

Memorandum

ARUNA K PARBHAKAR
CERTIFIED GENERAL ACCOUNTANT
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Auditor's Report

To: Sounantha Vong, Official Agent for Joe Chan

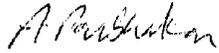
I have audited Form 922, Candidates Financial Statements and Supporting Schedules, prepared in accordance with the accounting requirements of *The Elections Finances Act* of Manitoba and Accounting Guide – Accounting For Purposes of *The Elections Finances Act* Issued by the Chief Electoral Officer, for the candidacy of Joe Chan for the candidacy period from April 23, 2007 to July 23, 2007, relating to the election held on May 22, 2007 in the Electoral Division of Wellington. These financial statements are the responsibility of the Official Agent and the Candidate. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Official Agent and Candidate, as well as evaluating the overall financial statement presentation.

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 to satisfactory audit verification. Accordingly, my verification of these revenues and expenses were limited to the amounts recorded in the candidate's election campaign record and I was not able to determine whether any adjustments might be necessary to assets, liabilities, income, expenses and the campaign period surplus/deficit.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of contribution income and expenses referred to in the preceding paragraph, Form 922, Candidate's Financial Statements and Supporting Schedules for Joe Chan are presented fairly in all material respects, in accordance with the accounting requirements of *The Elections Finances Act* of Manitoba and Accounting Guide – Accounting For Purposes of *The Elections Finances Act* Issued by the Chief Electoral Officer.

City : Winnipeg
Date: November 2, 2007


Aruna K. Parbhakar
Certified General Accountant

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**Candidate's Financial Statements
and Supporting Schedules**



(To be filed within 4 months after Election Day.
Complete the form in ink.)

For the Candidacy Period

Date April 23, 2007

To Date July 23, 2007

Candidate

| | |
|---|--------------------|
| Name | <u>JOE CHAN</u> |
| Electoral Division | <u>WELLINGTON</u> |
| Endorsing Political Party (if applicable) | <u>Independent</u> |

Official Agent

| | |
|------|-----------------------|
| Name | <u>Sounantha Vong</u> |
|------|-----------------------|

Auditor

| | |
|---|---|
| Name of Auditor | <u>ARUNAK. PARBHAKAR B.A. BEd. C.G.A.</u> |
| 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 Elections Finances Act*.

Sounantha Vong
Signature of Official Agent

Nov. 2/07
Date

AMENDED

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

Assets

| | | | |
|-----|--|-------------------|----------------------------|
| 100 | Cash | \$ <u>4328.49</u> | |
| 110 | Accounts receivable | <u>277.46</u> | |
| 120 | Inventory* | <u>0</u> | |
| | Other assets (provide details) | | |
| 130 | _____ | <u>0</u> | |
| 140 | _____ | <u>0</u> | |
| 150 | Total Assets (total of line 100 to 140) | | line 150 <u>\$ 4605.95</u> |

Liabilities and Surplus

| | | | | |
|-----|---|---------------------------|-----------------|--|
| 200 | Accounts payable | \$ <u>3702.50</u> | ← From line 840 | ↑ Lines 150 and 290 must be the same. ↓ |
| 210 | Overdraft/ Line of Credit** | <u>11633.72</u> | | |
| 220 | Loans** | <u>0</u> | | |
| | Other liabilities (provide details) | | | |
| 230 | _____ | <u>0</u> | | |
| 240 | _____ | <u>0</u> | | |
| 250 | Candidacy Period Surplus/(Deficit) | <u>< 10730.57 ></u> | ← From line 440 | |
| 290 | Total Liabilities and Surplus (total of line 200 to 250) | | | <u>\$ 4605.95</u> |

* 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.

AMENDED

Statement of Income, Expenses and Transfers for the Candidacy Period

Income and Transfers

| | | | |
|-----|---|--------------|---------------------------|
| 300 | Contributions | \$ 11,600.00 | ← From line 630, column C |
| 310 | Transfers from endorsing political party | 0 | ← From line 720 |
| 320 | Transfers from candidate's constituency association | 0 | ← From line 760 |
| 330 | Fund raising | 0 | |
| | Other Income (provide details) | | |
| 340 | _____ | 0 | |
| 350 | _____ | 0 | |
| 390 | Total Income and Transfers (total of line 300 to 350) | | line 390 \$ 11,600.00 |

Expenses and Transfers

| | | | |
|-----|---|--------------|---------------------------|
| 400 | Election expenses | \$ 21,745.15 | ← From line 595 |
| 410 | Non - election expenses | 585.42 | ← From line 590, column C |
| 415 | Transfer of money to endorsing political party | 0 | |
| 420 | Transfer of goods and services to endorsing political party | 0 | |
| 430 | Total Expenses and Transfers (total of line 400 to 420) | | line 430 \$ 22,330.57 |
| 440 | Total Period Surplus/ (Deficit) (line 390 minus line 430) | | line 440 < \$ 10,730.57 |

To line 250

AMENDED

Schedule 1 – Candidacy Period Expenses Including Donations in Kind

| | Election Expenses used in Election period | | C Non-Election Expenses in Candidacy Period | D Total Expenses (columns A plus B plus C) |
|--|---|-----------------------|--|---|
| | A Cash/Credit | B Donation in Kind | | |
| 500 Advertising - Media | 719.33 | | | 719.33 |
| 505 Posters, pamphlets, promotional | 3381.16 | | | 3381.16 |
| 510 Audit fee (amount in excess of subsidy) | - | | | - |
| 515 Disability | | | | |
| 520 Child Care | | | | |
| 525 Fund Raising | | | | |
| 530 Furniture and equipment rental | 2853.25 | | | 2853.25 |
| 535 Honoraria/Salaries | 5150.00 | | | 5150.00 |
| 540 Interest and basic charges | 109.86 | | 228.52 | 338.38 |
| 545 Office Occupancy (rent, utilities) | 1880.65 | | 259.34 | 2140.00 |
| 550 Office supplies and postage | 215.85 | | | 215.85 |
| 555 Personal | - | | | - |
| 560 Polling | - | | | - |
| 565 Signs/structural support | 2820.48 | | | 2820.48 |
| 570 Telephone | 712.48 | | 72.23 | 785.21 |
| 575 Transportation, accommodation and food | 342.82 3031.95 | | | 3374.77 |
| Other (provide details) | | | | |
| 580 CR. LINE INSURANCE | 11.01 | | 25.32 | 36.33 |
| 585 NAIL + SCREENS | 15.81 | | - | 15.81 |
| 590 Total (total of line 500 to 585) | 21745.15 | | 585.42 | 22330.57 |
| 595 Total election expenses (Total of line 590 column A and B) | | | | |

From sched line 850
From sched line 860

To line 400 To line 410

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

Loan interest line 597 \$

Schedule 3 – Transfers from Endorsing Political Party

(Complete only if the candidate's campaign received transfers from the candidate's endorsing political party)

A. Total value of all **cash transfers** received during the candidacy period from the candidate's endorsing political party: line 700 \$ N/A

B. Total value of all **transfers of goods or services** during the candidacy period from the candidate's endorsing political party: line 710 \$ N/A

C. Total transfers from candidate's endorsing political party: (total of line 700 to 710) line 720 \$ N/A

← To line 310

D. If you entered an amount on line 710, report the value of goods or services that were used in the election period: line 730 \$ N/A

N/A

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 candidate’s constituency association: line 740 \$ N/A

B. Total value of all **transfers of goods or services** during the candidacy period from the candidate’s constituency association: line 750 \$ N/A

C. Total transfers from candidate’s constituency association: (total of line 740 to 750) line 760 \$ N/A ← To line 320

D. If you entered an amount on line 750, disclose the value of goods or services that were used during the election period: line 770 \$ N/A

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 endorsing the candidate during the candidacy period?

No (no further information is required)

Yes (complete the schedule below)

| Name and address of Contributors of \$250 or more to the Constituency Association (attach list if necessary) | \$ Aggregate Value of Contribution |
|---|--|
| | |
| | |
| | |
| | |
| | |
| | |

List attached?

Yes

No

Schedule 5 – Reconciliation of Income Tax Receipts

(Complete only if the candidate was registered to issue income tax receipts – i.e. Form 911 was filed with Elections Manitoba)

Total number of income tax receipts received from Elections Manitoba line 780 50

Total number of income tax receipts returned to Elections Manitoba:

• Issued to Contributors line 790 13

← Return Elections
Manitoba copies only.

• Voided or cancelled line 800 0

← Return all three
copies.

• Unused line 810 12

← Return all three
copies.

Total number of income tax receipts returned to Elections Manitoba
(total of line 790 to 810) line 820 25

Total unreturned income tax receipts (line 780 minus line 820) line 830 25

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

Receipt # 31201 - 31225

I lost it above Receipt # 31201 - 31225
I never will use those Receipt and never will
if I do find it I will destroy it, and never
use it in the future

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 |
|------------------------|------------------------|-------------|
| JOE CHAN | REIMBURSEMENTS | 3,702.80 |
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| | | |
| Total accounts payable | line 840 | \$ 3,702.80 |


 Candidate's Signature

Date Sep 21 2007
To line 200

JOE CHAN- Candidate

Notes to Financial Statement

As at end of Candidacy period July 23, 2007

Accounts Receivable

Accounts Receivable is receivable from Joe Chan, the candidate of Manitoba Election.

Joe Chan Has withdrawn on August 9, 2007 the amount of \$ 3,702.80 to cover his personal money spent during the candidacy period, instead of withdrawing \$ 3,425.34. The difference is \$ 277. 46 and \$22.23 has been deposited back by Joe Chan in month September 2007, \$ 255.23 is still due from Joe Chan.