

February 25, 2021

**INDEPENDENT AUDITOR'S REPORT
ON FORM 922, CANDIDATE'S FINANCIAL STATEMENTS AND SUPPORTING
SCHEDULES**



To Jeff Doneza, official agent for Jon Reyes,

Qualified Opinion

We have audited Form 922, Candidate's Financial Statements and Supporting Schedules, prepared in accordance with the accounting requirements of *The Election Financing Act* of Manitoba and Accounting Guide – Accounting For Purposes of The Election Financing Act issued by the Chief Electoral Officer, for the candidacy of Jon Reyes for the candidacy period from February 13, 2019 to November 12, 2019 relating to the election held on September 10, 2019 in the Electoral Division of Waverley.

In our opinion, except for the possible effects of the matters described in the *Basis of Qualified Opinion* section of our report, the Form 922, Candidate's Financial Statements and Supporting Schedules for Jon Reyes are presented fairly, in all material respects, in accordance with the accounting requirements of *The Election Financing Act* of Manitoba and Accounting Guide – Accounting For Purposes of The Election Financing Act issued by the Chief Electoral Officer.

Basis for Qualified Opinion

Due to the nature of the types of transactions inherent in any election campaign, the completeness of contribution income and donations in kind income and expenses is not susceptible of satisfactory audit verification. Accordingly, our verification of contribution income and donations in kind income and expenses was limited to the amounts recorded in the candidate's election campaign records and we were not able to determine whether any adjustments might be necessary to assets, liabilities, income, expenses, and the campaign period surplus/deficit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Form 922, Candidate's Financial Statements and Supporting Schedules* section of our report. We are independent of the Candidate in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Form 922, Candidate's Financial Statements and Supporting Schedules

The Official Agent and the Candidate are responsible for the preparation and fair presentation of the Form 922, Candidate's Financial Statements and Supporting Schedules in accordance with *The Election Financing Act* of Manitoba and the Accounting Guide – Accounting for Purposes of the Election Financing Act, and for such internal control they determine is necessary to enable the preparation of the Form 922, Candidate's Financial Statements and Supporting Schedules that is free from material misstatement, whether due to fraud or error.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the Form 922, Candidate's Financial Statements and Supporting Schedules, which describes the basis of accounting. The Candidates financial statements are prepared to assist the candidacy of Jon Reyes to meet the requirements of *The Election Financing Act* of Manitoba. As a result, the Form 922, Candidate's Financial Statements and Supporting Schedules may not be suitable for another purpose.

Emphasis of Matter – Amended Financial Statements

We draw attention to Note 2 to the financial statements, which describes that the financial statements that we originally reported on March 25, 2020 have been amended and describes the matter that gave rise to the amendment of the financial statements. Our Opinion is not modified in respect of this matter.

Emphasis of Matter – Timing

The Candidate's Financial Statements and Supporting Schedules – Form 922 was delayed in filing due to turnover of executive members of the Constituency Association, additional time was required to obtain documentation of transfers from the Constituency Association as noted on Schedule 4.

Auditor's Responsibilities for the Audit of the Form 922, Candidate's Financial Statements and Supporting Schedules

Our objectives are to obtain reasonable assurance about whether the Form 922, Candidate's Financial Statements and Supporting Schedules as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Form 922, Candidate's Financial Statements and Supporting Schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the Official Agent and Candidate.
- Evaluate the overall presentation, structure and content of the Form 922, Candidate's Financial Statements and Supporting Schedules, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
Winnipeg, Canada

For this communication, together with the work done to prepare this communication and for the opinions we have formed, if any, we accept and assume responsibility only to the addressee of this communication, as specified in our letter of engagement.

**Notes to Form 922 - Candidate's Financial Statements and Supporting Schedules
for the Candidacy Period from February 13, 2019 to November 12, 2019 relating to the election
held on September 10, 2019 in the Electoral Division of Waverley**

Note 1:

The Candidate's Financial Statements and Supporting Schedules – Form 922, are prepared to comply with the financial reporting provisions of the *Election Financing Act* as issued by the Province of Manitoba and the Accounting Guide – Accounting For Purposes of The Election Financing Act issued by the Chief Electoral Officer.

The statements are filed with Elections Manitoba in accordance with the *Election Financing Act* of the Province of Manitoba. The statements is intended solely for the use of the official agent and the candidate. Accordingly, the statements may not be suitable for another purpose.

Note 2:

Our previous auditor's report dated March 25, 2020 is withdrawn. The previous Form 922 was amended to decrease advertising – election by \$1,023 and increase advertising – non-election by \$1,023, increase posters, pamphlets, promotional – non-election by \$841, decrease furniture and equipment rental – non-monetary by \$189 and increase furniture and equipment rental – non-election by \$189, increase honoraria/salaries – election by \$434 and decrease honoraria/salaries by \$434, increase office supplies and postage – election by \$20 and decrease office supplies and postage – non-election by \$652, increase polling – transfers by \$2,100, decrease transportation, accommodation and food– election by \$286 and increase transportation, accommodation and food – non-election by \$235, decrease volunteer appreciation – election by \$282 and increase volunteer appreciation – non-election by \$282, increase accounts payable by \$159 and to increase transfers of property or services from the endorsing registered party by \$2,100.

922

Candidate's Financial Statements and Supporting Schedules



RECEIVED

MAR 22 2021

ELECTIONS MANITOBA

To be filed within four months after election day.

For the candidacy period

DATE

February 13, 2019

To

DATE

November 12, 2019

Candidate

NAME

Reyes, Jon

ELECTORAL DIVISION

Waverley

REGISTERED PARTY / INDEPENDENT

The Progressive Conservative Party of Manitoba

Official Agent

NAME

Jeff Doneza

Auditor

NAME OF AUDITOR

K. G. Findlay, FCA

NAME OF PUBLIC ACCOUNTANT TO WHOM INQUIRY MAY BE DIRECTED (if different than above)

DECLARATION

I, the undersigned official agent, hereby file a completed Form 922 – Candidate's Financial Statements and Supporting Schedules – along with an Auditor's Report from a qualified auditor. I declare that to the best of my knowledge and belief the information contained herein is complete, true and correct and in compliance with The Election Financing Act.

Signature of official agent

Date (mm/dd/yyyy)

[Handwritten signature]

03/18/2021

Statement of Assets, Liabilities and Surplus (Deficit) as at the End of the Candidacy Period

Assets

100	Cash	\$19,208.58	
110	Accounts receivable	\$0.00	
115	Inventory	\$0.00	
Other Assets (provide details)			
130		\$0.00	
135		\$0.00	
190	Total Assets (total of lines 100 to 135)		<u>\$19,208.58</u>

Liabilities and Surplus

200	Accounts payable	\$10,215.14	From line 840
205	Overdraft/Line of Credit**	\$0.00	
220	Loans	\$0.00	
Other Liabilities (provide details)			
230		\$0.00	
240		\$0.00	
275	Candidacy Period Surplus / (Deficit)	\$8,993.44	From line 440
290	Total Liabilities and Surplus/(Deficit)		<u>\$19,208.58</u>

Lines 190 and 290 must be the same.

* Inventory as of the end of the candidacy period would include items purchased but not used (i.e. expensed). Inventory should also be taken as of 8pm on Election Day in order to exclude the value from the amount reported as election expenses.

** A written copy of each loan agreement must be filed separately if there was a loan, line of credit, or bank overdraft in existence at any time to the candidate during the candidacy period.

Statement of Income, Expenses and Transfers for the Candidacy Period

Income and Transfers

300	Contribution	\$26,317.00	From line 630, column C
310	Transfers from candidate's constituency association	\$20,300.00	From line 760
320	Transfers from endorsing registered party	\$10,100.00	From line 720
330	Fundraising	\$0.00	
Other Income (provide details)			
360	Sarah Guillemard Prorated portion of Campaign Rent	\$150.00	
390	Total Income and Transfers (total of lines 300 to 360)		<u>\$56,867.00</u>

Expenses and Transfers

400	Election expenses	\$18,483.01	From line 595
405	Non-election expenses	\$29,390.55	From line 595 column D
415	Transfer of money to endorsing political party	\$0.00	
420	Transfer of property and services to endorsing registered party	\$0.00	
430	Total Expenses and Transfers (total of lines 400 to 420)		<u>\$47,873.56</u>
440	Candidacy Period Surplus/(Deficit) (line 390 minus line 430)		To line 275 <u>\$8,993.44</u>

Schedule 1 - Candidacy Period Expenses (Including Non-Monetary)

		Election Expenses used in Election Period				
		A	B	C	D	E
		Cash / Credit	Non-Monetary	Property and Services Used or Received Through Transfers	Non-Election Expenses in Candidacy Period	Total Expenses (columns A plus B plus C plus D)
500	Advertising - Media	\$1,143.98	\$0.00	\$0.00	\$2,237.02	\$3,381.00
505	Posters, pamphlets, promotional	\$1,792.17	\$0.00	\$0.00	\$2,853.53	\$4,645.70
511	Disability				\$0.00	\$0.00
512	Child care				\$0.00	\$0.00
515	Fundraising	\$1,573.31	\$0.00	\$0.00	\$2,631.76	\$4,205.07
520	Furniture and equipment rental	\$0.00	\$372.86	\$0.00	\$1,070.14	\$1,443.00
525	Honoraria/salaries	\$2,460.33	\$0.00	\$0.00	\$5,039.67	\$7,500.00
530	Interest and bank charges	\$137.88	\$0.00	\$0.00	\$213.25	\$351.13
535	Audit fee (amount in excess of subsidy)				\$5,296.50	\$5,296.50
545	Office occupancy (rent, utilities)	\$987.50	\$0.00	\$0.00	\$1,537.38	\$2,524.88
550	Office supplies and postage	\$1,029.34	\$0.00	\$0.00	\$841.45	\$1,870.79
555	Polling (opinion surveys, market research)	\$1,170.00	\$0.00	\$2,100.00	\$4,140.00	\$7,410.00
560	Signs/structural support	\$2,453.92	\$0.00	\$0.00	\$0.00	\$2,453.92
565	Transportation, accommodation and food	\$2,565.99	\$0.00	\$0.00	\$1,431.61	\$3,997.60
570	Telephone	\$413.73	\$0.00	\$0.00	\$416.24	\$829.97
575	Personal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
580	Volunteer appreciation	\$282.00	\$0.00	\$0.00	\$282.00	\$564.00
585	bad debt	\$0.00	\$0.00	\$0.00	\$1,400.00	\$1,400.00
590	Total (total of lines 500 to 585)	\$16,010.15	\$372.86	\$2,100.00	\$29,390.55	\$47,873.56
595	Total election expenses (Total of line 590 column A, B, and C)	\$18,483.01	To line 400	To line 405		

Provide the amount of bank charges and loan interest incurred from the close of the polls to 4 months after Election Day. (Not required if candidate did not qualify for reimbursement)

597	Loan interest	\$0.00
598	Bank charges	\$48.80

Schedule 2 – Contributions to a Candidate

(INCLUDING NON-MONETARY CONTRIBUTIONS)

A. Contribution summary

		A	B	C (A plus B)
	Aggregate contributions	Monetary contributions	Non-monetary contributions	Total of all contributions
600	\$250 or more	20,850.00	1,443.00	22,293.00
610	Less than \$250	4,024.00	0.00	4,024.00
630	Total	\$ 24,874.00	\$ 1,443.00	\$ 26,317.00

↑
To line 300

B. Contributions of \$250 or more

Complete part B only if the aggregate value of the contributions (monetary and non-monetary) from any individual normally resident in Manitoba was \$250 or more.

Name of contributor	\$ Aggregate value of contribution
Grieve, Felly	400.00
Al-Nahar, Khaled	400.00
Agustin, Mervin	400.00
Singh, Harjinder	1,000.00
Mance, Evangeline	1,000.00
Coughlin, Janine	500.00
Cairo, Ramon	500.00
Bermisa, Trifona	500.00
Vaillancourt, Marie	500.00
Kainth, Daljit	500.00
Basta, Joseph	400.00
Shah, Hiren	400.00
Anand, Abhishek	400.00
Joaquin, Marcel	250.00
Bhagria, Agum	400.00
Khera, Rajat	400.00
Singh, Kamta	500.00
Westphal, Fred	1,588.00

Additional pages attached? Yes No

Schedule 2

B. Contributions of \$250 or more (continued)

<u>Name of contributor</u>	<u>\$ Aggregate Value of Contribution</u>
Williams, Robert	2,000.00
Borger, Anita	2,000.00
Long, John	400.00
Mallet, Lois	250.00
butterfield, Michael	250.00
San Juan, Christopher	500.00
Gill, Rubinderjit	300.00
Sarcida, Gary	500.00
Reyes, Cynthia	400.00
Venevongsa, Cho	400.00
Frohlinger, Tom	500.00
Viria, Amandeep	1,000.00
Singh, Rishi	250.00
Bindra, Megha	400.00
Grewal, Rajpal	500.00
Furgus, Nigel	1,000.00
Doneza, Jeffery	305.00
Cleto, Daniel	500.00
Ermell, Ross	300.00
Lee, Phillip	500.00
Total Aggregate Value of Contributions	22,293.00

Schedule 3 - Transfer from Endorsing Registered Party

Complete only if the candidate's campaign received transfers from the candidate's endorsing registered party

A.	Total value of all cash transfers received during the candidacy period from the candidate's endorsing registered party:	Line 700	\$8,000.00	
B.	Total value of all transfers of property or services received during the candidacy period from the candidate's endorsing registered party:	Line 710	\$2,100.00	
C.	Total transfers from the candidate's endorsing registered party (total of lines 700 to 710):	Line 720	\$10,100.00	To line 320
D.	If you entered an amount on line 710, report the value of property or services that were used in the election period:	Line 730	\$2,100.00	

Schedule 4 - Transfers from Candidate's Constituency Association

A.	Total value of all cash transfers received during the candidacy period from the constituency association.	Line 740	\$20,300.00	
B.	Total value of all transfers of property or services received during the candidacy period from the constituency association.	Line 750	\$0.00	
C.	Total transfers from the constituency association. (total of lines 740 to 750)	Line 760	\$20,300.00	To line 310
D.	If you entered an amount on line 750, disclose the value of property or services that were used during the election period.	Line 770	\$0.00	

If the aggregate value of transfers, as calculated on line 760 is \$250 or more, provide the following information:

E. Were there contributions of \$250 or more to the constituency association during the candidacy period?

No (no further information required)

Yes (complete the schedule below)

Name of Contributors of \$250 or more to the Constituency Association (attach list if necessary)

\$ Aggregate Value of Contribution

Total Aggregate Value of Contributions

\$0.00

Schedule 6 - Accounts Payable

Complete only if there are amounts owing to suppliers at the end of the candidacy period. **DO NOT INCLUDE LOANS PAYABLE.**

Name of Supplier	Description of Expense	\$ Amount
ElectRight Inc.	Final Payment Voter ID; Partial Payment Voter ID	\$3,360.00
Fred Westphal	Home Depot; Office Supplies	\$158.64
Danny's Whole Hog	Danny's Wholehog Jul Fundraiser Food	\$1,400.00
Scarrow & Donald LLP	audit fees	\$5,296.50
Total Accounts Payable	Line 840	\$10,215.14
		To line 200

Schedule 7 - Candidate's Disability Expenses

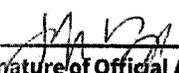
Complete only if reasonable* expenses were incurred by a candidate in relation to a disability to enable the candidate to campaign in an election period.

* Per section 115 of *The Election Financing Act*, reasonable expenses are those that are over and above the expenses normally incurred by the candidate.

List and describe the nature of the expenses incurred and the reasonable amounts claimed.

Disability expenses can be assigned to Line Item 511 - Disability in Data Entry - Enter Bills, Cheque Book, Non-Monetary Expenses, Property or Service Transfer From/To Party, or Property or Service Transfer From Constituency Association

Description of expense	\$ Value of expense incurred	
Total disability expenses	Line 850	\$0.00
	To line 511, column D	



Signature of Official Agent

Feb 24, 2021

Date (mm/dd/yyyy)

Schedule 8 - Candidate's Child Care Expenses

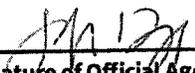
Complete only if reasonable* expenses were incurred by a candidate in relation to child care expenses to enable the candidate to campaign in an election period.

* Per section 115 of *The Election Financing Act*, reasonable expenses are those that are over and above the expenses normally incurred by the candidate.

List and describe the nature of the expenses incurred and the reasonable amounts claimed.

Child Care expenses can be assigned to Line Item 512 - Child Care in Cheque Book, Non-Monetary Expenses, Property or Service Transfer From/To Party, or Property or Service Transfer From Constituency Association.

Description of expense	\$ Value of expense incurred	
Total child care expenses	Line 860	\$0.00
	To line 512, column D	



Signature of Official Agent

Feb 24, 2021

Date (mm/dd/yyyy)

Schedule 9 - Pre-Election Period Advertising Expenses

(90-day period before the start of the election period in the year of a fixed date election)

Complete the following schedule to calculate the amount of advertising expenses subject to the pre-election period advertising limits.
[s.58(2)]

Record your expenses if your candidacy period start date commenced before or during this 90-day pre-election period.

Advertising means advertising that promotes or opposes (directly or indirectly) a registered party, candidate, or leadership contestant.
[s.115]

Total pre-election period advertising expenses incurred during year [YYYY]

910	Endorsed candidate (from line 940)	Line 910	\$0.00
920	Individuals (from line 950)	Line 920	\$0.00
930	Total pre-election period advertising expenses (total line 910 and 920)	Line 930	\$0.00

A. Advertising expenses incurred by the candidate in the pre-election period.*

Details of expense		\$ Amount
Total	Line 940	\$0.00

B. Advertising expenses incurred by an individual on the candidate's behalf with the candidate's knowledge and consent in the pre-election period.*

Name of individual		\$ Amount
Total	Line 950	\$0.00