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INDEPENDENT AUDITOR'S REPORT

To Jim Lee, Candidate

Qualified Opinion

We have audited the accompanying Financial Statement – Auditor's Report Candidate – Form 4 ("the Financial Statement") of Jim Lee, candidate, for the campaign period July 15, 2022 to January 3, 2023 relating to the election held on October 24, 2022, prepared in accordance with the reporting provisions of the 2022 Candidate's Guide - Ontario Municipal Council and School Board Elections ("the Guide") and Section 88.22 of the Municipal Elections Act, 1996 ("the Act").

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Financial Statement for the period July 15, 2022 to January 3, 2023 is prepared in all material respects, in accordance with the reporting provisions of the 2022 Candidate's Guide - Ontario Municipal Council and School Board Elections and the Municipal Elections Act, 1996.

Basis for Qualified Opinion

Due to the inherent nature of transactions of any election campaign, the completeness of various categories of income and expenses is not susceptible to satisfactory audit verification. Accordingly, our verification of income and expenses was limited to the amounts recorded in the candidate's election campaign records and we are not able to determine whether any adjustments might be necessary to income and expenses, and surplus or deficit. Our opinion on the Financial Statement for the campaign period July 15, 2022 to January 3, 2023 was modified accordingly because of the possible effects of this limitation in scope.

The Municipal Elections Act, 1996 does not require us to report, nor was it practical for us to determine that contributions reported include only those which may be properly retained in accordance with the provisions of the Municipal Elections Act, 1996.

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 Financial Statement section of our report. We are independent of the Campaign 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 and Restrictions on Distribution

Without modifying our opinion, we note that the Form 4 is prepared for information and use of the Candidate and the City Clerk to comply with Municipal Elections Act, 1996, and as such, may not be suitable for another purpose. The attached Form 4 is not intended to be and should not be used, circulated, quoted, or otherwise referred to by anyone other than the specified users or for any other purpose without our express written consent.

The Candidate's responsibility for the Financial Statement

The Candidate is responsible for the preparation and fair presentation of the Financial Statement in accordance with the accounting treatment prescribed in the 2022 Candidate's Guide - Ontario Municipal Council and School Board Elections and the Municipal Elections Act, 1996, and for such internal control as he determines is necessary to enable the preparation of the Financial Statement that are free from material misstatement, whether due to fraud or error.

The Candidate is responsible for overseeing the Campaign's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the Financial Statement 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 Financial Statement. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statement, 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 Campaign's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Candidate.

We communicate with the Candidate 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.

Ritchie Shortt, Tally CP

Whitby, Ontario
March 27, 2023

Chartered Professional Accountants
Licensed Public Accountants

Instructions

All candidates must complete Boxes A and B. Candidates who receive contributions or incur expenses must complete Boxes C, D, Schedule 1 and Schedule 2 as appropriate. Candidates who receive contributions or incur expenses in excess of \$10,000 must also attach an Auditor's Report.

All surplus funds (after any refund to the candidate or their spouse) shall be immediately paid to the clerk who is responsible for the conduct of the election.

For the campaign period from (day clerk received nomination)

YYYY	MM	DD
2 0 2 2	0 7	1 5

 to

YYYY	MM	DD
2 0 2 3	0 1	0 3

- Initial filing reflecting finances from start of campaign to December 31 (or 45 days after voting day in a by-election)
- Supplementary filing reflecting finances from start of campaign to end of extended campaign period

Box A: Name of Candidate and Office

Candidate's name as shown on the ballot		
Last Name or Single Name Lee	Given Name(s) Jim	
Office for Which the Candidate Sought Election City Councillor	Ward Name or Number (if any) Ward 2	
Municipality City Of Oshawa		
Spending Limit General \$25,488.40	Parties and Other Expressions of Appreciation \$2,548.84	Contribution Limit Contributions from Candidate and Spouse \$9,820.80

I did not accept any contributions or incur any expenses. (Complete Boxes A and B only)



Box B: Declaration

I, Jim Lee, declare that to the best of my knowledge and belief that these financial statements and attached supporting schedules are true and correct.



Signature of Candidate

2023/03/28
Date (yyyy/mm/dd)

Date Filed (yyyy/mm/dd) <u>2023/03/28</u>	Time Filed <u>10:34am</u>	Initial of Candidate or Agent (if filed in person) 	Signature of Clerk or Designate 
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Box C: Statement of Campaign Income and Expenses

* Note – No entry is required. Values will auto-populated once the applicable details are calculated.

LOAN

Name of bank or recognized lending institution	Amount borrowed
N/A	\$

INCOME

Total amount of all contributions (from line 1A in Schedule 1)	+ \$ 9,700.00	see Note *
Revenue from items \$25 or less	+ \$	
Sign deposit refund	+ \$	
Revenue from fundraising events not deemed a contribution (from Part III of Schedule 2)	+ \$	see Note *
Interest earned by campaign bank account	+ \$	
Other (provide full details)		
1. NONE to report	+ \$	
2.	+ \$	
Total Campaign Income (Do not include loan)		= \$ 9,700.00 C1

EXPENSES (Note: Include the value of contributions of goods and services)**1. Expenses subject to general spending limit**

Inventory from previous campaign used in this campaign (list details in Table 2 of Schedule 1)	\$	see Note *
Advertising	\$ 1,533.38	
Brochures/flyers	\$ 2,562.50	
Signs (including sign deposit)	\$ 4,795.16	
Meetings hosted	\$	
Office expenses incurred until voting day	\$ 550.16	
Phone and/or internet expenses incurred until voting day	\$	
Salaries, benefits, honoraria, professional fees incurred until voting day	\$	
Bank charges incurred until voting day	\$	
Interest charged on loan until voting day	\$	
Other (provide full details)		
1. Website set up and package	+ \$ 1,200.00	
2. Voters List	+ \$ 60.00	
3. Volunteer refreshments	+ \$ 73.18	
Total Expenses subject to general spending limit	\$ 10,774.38	C2

2. Expenses subject to spending limit for parties and other expressions of appreciation

1. None	+ \$	
2.	+ \$	
Total Expenses subject to spending limit for parties and other expressions of appreciation	\$	C3

3. Expenses not subject to spending limits

Accounting and audit	\$ 847.50	
Cost of fundraising events/activities (list details in Part IV of Schedule 2)	\$	see Note *
Office expenses incurred after voting day	\$	

Phone and/or internet expenses incurred after voting day	\$	
Salaries, benefits, honoraria, professional fees incurred after voting day	\$	
Bank charges incurred after voting day	\$	1.00
Interest charged on loan after voting day	\$	
Expenses related to recount	\$	
Expenses related to controverted election	\$	
Expenses related to compliance audit	\$	
Expenses related to candidate's disability (provide full details)		
1. NOT APPLICABLE	+	\$
Other (provide full details)		
1.	+	\$
2.	+	\$
3.	+	\$
4.	+	\$
5.	+	\$
Total Expenses not subject to spending limits	\$	848.50 C4
Total Campaign Expenses (C2 + C3 + C4)		= \$ 11,622.88 C5

Box D: Calculation of Surplus or Deficit

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)	+	\$	-1,922.88 D1
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	-	\$	
Surplus (or deficit) for the campaign		= \$	-1,922.88 D2

If line D2 shows a surplus, the amount must be paid in trust, at the time the financial statements are filed, to the municipal clerk who is responsible for the conduct of the election.

Schedule 1 – Contributions

Part I – Summary of Contributions

Contributions in money from candidate and spouse	+ \$ 5,000.00
Contributions in goods and services from candidate and spouse (include value listed in Table 1 and Table 2)	+ \$ see Note *
Total value of contributions not exceeding \$100 per contributor • Include ticket revenue, contributions in money, goods and services where the total contribution from a contributor is \$100 or less (do not include contributions from candidate or spouse).	\$ 500.00
Total value of contributions exceeding \$100 per contributor (from line 1B; list details in Table 3 and Table 4) • Include ticket revenue, contributions in money, goods and services where the total contribution from a contributor exceeds \$100 (do not include contributions from candidate or spouse).	\$ 5,400.00 see Note *
Less: Ineligible contributions paid or payable to the contributor Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	– \$ 1,200.00
	\$
Total Amount of Contributions (record under Income in Box C)	= \$ 9,700.00 1A

Part II – Contributions from candidate or spouse

Table 1: Contributions in goods or services

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
NOT APPLICABLE		
Total		

Additional information is listed on separate supplementary attachment, if completed manually.

Table 2: Inventory of campaign goods and materials from previous municipal campaign used in this campaign (Note: Value must be recorded as a contribution from the candidate and as an expense.)

Description	Date Acquired (yyyy/mm/dd)	Supplier	Quantity	Current Market Value (\$)
NOT APPLICABLE				
Total				

Additional information is listed on separate supplementary attachment, if completed manually.

Part III – Contributions exceeding \$100 per contributor – individuals other than candidate or spouse

Table 3: Monetary contributions from individuals other than candidate or spouse

Name	Full Address	Date Received (yyyy/mm/dd)	Amount Received (\$)	Amount Returned to Contributor or Paid to Clerk (\$)
DAVE ROBERTSON	102 Springdale Cres., Oshawa ON L1H 7C1	2022/09/01	200.00	

Name	Full Address	Date Received (yyyy/mm/dd)	Amount Received (\$)	Amount Returned to Contributor or Paid to Clerk (\$)
J. ANDREW LYONS	76 Jones Ave., Oshawa, ON L1G 2Z9	2022/09/01	300.00	
REGINALD M. MALACHOWSKI	912 Matterhorn St., Oshawa ON L1K 2M5	2022/09/01	200.00	
NATHAN LANGILLE	55 Colville Ave., Bowmanville ON L1C 0H8	2022/09/06	250.00	
KEVIN DICKENSON	57 Kelman Place, Bowmanville ON L1C 0C7	2022/09/22	250.00	
CINDY MALACHOWSKI	810 Sundance Circle, Oshawa ON L1J 8B6	2022/09/23	200.00	
JESSE BIDUKE	99 Earl Cuddie Blvd., Port Perry ON L9L 1T3	2022/09/25	200.00	
CORY HANNA	1337 Sturgeon Road, Lindsay ON K9V 4R3	2022/09/25	150.00	
JIM LEE	495 Queen St. W., Port Perry ON L9L 1L2	2022/09/25	200.00	
BRADLEY W. WHITTLE	57 Duke St., Bowmanville ON L1C 2V4	2022/09/25	150.00	
BILL EYRE	1203-360 Watson Ave., Whitby ON L1N 1A3	2022/09/28	250.00	
DAVID MUSSEAU	406 Plum Tree Cres., Ottawa ON K1K 2N3	2022/09/30	200.00	
SCOTT MARKS	15 Walsingham Private, Ottawa ON K1R 1B8	2022/10/04	300.00	
FREDERICK LEBLANC	317 Avenue Rd., Kingston ON K7M 1C8	2022/10/06	500.00	
FRANK RAMAGNANO	542 Binns Avenue, Newmarket ON L3X 1T9	2022/10/12	350.00	
HUW MORGAN	119 Pine Glen Road, Toronto ON M4E 1K8	2022/10/20	250.00	
PHILIP CANNON	861 Brairwood Drive, Oshawa ON L1K 2A7	2022/10/24	250.00	
EXECUTIVE BOARD LOCAL 3888	14 Cosentino Drive, Scarborough ON M1P 3A2	2022/09/27	1,200.00	1,200.00
Total			5,400.00	

Additional information is listed on separate supplementary attachment, if completed manually.

Table 4: Contributions in goods or services from individuals other than candidate or spouse (Note: Must also be recorded as Expenses in Box C.)

Name	Full Address	Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
NOT APPLICABLE				
Total				

Additional information is listed on separate supplementary attachment, if completed manually.

Total for Part III – Contributions exceeding \$100 per contributor (Add totals from Table 3 and Table 4 and record the total in Part 1 – Summary of Contributions) \$ **5,400.00 1B**

Schedule 2 – Fundraising Events and Activities

Complete a separate schedule for each event or activity held.

Additional schedule(s) attached, if completed manually.

Fundraising Event/Activity 1

Description of fundraising event/activity NOT APPLICABLE

Date of event/activity (yyyy/mm/dd) _____

Part I – Ticket revenue

Admission charge (per person) \$ _____ 2A

(If there are a range of ticket prices, attach complete breakdown of all ticket sales)

Number of tickets sold x _____ 2B

Total Part I (2A X 2B) (include in Part I of Schedule 1) = \$ _____

Part II – Other revenue deemed a contribution

Provide details (e.g., revenue from goods sold in excess of fair market value)

1. NOT APPLICABLE + \$ 0.00

Total Part II (include in Part I of Schedule 1) = \$ _____

Part III – Other revenue not deemed a contribution

Provide details (e.g., contribution of \$25 or less; goods or services sold for \$25 or less)

1. NOT APPLICABLE + \$ _____

Total Part III (include under Income in Box C) = \$ _____

Part IV – Expenses related to fundraising event or activity

Provide details

1. NOT APPLICABLE + \$ 0.00

Total Part IV Expenses (include under Expenses in Box C) = \$ _____

Auditor's Report – Municipal Elections Act, 1996 (Section 88.25)

A candidate who has received contributions or incurred expenses in excess of \$10,000 must attach an auditor's report.

Professional Designation of Auditor
Chartered Professional Accountant

Municipality Town of Whitby	Date (yyyy/mm/dd)
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Contact Information

Last Name or Single Name Tully	Given Name(s) Andrew	Licence Number 1-18985
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Address		
Suite/Unit Number	Street Number 500	Street Name Brock Street South

Municipality Town of Whitby	Province ON	Postal Code L1N 4K7
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Telephone Number 905-668-7788	Email Address andrew@rstaccounants.com
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The report must be done in accordance with generally accepted auditing standards and must:

- set out the scope of the examination
- provide an opinion as to the completeness and accuracy of the financial statement and whether it is free of material misstatement

Report is attached

Personal information, if any, collected on this form is obtained under the authority of sections 88.25 and 95 of the *Municipal Elections Act, 1996*. Under section 88 of the *Municipal Elections Act, 1996* (and despite anything in the *Municipal Freedom of Information and Protection of Privacy Act*) documents and materials filed with or prepared by the clerk or any other election official under the *Municipal Elections Act, 1996* are public records and, until their destruction, may be inspected by any person at the clerk's office at a time when the office is open. Campaign financial statements shall also be made available by the clerk in an electronic format free of charge upon request.