

INDEPENDENT AUDITORS' REPORT

To The Campaign of Sterling Lee:

Opinion

We have audited the accompanying campaign period financial statements of the candidacy of Sterling Lee, which comprise the statement of Campaign Income and Expenses for the campaign period from May 4, 2018 to December 31, 2018 and the calculation of Surplus or Deficit as at December 31, 2018.

In our opinion, except for the possible impact of the matters described in the Basis for Qualified Opinion Section of the report, the accompanying financial statements of the Campaign for the period ended December 31, 2018 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 88 of the Municipal Elections Act, 1996 and the Candidates' Guide for Ontario Municipal Council and School Board Elections.

Basis for Qualified Opinion

Due to the inherent nature of the transactions of organizations of this type, the completeness of the various categories of income and expenses is not susceptible to satisfactory audit verification. Accordingly, our verification of income and expenses 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 income, expenses and period surplus/deficit for the campaign period from May 4, 2018 to December 31, 2018 and assets and liabilities as at December 31, 2018.

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 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 qualified opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

The financial statements are prepared in accordance with provisions of Section 88 of the Municipal Elections Act and the Candidates' Guide for Ontario Municipal Council and School Board Elections. The financial statements are prepared to assist the Campaign to meet the requirements of Municipal Elections Act. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT
(Continued)

Responsibilities of Chief Financial Officer of the Sterling Lee campaign for the Financial Statements

The Chief Financial Officer of the Sterling Lee campaign is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of Section 88 of the Municipal Elections Act and the Candidates' Guide for Ontario Municipal Council and School Board Elections and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer is responsible for overseeing the Campaigns financial reporting process.

Auditor's Responsibilities 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 qualified 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 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.

Hurren Sinclair MacIntyre LLP

Chartered Professional Accountants
Licensed Public Accountants

Ajax, Ontario
March 13, 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 5	0 4

 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

Lee

Given Name(s)

Sterling

Office for which the candidate sought election

Regional Councillor

Ward name or no. (if any)

2

Municipality

Ajax

Spending Limit - General

\$ 22,862.75

Spending Limit - Parties and Other Expressions of Appreciation

\$ 2,286.28

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

Box B: Declaration

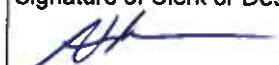
I, Sterling Lee, declare that to the best of my knowledge and belief that these financial statements and attached supporting schedules are true and correct.



Signature of Candidate

2019/03/14

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
2019/03/14	11:40 am	S.L.	

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) + \$ 12,328.24

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) = \$ 12,328.24 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 + \$ 1,824.44

Brochures/flyers + \$ 1,779.75

Signs (including sign deposit) + \$ 3,976.19

Meetings hosted + \$ 74.26

Office expenses incurred until voting day + \$ 1,851.40

Phone and/or internet expenses incurred until voting day + \$ 149.79

Salaries, benefits, honoraria, professional fees incurred until voting day + \$ _____

Bank charges incurred until voting day + \$ 39.12

Interest charged on loan until voting day + \$ _____

Other (provide full details) _____

1. Canada Post + \$ 1,988.24

2. _____ + \$ _____

3. _____ + \$ _____

4. _____ + \$ _____

5. _____ + \$ _____

Total Expenses subject to general spending limit = \$ 11,683.19 c2**EXPENSES****Expenses subject to spending limit for parties and other expressions of appreciation**

1. Volunteer Appreciation Party + \$ 650.00

2. _____ + \$ _____

3. _____ + \$ _____

4. _____ + \$ _____

5. _____ + \$ _____

Total Expenses subject to spending limit for parties and other expressions of appreciation = \$ 650.00 c3

Expenses not subject to spending limits

Accounting and audit	+ \$	<u>1,073.50</u>	
Cost of fundraising events/activities (list details in Part IV of Schedule 2)	+ \$	<u> </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> </u>	
Bank charges incurred after voting day	+ \$	<u> </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>	
Total Expenses not subject to spending limits	= \$	<u>1,073.50</u>	C4

Total Campaign Expenses (C2 + C3 + C4) = \$ 13,406.69 C5

Box D: Calculation of Surplus or Deficit

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)	+ \$	<u>-1,078.45</u>	D1
Eligible deficit carried forward by the candidate from the last election (applies to 2018 regular election only)	- \$	<u> </u>	D2
Total (D1 – D2)	= \$	<u>-1,078.45</u>	
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	- \$	<u> </u>	
Surplus (or deficit) for the campaign	= \$	<u>-1,078.45</u>	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.

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 _____

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	
		= \$ 0.00

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

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. _____	+ \$ _____	
		= \$ 0.00

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. _____	+ \$ _____	
		= \$ 0.00

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. _____	+ \$ _____	
		= \$ 0.00

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, Chartered Accountant

Municipality

Ajax

Date (yyyy/mm/dd)

2019/03/13

Contact Information

Last Name or Single Name

Sinclair

Given Name(s)

Neil

Licence Number

1-16306

Address

Suite/Unit No.

4

Street No.

144

Street Name

Old Kingston Road

Municipality

Ajax

Province

ON

Postal Code

L1T 2Z9

Telephone No. (including area code)

905 683-8856

Email Address

nsinclair@hsmca.com

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.

SCHEDULE 1 A

CONTRIBUTIONS EXCEEDING \$100-Per Contributor/Individuals

Other than Candidate

Name	Address	Date Received	Amount	Receipt #	Returned to Contributor or Paid to Clerk
Ronda Evans	19 Pearce Dr, Ajax, L1T 2M4	14/02/2018	\$ 300	1	
Mark Holland	384 Delaney Dr., Ajax, L1T 3Y8	15/05/2018	\$ 1,200	2	
Robert Ting	139 Teddington Park Ave, Toronto, M4N 2C7	19/06/2018	\$ 1,000	3	
Paul Tam	3 Gerald Street, Toronto, M2L 2M4	19/06/2018	\$ 1,000	4	
Armin Mirzadeh	54 McGillivray Ave, Toronto, M5M 2Y2	20/06/2018	\$ 1069.69	5	
Humera Khan	166 Elizabeth Street, Ajax, ON L1T 3Z5	25/06/2018	\$ 300	6	
Sohail Khan	166 Elizabeth Street, Ajax, ON L1T 3Z5	25/06/2018	\$ 300	7	
Carla Mantes	18 Byram Downs ST., Ajax, L1Z 1R5	18/07/2018	\$ 300	8	

Danielle M Mantes	18 Byram Downs ST., Ajax, L1Z 1R5	19/07/2018	\$ 300	9	
Mathieu Dragonas	17 Forest Rd, Ajax, L1S 2N2	24/07/2018	\$ 150	10	
Ramon Mantes	18 Byram Downs ST., Ajax, L1Z 1R5	30/07/2018	\$ 300	11	
Dev Ramkallie	386 Delaney Rd, Ajax, L1T 3Y8	20/09/2018	\$ 300	12	
Lakshmi A Persaud	386 Delaney Rd, Ajax, L1T 3Y8	20/09/2018	\$ 300	13	
Edhama Sukar	29 Doric St, Ajax, L1S 5G9	09/10/2018	\$ 300	14	
Evan Wiseman	35 Holliman Lane, Ajax, L1Z 1K9	10/10/2018	\$ 300	15	
Arielle Mantes	18 Bryam Downs St., Ajax, L1Z 1R5	30/10/2018	\$ 300	16	
Claudette Morsy	91 Tomlinson Circle, Markham, L3R 9J6	15/10/2018	\$ 500	17	
Joe Dickson	212B Harwood Ave S	17/08/2018	\$ 200	18	
Total					Pg 4
Total Donations	Box C			Receipts Issued 17	\$ 8419.99