is satisfied that the 2008 audit was professionally and competently completed by Meyers Norris Penny LLP.

Respectfully submitted,



James Bennett
Chair