

Independent Auditors' Report

To Patricia Sweryd
Official Agent Andrew Frank

We have audited Form 922, Candidate's Financial Statements and Supporting Schedules, 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* issued by the Chief Electoral Officer, for the candidacy of Andrew Frank for the candidacy period from January 16, 2016 to June 20, 2016 relating to the election held on April 19, 2016 in the Electoral Division of Concordia.

Management's Responsibility for the Financial Statements

The Official Agent and the Candidate are responsible for the preparation and fair presentation of the financial statements in accordance with *The Election Financing Act* of Manitoba and the *Accounting Guide – Accounting for Purposes of the Election Financing Act*, and for such internal control they determine is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial 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 financial 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 and Candidate, as well as evaluating the overall presentation of the financial statements.

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

Basis of 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 verification 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.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, Form 922, Candidate's Financial Statements and Supporting Schedules for Andrew Frank 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.

Winnipeg, Manitoba

August 17, 2016

MNP LLP
Chartered Accountants

922

Candidate's Financial Statements and Supporting Schedules



to be filed within 4 months after Election Day. Complete the form in ink.

RECEIVED NOV 01 2016 ELECTIONS MANITOBA

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For the Candidacy Period

Date January 16, 2016

To

Date June 20, 2016

Candidate

| |
|--|
| Name |
| Frank, Andrew |
| Electoral Division |
| Concordia |
| Endorsing Registered Party (If applicable) |
| PC Manitoba |

Official Agent

| |
|-----------------|
| Name |
| Patricia Sweryd |

Auditor

| |
|---|
| Name of Auditor |
| MNP |
| Name of Professional Accountant to Whom Inquiry May be Directed (if different than above) |
| Ken Kustra |

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 (Handwritten signature)

Date August 18, 2016

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

Assets

| | |
|--------------------------------|-------------|
| 100 Cash | \$ 2,318.26 |
| 110 Accounts receivable | 2,070.00 |
| 115 Inventory* | |
| Other assets (provide details) | |
| 130 _____ | |
| 135 _____ | |

190 Total Assets (total of line 100 to 135) line 190 \$ 4,388.26

Liabilities and Surplus

| | | |
|--|-----------|---|
| 200 Accounts payable | \$ 874.25 | ← From line 840 |
| 205 Overdraft/ Line of Credit ** | | |
| 220 Loans ** | | |
| Other liabilities (provide details) | | |
| 230 _____ | | |
| 240 _____ | | |
| 275 Candidacy Period Surplus/(Deficit) | 3,514.01 | ← From line 440 |

Lines 190 and 290 must be the same.

290 Total Liabilities and Surplus (total of line 200 to 275) line 290 \$ 4,388.26

* 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 | \$ <u>6,654.00</u> | ← | From line 630, column C |
| 310 Transfers from candidate's constituency association | <u>3,750.00</u> | ← | From line 760 |
| 320 Transfers from endorsing registered party | <u>16,070.00</u> | ← | From line 720 |
| 330 Fundraising | <u> </u> | | |
| Other Income (provide details) | <u> </u> | | |
| 360 | <u> </u> | | |
| | <u> </u> | | |
| 390 Total Income and Transfers (total of line 300 to 360) | | line 390 | \$ <u>26,474.00</u> |

Expenses and Transfers

| | | | |
|--|-----------------------------|----------|---|
| 400 Election expenses | \$ <u>21,965.28</u> | ← | From line 595 |
| 405 Non - election expenses | <u>994.71</u> | ← | From line 590, column D |
| 415 Transfer of money to endorsing registered part | <u> </u> | | |
| 420 Transfer of property and services to endorsing registered party | <u> </u> | | |
| 430 Total Expenses and Transfers (total of line 400 to 420) | | line 430 | \$ <u>22,959.99</u> |
| 440 Total Period Surplus/(Deficit) (line 390 minus line 430) | | line 440 | \$ <u>3,514.01</u> |
| | | | To line 275 ↗ |

Schedule 1 - Candidacy Period Expenses (including non-monetary expenses)

| | 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 Non-monetary | C Property and Services Used and Received Through Transfers | | |
| 500 Advertising - media | 180.00 | | | | 180.00 |
| 505 Posters, pamphlets, promotional | 6,516.93 | | | 221.49 | 6,738.42 |
| 511 Disability | | | | | |
| 512 Child care | | | | | |
| 515 Fundraising | | | | | |
| 520 Furniture and equipment rental | 698.54 | | | | 698.54 |
| 525 Honoraria/salaries | 2,848.91 | | | | 2,848.91 |
| 530 Interest and bank charges | 33.72 | | | 103.22 | 136.94 |
| 535 Audit fee (amount in excess of subsidy) | | | | 565.00 | 565.00 |
| 545 Office occupancy (rent, utilities) | 735.00 | | | 105.00 | 840.00 |
| 550 Office supplies and postage | 1,471.02 | | | | 1,471.02 |
| 555 Polling (opinion surveys, market research) | 6,924.50 | | | | 6,924.50 |
| 560 Signs/structural support | 1,756.59 | | | | 1,756.59 |
| 565 Transportation, accomodation and food | 800.07 | | | | 800.07 |
| 570 Telephone | | | | | |
| 575 Personal | | | | | |
| Other (provide details) | | | | | |
| 580 | | | | | |
| 585 | | | | | |
| 590 Total (total of line 500 to 585) | 21,965.28 | | | 994.71 | 22,959.99 |

From schedule 7, line 860

From schedule B, line 860

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

21,965.28 ← To line 400

↑ To line 405

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 \$ _____

Bank Charges line 598 \$ 103.22

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

A. Contributions Summary

| | | A | B | C (A plus B) |
|-----|-----------------------------|--------------------|----------------------------|----------------------------|
| | Aggregate Contributions of: | Cash | Non-monetary contributions | Total of all Contributions |
| 600 | \$250 or more | 5,350.00 | | 5,350.00 |
| 610 | Less than \$250 | 1,304.00 | | 1,304.00 |
| 630 | Total | \$ 6,654.00 | \$ | \$ 6,654.00 |

← To line 300

B. Contributions of \$250 or More

[Complete part B only if the aggregate value of the contributions (cash and non-monetary) from any individual normally resident in Manitoba was \$250 or more.]

| Name of Contributor (alphabetical order) | \$ Aggregate Value of Contribution |
|--|--|
| Baardman, Joyce | 300.00 |
| Frank, Elizabeth | 3,000.00 |
| Johnston, Joanne | 1,000.00 |
| Sweryd, Kevin | 500.00 |
| Sweryd, Patricia | 550.00 |

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 candidate's endorsing registered party: | line 700 | <u>\$ 16,070.00</u> | |
| B. | Total value of all transfers of property or services during the candidacy period from the candidate's endorsing registered party: | line 710 | <u>\$</u> | |
| C. | Total transfers from candidate's endorsing registered party: (total of line 700 to 710) | line 720 | <u>\$ 16,070.00</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>\$</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 candidate's constituency association: line 740 \$ 3,750.00

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

C. Total transfers from candidate's constituency association: (total of line 740 to 750) line 760 \$ 3,750.00 ← **To line 310**

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 \$ _____

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 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 - i.e. Form 911 was filed with Elections Manitoba)

Total number of income tax receipts received from Elections Manitoba line 780 25

Total number of income tax receipts returned to Elections Manitoba:

Issued to Contributors line 790 15

← **Return Elections
Manitoba copies only.**

Voided or cancelled line 800 1

← **Return all three
copies.**

Unused line 810 9

← **Return all three
copies.**

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

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

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 |
|----------------------|------------------------|--------------------|
| BMO | Bank Fees | 39.25 |
| MNP | Audit Fee | 565.00 |
| PC Party of Manitoba | Campaign Website | 270.00 |
| | Total accounts payable | line 840 \$ 874.25 |

↖
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 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 | \$ |

← To line 511, column D

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 \$ |

← To line 512, column D

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

(Complete the following schedule to calculate the amount of advertising expenses subject to the annual advertising limits.) s.58(2)

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)

Total advertising expenses incurred during year 221.49 (outside the election period)

910 Endorsed candidates (from line 940) line 910 \$ 221.49

920 Individuals (from line 950) line 920 _____

930 Total Annual advertising expenses
outside election period (total of line 910 to 920) line 930 \$ 221.49

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

| Details of Expense | \$ Amount |
|------------------------------|------------------|
| Standard Press Post Cards | 221.49 |
| Total Line 940 | \$ 221.49 |

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.