

INDEPENDENT AUDITOR'S REPORT

To Jodi Byram, Official Agent for Eileen Clarke, and Eileen Clarke, Candidate,

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 Eileen Clarke for the candidacy period from January 16, 2019 to November 12, 2019 relating to the election held on September 10, 2019 in the electoral division of Agassiz.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, Form 922, Candidate's Financial Statements and Supporting Schedules for Eileen Clarke 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 inherent nature of the transactions of electoral campaigns, the completeness of contributions and donations in kind income and expenses is not susceptible of satisfactory audit verification. Accordingly, our verification of contributions and donation in kind income and expenses was limited to the amounts recorded in the Candidate's electoral 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.

On October 2, 2019, the Candidate transferred \$5,000 to the Constituency Association of Agassiz. The transfer by a candidate to a constituency association is a prohibited transfer under section 40 of *The Election Financing Act* of Manitoba. The transfer to the Candidate's Constituency Association has been recorded as a non-election expense on Line 585 of Schedule 1 – Expenses (Including Non-Monetary Expenses) (Form 922).

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.

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 Form 922, Candidate's Financial Statements and Supporting Schedules are prepared to assist the candidacy of Eileen Clarke 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

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.

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 Form 922, Candidate's Financial Statements and Supporting Schedules.

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 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 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.

Gladstone, MB
January 14, 2020



Chartered Professional Accountants Inc.



THE PROGRESSIVE CONSERVATIVE PARTY OF MANITOBA

ELECTORAL DIVISION OF AGASSIZ

Note to Form 922, Candidate's Financial Statements and Supporting Schedules

January 16, 2019 to November 12, 2019

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 the 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 are intended solely for the use of the official agent and the candidate. Accordingly, the statements may not be suitable for another purpose.

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Candidate's Financial Statements and Supporting Schedules



To be filed within four months after election day.

For the candidacy period

DATE
January 16, 2019

To

DATE
November 12, 2019

Candidate

NAME Eileen Clarke
ELECTORAL DIVISION Agassiz
REGISTERED PARTY / INDEPENDENT Progressive Conservative Party of Manitoba

Official Agent

NAME Jodie Byram

Auditor

NAME OF AUDITOR Kinley Thomson Chartered Professional Accountants Inc.
NAME OF PUBLIC ACCOUNTANT TO WHOM INQUIRY MAY BE DIRECTED (if different than above) Ian Thomson, CPA, CA

DECLARATION

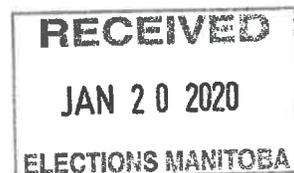
I, the undersigned official agent, hereby file a completed Form 922 – Candidate's Financial Statements and Supporting Schedules – along with an Auditor's Report from a qualified auditor. I declare that to the best of my knowledge and belief the information contained herein is complete, true and correct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

Jodie Byram

Signature of official agent

Jan 16, 2020

Date (mm/dd/yyyy)



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

Assets

100	Cash	\$ 5,493.92	_____
110	Accounts receivable		_____
115	Inventory*		_____
	Other assets (provide details)		_____
130	_____		_____
135	_____		_____

190 Total assets (total of lines 100 to 135) line 190 \$ 5,493.92

Liabilities and Surplus

200	Accounts payable	\$ 131.21	← From line 840	_____
205	Overdraft/ line of credit**			_____
220	Loans**			_____
	Other liabilities (provide details)			_____
230	_____			_____
240	_____			_____
275	Candidacy period surplus/(deficit)	5,362.71	← From line 440	_____

290 Total liabilities and surplus (total of line 200 to 275) line 290 \$ 5,493.92

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 8 p.m. 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 Contributions	\$ 13,630.00	←	From line 630, column C
310 Transfers from constituency associations	5,000.00	←	From line 760
320 Transfers from endorsing registered party	_____	←	From line 720
330 Fundraising	_____		
Other income (provide details)	_____		
360 _____	_____		
390 Total income and transfers (total of lines 300 to 360)	line 390 \$ 18,630.00		

Expenses and Transfers

400 Election expenses	\$ 7,945.59	←	From line 595
405 Non – election expenses	5,321.70	←	From line 590, column D
415 Transfer of money to endorsing registered party	_____		
420 Transfer of property and services to endorsing registered party	_____		
430 Total expenses and transfers (total of line 400 to 420)	line 430 \$ 13,267.29		
440 Total period surplus/ (deficit) (line 390 minus line 430)	line 440 \$ 5,362.71		

↑
To line 275

Schedule 1 – Expenses (INCLUDING NON-MONETARY EXPENSES)

Election expenses used in election period				
A Cash/Credit	B Non-monetary	C Property and services used and received through transfers	D Non-election expenses in candidacy period	E Total expenses (columns A plus B plus C plus D)
500 Advertising	1,290.87		250.00	1,540.87
505 Posters, pamphlets, promotional	2,896.29			2,896.29
511 Disability				
512 Child care				
515 Fundraising				
520 Furniture and equipment rental				
525 Honoraria/salaries				
530 Interest and bank charges			.70	.70
535 Audit fee (amount in excess of subsidy)				
545 Office occupancy (rent, utilities)				
550 Office supplies and postage	111.07			111.07
555 Polling (opinion surveys/market research)				
560 Signs and structural support	1,222.95			1,222.95
565 Transportation, accommodation and food	2,372.59		71.00	2,443.59
570 Telephone	51.82			51.82
575 Personal				
Other (provide details)				
580 _____				
585 <u>Transfer to Constituency Associatic</u>			5,000.00	5,000.00
590 Total (Total of 500 to 585)	7,945.59		5,321.70	13,267.29
595 Total election expenses (Total of line 590 column A, B and C)	7,945.59			

From
schedule
7, line 850

From
schedule
8, line 860

To line 400

To line 405

Provide the amount of bank charges and loan interest incurred from election day to four months after election day.
(Not required if candidate did not qualify for reimbursement)

Loan interest line 597 \$ 0 _____

Bank Charges line 598 \$ 0 _____

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	6,350.00		6,350.00
610	Less than \$250	7,280.00		7,280.00
630	Total	\$ 13,630.00	\$	\$ 13,630.00

↑
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
DAVID JOHN BORGER	500
FRANK ANDERSON	400
FREDERICK DOBCHUK	400
ELIZABETH GOUDIE	400
KENNETH KINLEY	400
GAIL KINLEY	400
JASON MCKELVY	400
JAMES POLLOCK	400
ROSS STEWART	400
IAN THOMSON	400
RYAN TURNER	400
EDITH BURNSIDE	300
HEATHER CUMMINGS	300
CURTIS SIMS	250
GLORIA SIMS	250
JOHN ZACHARIAS	250
ALISA BORGER	250
HAYLEIGH BORGER	250

Additional pages attached? Yes _____ No

Schedule 3 – Transfers from Endorsing Registered Party

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

- A. Total value of all **cash transfers** received during the candidacy period from the endorsing registered party: line 700 \$ _____
- B. Total value of all **transfers of property or services** received during the candidacy period from the endorsing registered party: line 710 \$ _____
- C. Total transfers from endorsing registered party: line 720 \$ _____ ← To line 320
(total of line 700 to 710)
- 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 \$ _____

Schedule 4 – Transfers from Candidate’s Constituency Association

Complete only if the candidate’s campaign received transfers from the constituency association:

- A. Total value of all **cash transfers** received during the candidacy period from the constituency association: line 740 \$ 5,000.00
- B. Total value of all **transfers of property or services** received during the candidacy period from the constituency association: line 750 \$ _____
- C. Total transfers from constituency association: line 760 \$ 5,000.00 ← To line 310
(total of line 740 to 750)
- 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 \$ _____

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 is 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

1. List attached? Yes _____ No _____

Schedule 5 – Reconciliation of Income Tax Receipts

Complete only if the candidate was registered to issue income tax receipts.

Total number of income tax receipts received from Elections Manitoba: line 780 125

Total number of income tax receipts returned to Elections Manitoba:

• Issued to contributors	line 790	<u>90</u>	←	Return Elections Manitoba copies only.
• Voided or cancelled	line 800	<u>1</u>	←	Return all three copies.
• Unused	line 810	<u>34</u>	←	Return all three copies.

Total number of income tax receipts returned to Elections Manitoba
(total of line 790 to 810) line 820 125

Total unreturned income tax receipts (line 780 minus line 820) line 830 0

Please provide receipt numbers and an explanation for unreturned income tax receipts.

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]

Endorsed candidate (from line 940)	line 910	\$	250.00
Individuals (from line 950)	line 920	\$	_____
930 Total pre-election period advertising expenses			
(total line 910 and 920)	line 930	\$	250.00

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

Details of expense	\$ Amount
Campaign Cost Share Websites - Pre Writ PC Party of Manitoba	250.00
Total	line 940 \$

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 \$

* Attach separate list if necessary.