

INDEPENDENT AUDITOR'S REPORT

To the Clerk for the Municipality of Leamington

Qualified Opinion

We have audited the accompanying financial statement for Hilda MacDonald, mayoral candidate, which comprise the statement of campaign income and expenses for the period June 8, 2018 to October 22, 2018 and the related schedules for the campaign period.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statement presents fairly, in all material respects, the statement of campaign income and expenses for the period June 8, 2018 to October 22, 2018 and related schedules for the period then ended in accordance with the Municipal Elections Act, 1996.

Basis for Qualified Opinion

Due to the nature of the types of transactions inherent in an election campaign, it is impractical through auditing procedures to determine that the accounting records include all donations, donations of goods and services and receipts and disbursements. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the campaign and we were not able to determine whether any adjustments might be necessary to contributions, expenses or campaign surplus/deficit.

Our audit opinion on the financial statement for the period ended October 22, 2018 was modified accordingly because of the possible effects of this limitation in scope.

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 Statements* 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 opinion.

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

Management is responsible for the preparation and fair presentation of the financial statement in accordance with Canadian accounting standards in accordance with the Municipal Elections Act, 1996, and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the campaign's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statement 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statement, 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.

**HICKS, MacPHERSON, IATONNA
& DRIEDGER LLP**

*Hicks, MacPherson, Iatonna
& Driedger LLP*

Leamington, Ontario
March 4, 2019

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 paid immediately over to the clerk who is responsible for the conduct of the election.

For the campaign period from (day candidate filed nomination)

YYYY	MM	DD
2 0 1 8	0 6	0 8

 to

YYYY	MM	DD
2 0 1 8	1 0	2 2

12 31. *AM*

- Initial filing reflecting finances to December 31 (or 45 days after voting day in a by-election)
- Supplementary filing including finances after December 31 (or 45 days after voting day in a by-election)

Box A: Name of Candidate and Office

Candidate's name as shown on the ballot

Last Name or Single Name

MacDonald

Given Name(s)

Hilda

Office for which the candidate sought election

Mayor

Ward name or no. (if any)

Municipality

Leamington

Spending Limit - General

\$ 21,607.45

Spending Limit - Parties and Other Expressions of Appreciation

\$ \$2,160.75

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

Box B: Declaration

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

Hilda MacDonald
Signature of Candidate

2019/03/06
Date (yyyy/mm/dd)

Date Filed (yyyy/mm/dd)	Time Filed	Initial of Candidate or Agent (if filed in person)	Signature of Clerk or Designate
20190306		<i>H.M.</i>	<i>[Signature]</i>

Box C: Statement of Campaign Income and Expenses**LOAN**Name of bank or recognized lending institution N/A

Amount borrowed \$ _____

INCOME

Total amount of all contributions (from line 1A in Schedule 1)	+ \$	17,773.99
Revenue from items \$25 or less	+ \$	_____
Sign deposit refund	+ \$	_____
Revenue from fundraising events not deemed a contribution (from Part III of Schedule 2)	+ \$	_____
Interest earned by campaign bank account	+ \$	_____
Other (provide full details)		
1. _____	+ \$	_____
2. _____	+ \$	_____
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
Total Campaign Income (Do not include loan)	= \$	17,773.99 c1

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

Inventory from previous campaign used in this campaign (list details in Table 4 of Schedule 1)	+ \$	_____
Advertising	+ \$	7,998.30
Brochures/flyers	+ \$	496.03
Signs (including sign deposit)	+ \$	3,757.57
Meetings hosted	+ \$	1,041.70
Office expenses incurred until voting day	+ \$	469.93
Phone and/or internet expenses incurred until voting day	+ \$	_____
Salaries, benefits, honoraria, professional fees incurred until voting day	+ \$	_____
Bank charges incurred until voting day	+ \$	186.13
Interest charged on loan until voting day	+ \$	_____
Other (provide full details)		
1. Rent - campaign office	+ \$	2,800.00
2. Fuel - Carol Bell in kind	+ \$	126.45
3. Lunch Meeting - John Stockwell	+ \$	275.11
4. _____	+ \$	_____
5. _____	+ \$	_____
Total Expenses subject to general spending limit	= \$	17,151.22 c2

EXPENSES**Expenses subject to spending limit for parties and other expressions of appreciation**

1. Beer Store	+ \$	113.65
2. LCBO	+ \$	231.90
3. Real Canadian Superstore	+ \$	118.13
4. Bradt's Butcher	+ \$	153.09
5. _____	+ \$	_____
Total Expenses subject to spending limit for parties and other expressions of appreciation	= \$	616.77 c3

Expenses not subject to spending limits

Accounting and audit	+ \$	
Cost of fundraising events/activities (list details in Part IV of Schedule 2)	+ \$	
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	+ \$	6.00
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. _____	+ \$	
2. _____	+ \$	
3. _____	+ \$	
4. _____	+ \$	
5. _____	+ \$	
Other (provide full details)		
1. _____	+ \$	
2. _____	+ \$	
3. _____	+ \$	
4. _____	+ \$	
5. _____	+ \$	
Total Expenses not subject to spending limits	= \$	6.00 C4

Total Campaign Expenses (C2 + C3 + C4) = \$ 17,773.99 C5

Box D: Calculation of Surplus or Deficit

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)	+ \$	0.00	D1
Eligible deficit carried forward by the candidate from the last election (applies to 2018 regular election only)	- \$		D2
Total (D1 – D2)	= \$	0	
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	- \$		
Surplus (or deficit) for the campaign	= \$	0	D3

If line D3 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	+	\$	525.00	
Contributions in goods and services from candidate and spouse (include value listed in Table 3 and Table 4)	+	\$	437.43	
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).		\$	210.00	
Total value of contributions exceeding \$100 per contributor (from line 1B on page 5; list details in Table 1 and Table 2)				
• 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).		\$	16,601.56	
Less: Contributions returned or payable to the contributor				
Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	-	\$		
Total Amount of Contributions (record under Income in Box C)	=	\$	17,773.99	1A

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

Table 1: Monetary contributions from individuals other than candidate or spouse

Name	Full Address	Date Received	Amount Received \$	Amount \$ Returned to Contributor or Paid to Clerk
See Attached listing			16,200.00	

Additional information is listed on separate supplementary attachment

Total

16,200.00

HILDA MacDONALD MAYORAL CANDIDATE

TABLE 1 - MONETARY CONTRIBUTIONS EXCEEDING \$100

Date	Last Name	First Name	Address	City	Postal Code	\$
2018-06-12	HYATT	JOHN	21094 ERIE ST SOUTH	WHEATLEY	NOP 2P0	1,000.00
2018-06-12	MASTRONARDI	RICK	307 TALBOT ST WEST	LEAMINGTON	N8H 4H3	500.00
2018-06-12	ENNS	HERB	24 PICKWICK DR	LEAMINGTON	N8H 5B2	1,000.00
2018-06-14	MILANO	NAT	14 QUEENS HILL	LEAMINGTON	N8H 5M6	100.00
2018-06-26	KELLY	JEFF	57 ALDERTON ST	LEAMINGTON	N8H 4L7	300.00
2018-07-09	WHITE	ROBERT/JUDITH	63 JEFFREY ST	TILBURY	NOP 2L0	300.00
2018-07-09	BATEMAN	JAN/DANNY	33 MELROSE AVE	LEAMINGTON	N8H 2J1	100.00
2018-07-23	BRADT	SCOTT/LISA	4931 CONCESSION 4 RR2	HARROW	NOR 1G0	250.00
2018-07-24	AHSMANN	AAD	901 MERSEA RD 7	LEAMINGTON	N8H 3V8	100.00
2018-09-06	CORNIES	LINDA	1539 ROAD 2, RR#4	LEAMINGTON	N8H 3V7	100.00
2018-09-06	QUIRING	CATHERINE	320 SEACLIFF DR WEST	LEAMINGTON	N8H 4E1	1,200.00
2018-09-06	QUIRING	PETER	320 SEACLIFF DR WEST	LEAMINGTON	N8H 4E1	1,200.00
2018-09-07	WALSH	IRENE	220 EAST BEACH ROAD	LEAMINGTON	N8H 3V7	100.00
2018-09-07	MASTRONARDI	LENA	4 CHEYENNE CRT	LEAMINGTON	N8H 5E2	100.00
2018-09-07	BARRACO	TONY	1427 DEAR RUN ROAD RR4	LEAMINGTON	N8H 3V7	500.00
2018-09-07	STOCKWELL	LYNN	404 - 109 ROBSON RD	LEAMINGTON	N8H 3V4	600.00
2018-09-07	MOAVRO	JOE	12 SHERWAY CRT	LEAMINGTON	N8H 5K3	200.00
2018-09-07	MASTRONARDI	BENJAMIN	301 MERSEA RD #3	LEAMINGTON	N8H 3V5	1,000.00
2018-09-07	MASTRONARDI	NICK	434 TALBOT ST W	LEAMINGTON	N8H 4H4	1,000.00
2018-09-07	RAFIH	TERRY	9275 Tecumseh Rd East	WINDSOR	N8R 1A1	1,000.00
2018-09-13	SCASE	GLEN	1074 POINT PELEE DR	LEAMINGTON	N8H 3V4	100.00
2018-09-19	BECHARD	MARYANN	19 HORWATH AVE	KINGSVILLE	N9Y 1B9	1,200.00
2018-09-28	VAN GELLECUM	JOHANNA	RR3 658 TALBOT RD E	WHEATLEY	NOP 2G0	1,200.00
2018-09-28	BAKER	DIANE	1101 COUNTY RD 14	LEAMINGTON	N8H 3V8	100.00
2018-09-28	DICIOCCO	LILIANA	249 MERSEA RD 12	LEAMINGTON	N8H 3V8	250.00
2018-10-09	BRUNATO	PETER	323 MERSEA ROAD 3	LEAMINGTON	N8H 3V5	1,000.00
2018-12-12	CRITHLOW	RANDY	1429 DEER RUN RD	LEAMINGTON	N8H 3V7	500.00
2018-12-27	SETTINGINGTON	LEE-ANN	1184 PILLON AVE	STAPLES	NOP 2J0	1,200.00
						\$ 16,200.00
< \$100 Contributions						210.00
Hilda Personal Contributions						525.00
						\$ 16,935.00
Contributions in Goods & Services						401.56
Hilda Contributions in Goods & Services						437.43
						\$ 17,773.99

Table 2: 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 \$
John Stockwell	404 - 109 Robson Rd Leamington, N8H 3V4	lunch provided	2018/09/07	275.11
Carol Bell	6 -126 Mersea Rd 5 Leamington, N8H 3V5	Fuel purchase	2018/09/25	58.03
Carol Bell	6 -126 Mersea Rd 5 Leamington, N8H 3V5	Fuel purchase	2018/10/02	68.42
<input type="checkbox"/> Additional information is listed on separate supplementary attachment			Total	401.56

Total for Part II - Contributions exceeding \$100 per contributor
 (Add totals from Table 1 and Table 2 and record the total in Part 1 - Summary of Contributions) **\$ 16,601.56 1B**

Part III – Contributions from candidate or spouse

Table 3: Contributions in goods or services

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value \$
Election night celebration expenses not reimbursed to candidate	2018/10/22	437.43

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value \$
<input type="checkbox"/> Additional information is listed on separate supplementary attachment	Total	437.43

Table 4: 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 \$
<input type="checkbox"/> Additional information is listed on separate supplementary attachment	Total			

Schedule 2 – Fundraising Events and Activities

Fundraising Event/Activity

Complete a separate schedule for each event or activity held

Additional schedule(s) attached

Description of fundraising event/activity N/A

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

Part I – Ticket revenue

Admission charge (per person)

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

Number of tickets sold

\$ _____ 2A
X _____ 2B

Total Part I (2A X 2B) (include in Part 1 of Schedule 1)

= \$ 0

Part II – Other revenue deemed a contribution

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

Provide details

1. _____ + \$ _____
2. _____ + \$ _____
3. _____ + \$ _____
4. _____ + \$ _____
5. _____ + \$ _____

Total Part II (include in Part 1 of Schedule 1)

= \$ _____

Part III – Other revenue not deemed a contribution

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

Provide details

1. _____ + \$ _____
2. _____ + \$ _____
3. _____ + \$ _____
4. _____ + \$ _____
5. _____ + \$ _____

Total Part III (include under Income in Box C)

= \$ _____

Part IV – Expenses related to fundraising event or activity

Provide details

1. _____ + \$ _____
2. _____ + \$ _____
3. _____ + \$ _____
4. _____ + \$ _____
5. _____ + \$ _____
6. _____ + \$ _____
7. _____ + \$ _____
8. _____ + \$ _____

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

Leamington

Date (yyyy/mm/dd)

2019/03/03

Contact Information

Last Name or Single Name

MacPherson

Given Name(s)

Heather

Licence Number

1-18474

Address

Suite/Unit No.

Box 18

Street No.

49

Street Name

Erie St. N.

Municipality

Leamington

Province

ON

Postal Code

N8H 3W2

Telephone No. (including area code)

519 326-2681

Email Address

heathermacpherson@hmid.ca

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