

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

To Frances Schellenberg, Official Agent for Roger Schellenberg, the Candidate

Report on the Audit of Form 922 Candidate's Financial Statements and Supporting Schedules

Qualified Opinion

We have audited the Form 922, Candidate's Financial Statements and Supporting Schedules, which comprise the Statement of Assets, Liabilities and Surplus/Deficit as at November 12, 2019 and the Statement of Income, Expenses and Transfers for the candidacy of Roger Schellenberg for the candidacy period from August 13, 2019 to November 12, 2019 relating to the election held on September 10, 2019 in the electoral division of Riel.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Form 922, Candidate's Financial Statements and Supporting Schedules for Roger Schellenberg for the candidacy period from August 13, 2019 to November 12, 2019 in the electoral division of Riel 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 contributions, fundraising and other income, transfers, expenses and donations in kind income and expenses is not susceptible to satisfactory audit verification. Accordingly, our verification of these amounts was limited to the amounts recorded in the candidate's election campaign accounting records and we were not able to determine whether any adjustments might be necessary to assets, liabilities, income, expenses and the candidacy 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 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 Form 922, Candidate's Financial Statements and Supporting Schedules 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 the basis of accounting used in the preparation of the Form 922, Candidate's Financial Statements and Supporting Schedules. The Form 922, Candidate's Financial Statements and Supporting Schedules are 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 to assist the Official Agent and Candidate 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. Our opinion is not modified in respect of this matter.

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

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

Auditor's Responsibilities for the Audit of 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 are 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 candidate'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 the Candidate.
- Evaluate the overall presentation, structure and content of the Form 922, Candidate's Financial Statements and Supporting Schedules, including any disclosures, and whether the Form 922, Candidate's Financial Statements and Supporting Schedules represent the underlying transactions and events in 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.

January 8, 2020
Winnipeg, Canada

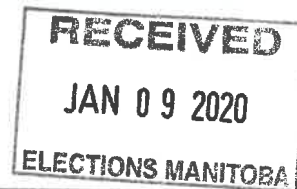


Chartered Professional Accountants

922 Candidate's Financial Statements
and Supporting Schedules



To be filed within four months after election day. Complete the form in ink.



For the candidacy period

Date August 13, 2019

To

Date November 12, 2019

Candidate

Name	Schellenberg, Roger
Electoral Division	Riel
Registered Party / Independent	GPM

Official Agent


Name	Frances Schellenberg
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Auditor

Name of Auditor	Magnus LLP, Chartered Professional Accountants
Name of Professional Accountant to Whom Inquiry May be Directed (if different than above)	Brett Magnus, 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*.


Signature of official agent

01/08/2020
Date (mm/dd/yyyy)

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

Assets

100	Cash	\$	<u>Nil</u>
110	Accounts receivable		<u> </u>
115	Inventory*		<u> </u>
	Other assets (provide details)		<u> </u>
130	<u> </u>		<u> </u>
135	<u> </u>		<u> </u>

190 Total Assets (total of line 100 to 135)	line 190	\$	<u><u>Nil</u></u>
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Liabilities and Surplus

200	Accounts payable	\$	<u>Nil</u>	← From line 840
205	Overdraft/ line of credit **		<u> </u>	
220	Loans **		<u> </u>	
	Other liabilities (provide details)		<u> </u>	
230	<u> </u>		<u> </u>	
240	<u> </u>		<u> </u>	
275	Candidacy period surplus/(deficit)		<u> </u>	← From line 440

Lines 190 and 290 must be the same.

290 Total liabilities and surplus (total of lines 200 to 275)	line 290	\$	<u><u>Nil</u></u>
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* 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 Contributions	\$	Nil	←	From line 630, column C
310 Transfers from constituency association			←	From line 760
320 Transfers from endorsing registered party		5.54	←	From line 720
330 Fundraising				
Other income (provide details)				
360				
390 Total income and transfers (total of lines 300 to 360)			line 390	\$ <u>5.54</u>

Expenses and Transfers

400 Election expenses	\$	5.54	←	From line 595
405 Non - election expenses			←	From line 590, column D
415 Transfer of money to registered party				
420 Transfer of property and services to registered party				
430 Total expenses and transfers (total of lines 400 to 420)			line 430	\$ <u>5.54</u>
440 Total period surplus/(deficit) (line 390 minus line 430)			line 440	\$ <u>Nil</u>
				To line 275

Schedule 1 - Candidacy Period 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 - media				
505 Posters, pamphlets, promotional				
511 Disability				
512 Child care				
515 Fundraising				
520 Furniture and equipment rental				
525 Honoraria/salaries				
530 Interest and bank charges				
535 Audit fee (amount in excess of subsidy)				
545 Office occupancy (rent, utilities)				
550 Office supplies and postage				
555 Polling (opinion surveys / market research)				
560 Signs/structural support		5.54		5.54
565 Transportation, accomodation and food				
570 Telephone				
575 Personal				
Other (provide details)				
580				
585				
590 Total (total of line 500 to 585)		5.54		5.54

From schedule 7, line 850

From schedule 8, line 880

5.54

← 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 \$ _____

Bank charges line 598 \$ _____

Schedule 2 - Contributions to a Candidate (including non-monetary contributions)

A. Contributions summary

		A	B	C (A plus B)
	Aggregate contributions:	Cash	Non-monetary contributions	Total of all contributions
600	\$250 or more			
610	Less than \$250			
630	Total	\$ Nil	\$ Nil	\$ Nil

← 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

Schedule 3 - Transfers 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 endorsing registered party: | line 700 | \$ | <u>Nil</u> | |
| B. | Total value of all transfers of property or services received during the candidacy period from the endorsing registered party: | line 710 | \$ | <u>5.54</u> | |
| C. | Total transfers from endorsing registered party:
(total of lines 700 to 710) | line 720 | \$ | <u>5.54</u> | ← 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 | \$ | <u>5.54</u> | |

Schedule 4 - Transfers from Candidate's Constituency Association

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

A. Total value of all **cash transfers** received during the candidacy period from the constituency association: line 740 \$ Nil

B. Total value of all **transfers of property or services** received during the candidacy period from the constituency association: line 750 \$ Nil

C. Total transfers from constituency association: line 760 \$ Nil ← **To line 310**
(total of lines 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 \$ Nil

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

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 Nil

Total number of income tax receipts returned to Elections Manitoba:

- Issued to Contributors line 790 ← Return Elections Manitoba copies only.

- Voided or cancelled line 800 ← Return all three copies.

- Unused line 810 ← Return all three copies.

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

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

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

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
	Total accounts payable	line 840 \$ Nil

↖
To line 200

Schedule 7 - Candidate's Disability Expenses

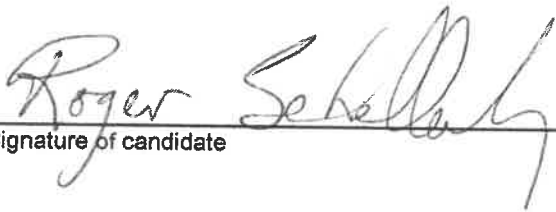
Complete only if reasonable* expenses were incurred by a candidate in relation to a disability to enable the candidate to campaign in an election period

*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 amounts claimed.

Description of expense		\$ Value of expense incurred
Total disability expenses	line 850	\$ Nil

← To line 511, column D



Signature of candidate

Date (mm/dd/yyyy)

Schedule 8 - Candidate's Child Care Expenses

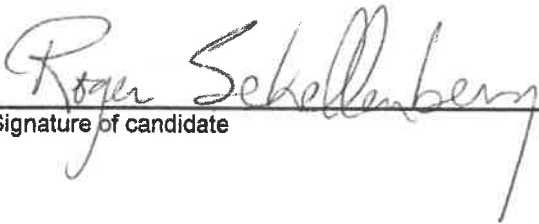
Complete only if reasonable expenses* were incurred by a candidate in relation to child care expenses to enable the candidate to campaign in an election period.

*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 amounts claimed.

Description of expense		\$ Value of expense incurred
Total child care expenses	line 860	\$ Nil

← To line 512, column D


Signature of candidate

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) For this part it includes promotional materials. (s.57)

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

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

Details of expense	\$ Amount
Total	Line 940
	\$ <input type="text" value="nil"/>

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
	\$ <input type="text" value="nil"/>

* Attach separate list if necessary.