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September 21, 2011

INDEPENDENT AUDITORS' REPORT

To Phil Walding, Official Agent for Tim Lehtinen, and Tim Lehtinen, the Candidate:

We have audited the accompanying Form 922, Candidate's Financial Statements and Supporting Schedules, which comprises the Statement of Assets, Liabilities and Surplus as at May 5, 2011, Statement of Income, Expenses and Transfers for the Candidacy of Tim Lehtinen for the Candidacy Period from April 25, 2011 to May 5, 2011 relating to the election held on October 4, 2011 in the Electoral Division Elmwood and a note describing the basis of accounting (the statements). The statements have been prepared by the Official Agent based on the financial reporting provisions of the Elections Finances Act as issued by Elections Manitoba.

Official Agent's Responsibility for the Statements

The Official Agent is responsible for the preparation of the statements in accordance with the financial reporting provisions of the Elections Finances Act as issued by Elections Manitoba, and for such internal control as the Official Agent determines is necessary to enable the preparation of the statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Official Agent, as well as evaluating the overall presentation of the statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

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 of satisfactory audit verification. Accordingly, our testing of contribution income and donations in kind income and expenses was limited to the amounts recorded in the candidate's election 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.

Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, Form 922, Candidate's Financial Statements and Supporting Schedules for Tim Lehtinen for the candidacy period of April 25, 2011 to May 5, 2011 relating to the election held on October 4, 2011 in the Electoral Division Elmwood are prepared, in all material respects, in accordance with the financial reporting provisions of the Elections Finances Act as issued by Elections Manitoba.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the statements, which describes the basis of accounting. The statements are prepared to comply with the financial reporting provisions of the Elections Finances Act as issued by Elections Manitoba. The statements are filed with Elections Manitoba in accordance with the Elections Finances Act. As a result, the statements may not be suitable for another purpose.



Chartered Accountants
Winnipeg, Canada

For this communication, together with the work done to prepare this communication and for the opinions we have formed, if any, we accept and assume responsibility only to the addressee of this communication, as specified in our letter of engagement.

**Notes to the Candidate's Financial Statements and Supporting Schedules – Form 922
for the Candidacy Period from April 25, 2011 to May 5, 2011**

1. Basis of accounting

The Candidate's Financial Statements and Supporting Schedules – Form 922, are prepared to comply with the financial reporting provisions of the *Elections Finances Act* as issued by Elections Manitoba. Income, expenses and transfers have been accounted for using the rules and regulations found within the Act. The statements are filed with Elections Manitoba in accordance with the Elections Finances Act. As a result, the statements may not be suitable for another purpose.

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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 #Name? APRIL 29/11

To

Date #Name? MAY 5/2011

Candidate

Name: Lehtinen, Tim; Electoral Division: Elmwood; Endorsing Political Party (If applicable): PC Manitoba

Official Agent

Name: Phil Walding

Auditor

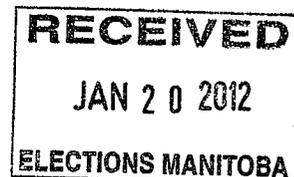
Name of Auditor: SCARROW & DONALD LLP, 100-5 DONALD ST WINNIPEG MB R3L2T4; Name of Professional Accountant to Whom Inquiry May be Directed (if different than above): R.G. PINOZZA, FCA

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 also hereby declare that to the best of my knowledge and belief, the information contained herein is complete, true and correct and in compliance with the requirements of The Elections Finances Act.

Signature of Official Agent: Phil Walding

Date: MAY 21/11



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

Assets

100 Cash \$ _____
 110 Accounts Receivable _____
 120 Inventory * _____
 Other Assets (provide details) _____
 130 _____
 140 _____

150 Total Assets (total of line 100 to 140)

\$ Nil.

Liabilities and Surplus

200 Accounts Payable \$ _____ ← **From line 840**
 210 Overdraft/ Line of Credit ** _____
 220 Loans ** _____
 Other Liabilities (provide details) _____
 230 _____
 240 _____
 250 Candidacy Period Surplus/(Deficit) _____ ← **From line 440**

Lines 150 and 290 must be the same.

290 Total Liabilities and Surplus (total of line 200 to 250)

\$ Nil.

* 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 \$ _____ ← **From line 630, column C**

310 Transfers from endorsing political party _____ ← **From line 720**

320 Transfers from candidate's constituency association _____ ← **From line 760**

330 Fund raising _____

Other Income (provide details)

340 _____

350 _____

390 Total Income and Transfers (total of line 300 to 350) line 390 \$ Nil

Expenses and Transfers

400 Election expenses \$ _____ ← **From line 595**

410 Non - election expenses _____ ← **From line 590, column D**

415 Transfer of money to endorsing political party _____

420 Transfer of goods and services to endorsing political party _____

430 Total Expenses and Transfers (total of line 400 to 420) line 430 \$ Nil

440 Candidacy Period Surplus/(Deficit) (line 390 minus line 430) line 440 \$ Nil

To line 250

Schedule 1 - Candidacy Period Expenses Including Donations in Kind

	Election Expenses used in Election Period			D Non-Election Expenses in Candidacy Period	E Total Expenses (columns A plus B plus C plus D)
	A Cash / Credit	B Donation in kind	C Goods and Services Used and Received Through Transfers		
500 Advertising - Media					
505 Posters, pamphlets, promotional					
510 Audit fee (amount in excess of subsidy)					
515 Disability					
520 Child Care					
525 Fund raising					
530 Furniture and equipment rental					
535 Honoraria/Salaries					
540 Interest and bank charges					
545 Office Occupancy (rent, utilities)					
550 Office Supplies and postage					
555 Personal					
560 Polling					
565 Signs/structural support					
570 Telephone					
575 Transportation, accomodation and food					
Other (provide details)					
580					
585					
590 Total (total of line 500 to 585)					

From schedule 7, line 850

From schedule 8, line 860

595 Total election expenses (Total of line 590 column A, B and C)

Nil

← To line 400

↑ To line 410

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

Loan interest line 597 \$ Nil
 Bank Charges line 599 \$ Nil

Schedule 2 - Contributions to a Candidate (Including Donations in Kind)

A. Contributions Summary

		A	B	C (A plus B)
	Aggregate Contributions of:	Cash	Donations in Kind	Total of all Contributions
600	\$250 or more			
610	\$25 or more but less than \$250			
620	Less than \$25			
630	Total	\$	\$	\$ NIL

← Enter line 630, column C total on line 300

B. Contributions of \$250 or More

(Complete part B only if the aggregate value of the contributions (cash and donations in kind) from any individual normally resident in Manitoba was \$250 or more during the candidacy period.)

Name of Contributor (alphabetical order)	Residential Address	Aggregate Value of Contributions

Additional pages attached?

Yes _____

No X

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 \$ NIL
- B. Total value of all **transfers of goods or services** during the candidacy period from the candidate's endorsing political party: line 710 \$ NIL
- C. Total transfers from candidate's endorsing political party: (total of line 700 to 710) line 720 \$ NIL ← 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 \$ NIL

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 \$ Nil

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

C. Total transfers from the candidate's constituency association: (total of line 740 to 750) line 760 \$ Nil ← To line 320

D. If you entered an amount on line 750, disclose the value of goods or services that were used in 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 endorsing the candidate during the candidacy period?

No (no further information is required)

Yes (complete the schedule below)

Name and Manitoba Residential 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 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 any 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 disabled candidate in relation to a candidate's disability to enable the candidate to campaign in an election period)

* Per section 1.1 of the *Elections Finance 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 515, column D

Candidate's Signature

Date

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 1.1 of the *Elections Finance 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 520, column D

Candidate's Signature

Date

Schedule 9 - Annual Limit on Advertising Expenses (outside the election period and to be completed in the year of a fixed date election)

(Complete the following schedule to calculate the amount of advertising expenses subject to the annual advertising limits. 54.1(1)(b) and s. 54.1(2)(b))

Total advertising expenses incurred during year	(outside the election period)	
910 Endorsed candidates (from line 940)	line 910	\$ _____
920 Individuals (from line 950)	line 920	_____
930 Total Annual Advertising Subject to Limitation (total of line 910 to 920)	line 930	\$ Nil

A. Advertising expenses incurred by the candidate outside the election period and in the year of a fixed date election.*

Details of Expense		Amount \$
Total	Line 940	\$ nil

B. Advertising expenses incurred by an individual on the candidate's behalf with the candidate's knowledge and consent outside the election period and in the year of a fixed date election.*

Name of Individual	Address	Amount \$
Total		Line 950 \$ nil

* Attach separate list if necessary.