

## INDEPENDENT AUDITOR'S REPORT

To: The Town Clerk of the Town of Ajax

### Qualified Opinion

We have audited the Statement of Campaign Income and Expenses and the Calculation of Deficit of Lisa Bower, candidate, for the campaign period from July 23, 2018 to December 31, 2018 relating to the election held on October 22, 2018. The financial statements are included in the Financial Statement – Auditor's Report, Form 4. These financial statements have been prepared by Lisa Bower, candidate based on the financial reporting provisions of the Municipal Elections Act, 1996.

In our opinion, except for the effects of matters described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the candidate's election campaign as at December 31, 2018 and the income and expenses for the campaign period from July 23, 2018 to December 31, 2018 and the determination of deficit in accordance with the financial reporting provisions prescribed by the Municipal Elections Act, 1996.

### Basis for Qualified Opinion

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 statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements.

Due to the nature of the types of transactions inherent in an election campaign, it is impracticable through auditing procedures to determine that the accounting records include all donations of goods and services, and receipts and disbursements. Accordingly, our verification of these transactions was limited to ensuring that the financial statements reflect the amounts recorded in the accounting records of Lisa Bower, candidate, in accordance with the accounting procedures established by the Municipal Elections Act, 1996 and we are not able to determine whether any adjustments might be necessary to income and expenses, assets or liabilities, and surplus.

### Candidate's Responsibility for the Financial Statements

Lisa Bower, candidate is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Municipal Elections Act, 1996 and for such internal control as the candidate determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 it 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 these financial statements.

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 statements (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 overall presentation, structure and content of the financial statements and whether the financial statements represent 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.

### **Emphasis of Matter**

The Municipal Elections Act, 1996 does not require us to report, nor was it practicable 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.

*Copetti & Co.*

**Copetti & Co Professional Corporation**

*Authorized to practice public Accounting by The Chartered Professional Accountants of Ontario*

Whitby, ON  
March 15, 2019

**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 7	2 3

 to 

YYYY	MM	DD
2 0 1 8	1 2	3 1

 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

Bower

Given Name(s)

Lisa

Office for which the candidate sought election

Local Councillor

Ward name or no. (if any)

Ward 3

Municipality

Ajax

Spending Limit - General

\$ 28,443.00

Spending Limit - Parties and Other Expressions of Appreciation

\$ 2,854.93


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

**Box B: Declaration**

I, Lisa Bower, 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

2019.03.16  
 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
2019/03/26	4:18 pm	LB	

**Box C: Statement of Campaign Income and Expenses**

**LOAN**

Name of bank or recognized lending institution \_\_\_\_\_  
Amount borrowed \$ \_\_\_\_\_

**INCOME**

Total amount of all contributions (from line 1A in Schedule 1)	+ \$	11,286.47
Revenue from items \$25 or less	+ \$	_____
Sign deposit refund	+ \$	_____
Revenue from fundraising events not deemed a contribution (from Part III of Schedule 2)	+ \$	1,570.00
Interest earned by campaign bank account	+ \$	_____
Other (provide full details)		
1. _____	+ \$	_____
2. _____	+ \$	_____
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
<b>Total Campaign Income (Do not include loan)</b>	<b>= \$</b>	<b>12,856.47 C1</b>

**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	+ \$	1,439.82
Brochures/flyers	+ \$	4,712.67
Signs (including sign deposit)	+ \$	5,320.23
Meetings hosted	+ \$	305.94
Office expenses incurred until voting day	+ \$	_____
Phone and/or internet expenses incurred until voting day	+ \$	_____
Salaries, benefits, honoraria, professional fees incurred until voting day	+ \$	_____
Bank charges incurred until voting day	+ \$	84.80
Interest charged on loan until voting day	+ \$	_____
Other (provide full details)		
1. LisaForAjax.ca Pens	+ \$	586.47
2. _____	+ \$	_____
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
<b>Total Expenses subject to general spending limit</b>	<b>= \$</b>	<b>12,449.93 C2</b>

**EXPENSES**

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

1. _____	+ \$	_____
2. _____	+ \$	_____
3. _____	+ \$	_____
4. _____	+ \$	_____
5. _____	+ \$	_____
<b>Total Expenses subject to spending limit for parties and other expressions of appreciation</b>	<b>= \$</b>	<b>_____ C3</b>

**Expenses not subject to spending limits**

Accounting and audit	+ \$	<u>847.50</u>	
Cost of fundraising events/activities (list details in Part IV of Schedule 2)	+ \$	<u>299.06</u>	
Office expenses incurred after voting day	+ \$	<u>          </u>	
Phone and/or internet expenses incurred after voting day	+ \$	<u>          </u>	
Salaries, benefits, honoraria, professional fees incurred after voting day	+ \$	<u>103.53</u>	
Bank charges incurred after voting day	+ \$	<u>3.95</u>	
Interest charged on loan after voting day	+ \$	<u>          </u>	
Expenses related to recount	+ \$	<u>          </u>	
Expenses related to controverted election	+ \$	<u>          </u>	
Expenses related to compliance audit	+ \$	<u>          </u>	
Expenses related to candidate's disability (provide full details)			
1. _____	+ \$	<u>          </u>	
2. _____	+ \$	<u>          </u>	
3. _____	+ \$	<u>          </u>	
4. _____	+ \$	<u>          </u>	
5. _____	+ \$	<u>          </u>	
Other (provide full details)			
1. _____	+ \$	<u>          </u>	
2. _____	+ \$	<u>          </u>	
3. _____	+ \$	<u>          </u>	
4. _____	+ \$	<u>          </u>	
5. _____	+ \$	<u>          </u>	
<b>Total Expenses not subject to spending limits</b>	<b>= \$</b>	<b><u>1,254.04</u></b>	<b>C4</b>

**Total Campaign Expenses (C2 + C3 + C4) = \$ 13,703.97 C5**

**Box D: Calculation of Surplus or Deficit**

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)	+ \$	<u>-847.50</u>	D1
Eligible deficit carried forward by the candidate from the last election (applies to 2018 regular election only)	- \$	<u>          </u>	D2
<b>Total (D1 – D2)</b>	<b>= \$</b>	<b><u>-847.50</u></b>	
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	- \$	<u>          </u>	
<b>Surplus (or deficit) for the campaign</b>	<b>= \$</b>	<b><u>-847.50</u></b>	<b>D3</b>

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	+ \$ 2,000.00
Contributions in goods and services from candidate and spouse (include value listed in Table 3 and Table 4)	+ \$ _____
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).	+ \$ 300.00
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).	+ \$ 8,986.47
<b>Less:</b> Contributions returned or payable to the contributor	- \$ _____
Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	- \$ _____
<b>Total Amount of Contributions (record under Income in Box C)</b>	<b>= \$ 11,286.47 1A</b>

**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 Supplementary Schedule			8,400.00	
			<b>Total</b>	
			<b>8,400.00</b>	

Additional information is listed on separate supplementary attachment

**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 \$
Felicidad Gamboa	512 - 2200 John st., Thornhill, ON L3T 7D	LisaForAjax.ca Pens	2018/08/01	586.47
			<b>Total</b>	<b>586.47</b>

Additional information is listed on separate supplementary attachment

**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)

\$ 8,986.47 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 \$

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

**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	<b>Total</b>			



## SUPPLEMENTARY SCHEDULE

**Lisa Bower**  
**Local Councillor**  
**Contributions that exceed \$100**

NAME	Address	Date	Amount
Susanne Healy	2 Ontoro Blvd., Ajax ON, L1Z 1X6	2018-07-23	\$ 1,000.00
Albert Santos	26 Sumner Heights Dr, Thornhill, On M2K 1V3	2018-08-07	300.00
Rhett Abarquez	50 Mowatt Court, Thornhill, ON L3T 6V5	2018-08-07	500.00
Rhett Abarquez	50 Mowatt Court, Thornhill, ON L3T 6V5	2018-08-21	300.00
Rhett Abarquez	50 Mowatt Court, Thornhill, ON L3T 6V5	2018-08-22	400.00
Lissed Gamboa	512 - 2200 John St., Thornhill ON, L3T 7S7	2018-08-24	500.00
Meagan Healy	2 Ontoro Blvd., Ajax, ON L1Z 1X6	2018-09-06	300.00
Victor Sgro	878 Baylawn Dr., Pickering ON, L1X 2N7	2018-09-06	500.00
Terry Abarquez	68 Thorny Vineway, Toronto ON, M2J 4J2	2018-09-12	250.00
Ken Russell	58 Buggey Lane, Ajax ON, L1Z 1X5	2018-09-12	250.00
Suzanne Bigioni	479 Poplar Ave., Ajax ON, L1S 1E7	2018-09-12	300.00
James Kelly	14 Ontoro Blvd., Ajax ON, L1Z 1X6	2018-09-24	1,200.00
Rita Kelly	14 Ontoro Blvd., Ajax ON, L1Z 1X6	2018-09-24	1,200.00
Glenn Healy	2 Ontoro Blvd, Ajax ON L1Z 1X6	2018-09-24	1,200.00
Meagan Healy	2 Ontoro Blvd., Ajax ON, L1Z 1X6	2018-09-24	200.00
			<hr/>
			\$ 8,400.00

**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 Paint Night Fundraiser

Date of event/activity (yyyy/mm/dd) 2018/09/24

**Part I – Ticket revenue**

Admission charge (per person)

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

	\$ _____	2A	
Number of tickets sold	X _____	2B	
<b>Total Part I (2A X 2B) (include in Part 1 of Schedule 1)</b>			= \$ _____

**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. _____	+ \$ _____	
<b>Total Part II (include in Part 1 of Schedule 1)</b>		= \$ _____

**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. <u>Portly Piper (Pass the hat) August 16</u>	+ \$	<u>280.00</u>	
2. <u>Paint Night</u>	+ \$	<u>1,290.00</u>	
3. _____	+ \$ _____		
4. _____	+ \$ _____		
5. _____	+ \$ _____		
<b>Total Part III (include under Income in Box C)</b>			= \$ <b><u>1,570.00</u></b>

**Part IV – Expenses related to fundraising event or activity**

Provide details

1. <u>Dollarama Supplies</u>	+ \$	<u>24.35</u>	
2. _____	+ \$	<u>274.71</u>	
3. _____	+ \$ _____		
4. _____	+ \$ _____		
5. _____	+ \$ _____		
6. _____	+ \$ _____		
7. _____	+ \$ _____		
8. _____	+ \$ _____		
<b>Total Part IV Expenses (include under Expenses in Box C)</b>			= \$ <b><u>299.06</u></b>

**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 Accountants

Municipality

Whitby

Date (yyyy/mm/dd)

2019/03/14

**Contact Information**

Last Name or Single Name

Copetti

Given Name(s)

Kimberly

Licence Number

1-16323

**Address**

Suite/Unit No.

Street No.

601

Street Name

Brock Street South

Municipality

Whitby

Province

ON

Postal Code

L1N 4L1

Telephone No. (including area code)

905 666-2111

Email Address

kcopetti@copetti.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

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.