

Municipality of Thames Centre Candidate Auditor's Report

Campaign of Candidate Sharron McMillan

Financial Statement Report

Period from August 5, 2022 to January 3, 2023



Independent auditor's report

To the Campaign of Sharron McMillan, the Clerk of the Municipality of Thames Centre, and the Ministry of Municipal Affairs and Housing

Qualified opinion

We have audited the Financial Statement – Auditor's Report Candidate – Form 4 of the Campaign of Sharron McMillan [the "Campaign"], which comprises the statement of campaign income and expenses, the calculation of surplus or deficit, and the attached schedules of contributions and fundraising events and activities, and a covering page with candidate information relating to the election held on October 24, 2022, for the period from August 5, 2022 to January 3, 2023, and the note to the Financial Statement, including a summary of the significant accounting policy [together the "Financial Statement"].

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying Financial Statement is prepared, in all material respects, in accordance with the financial reporting provisions of Section 88.25 of the *Municipal Elections Act, 1996* (Ontario) [the "Act"].

Basis for qualified opinion

Due to the inherent nature of the transactions of electoral campaigns, the completeness of contributions and other revenue and expenses is not susceptible to our obtaining evidence we considered necessary for the purposes of the review. Accordingly, the evidence obtained of these contributions and other revenue and expenses was limited to the amounts recorded in the campaign account records of Sharron McMillan. Therefore, we were not able to determine whether any adjustments might be necessary to contributions and other revenue and expenses. Our conclusion on the Financial Statement for the campaign period is modified accordingly because of the possible effects of this limitation in scope.

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 Statement* 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 Statement 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 audit opinion.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to the note to the Financial Statement, which describes the basis of accounting. The Financial Statement is prepared to assist the Campaign to comply with the financial reporting requirements of Section 88.25 of the Act. As a result, the Financial Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Campaign, the Clerk of the Municipality of Thames Centre, and the Ministry of Municipal Affairs and Housing and should not be distributed to or used by parties other than the Campaign, the Clerk of the Municipality of Thames Centre or the Ministry of Municipal Affairs and Housing.

Responsibilities of the Campaign and those charged with governance for the Financial Statement

The Campaign is responsible for the preparation of the Financial Statement in accordance with the provisions of Section 88.25 of the Act, and for such internal control as the Campaign determines is necessary to enable the preparation of the Financial Statement that is free from material misstatement, whether due to fraud or error.



Auditor's responsibilities for the audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the Financial Statement as a whole is 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 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 this Financial Statement.

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 Statement, 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 appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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.

Ernst & Young LLP

London, Canada
March 14, 2023

Chartered Professional Accountants
Licensed Public Accountants



Municipality of Thames Centre Candidate Auditor's Report

Note to the Financial Statement

Period ended December 31, 2022

Significant accounting policy

Basis of presentation

The Financial Statement has been prepared by the candidate in accordance with the financial reporting provisions of Section 88.25 of the *Municipal Elections Act, 1996* (Ontario).



Financial Statement – Auditor's Report Candidate – Form 4 Municipal Elections Act, 1996 (Section 88.25)

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 immediately paid to the clerk who is responsible for the conduct of the election.

For the campaign period from (day clerk received nomination) 2 0 2 2 | 0 8 | 0 5 to 2 0 2 2 | 1 2 | 3 1

[X] Initial filing reflecting finances from start of campaign to December 31 (or 45 days after voting day in a by-election)

[] Supplementary filing reflecting finances from start of campaign to end of extended campaign period

Box A: Name of Candidate and Office

Candidate's name as shown on the ballot

Last Name or Single Name

McMillan

Given Name(s)

Sharron

Office for Which the Candidate Sought Election

Mayor

Ward Name or Number (if any)

Municipality

Thames Centre

Spending Limit

General

\$16,991.10

Parties and Other Expressions of Appreciation

\$1,699.11

Contribution Limit

Contributions from Candidate and Spouse

\$9,733.20

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

Box B: Declaration

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

Sharron McMillan

Signature of Candidate

2023/02/04

Date (yyyy/mm/dd)

Date Filed (yyyy/mm/dd)

2023/03/15

Time Filed

1:50 pm

Initial of Candidate or Agent (if filed in person)

SM

Signature of Clerk or Designate

BA

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)	+ \$	17,450.00
Revenue from items \$25 or less	+ \$	25.00
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) = \$ 17,475.00 C1

EXPENSES (Note: Include the value of contributions of goods and services)

1. Expenses subject to general spending limit

Inventory from previous campaign used in this campaign (list details in Table 2 of Schedule 1)	+ \$	
Advertising	+ \$	4,675.56
Brochures/flyers	+ \$	3,923.98
Signs (including sign deposit)	+ \$	7,410.85
Meetings hosted	+ \$	119.00
Office expenses incurred until voting day	+ \$	31.19
Phone and/or internet expenses incurred until voting day	+ \$	56.50
Salaries, benefits, honoraria, professional fees incurred until voting day	+ \$	
Bank charges incurred until voting day	+ \$	8.46
Interest charged on loan until voting day	+ \$	
Other (provide full details)		
1. _____	+ \$	
2. _____	+ \$	
3. All-candidates registration Thorndale Community Centre	+ \$	59.38
4. _____	+ \$	
5. _____	+ \$	
6. _____	+ \$	

Total Expenses subject to general spending limit = \$ 16,284.92 C2

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

1. Pizza election night	+ \$	206.53
2. _____	+ \$	

3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
Total Expenses subject to spending limit for parties and other expressions of appreciation		= \$	206.53 C3

3. Expenses not subject to spending limits

Accounting and audit		+ \$	200.00
Cost of fundraising events/activities (list details in Part IV of Schedule 2)		+ \$	_____
Office expenses incurred after voting day		+ \$	_____
Phone and/or internet expenses incurred after voting day		+ \$	_____
Salaries, benefits, honoraria, professional fees incurred after voting day		+ \$	_____
Bank charges incurred after voting day		+ \$	9.90
Interest charged on loan after voting day		+ \$	_____
Expenses related to recount		+ \$	_____
Expenses related to controverted election		+ \$	_____
Expenses related to compliance audit		+ \$	_____
Expenses related to candidate's disability (provide full details)			
1.	_____	+ \$	_____
2.	_____	+ \$	_____
3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
Other (provide full details)			
1.	_____	+ \$	_____
2.	_____	+ \$	_____
3.	_____	+ \$	_____
4.	_____	+ \$	_____
5.	_____	+ \$	_____
Total Expenses not subject to spending limits		= \$	209.90 C4

Total Campaign Expenses (C2 + C3 + C4) = \$ **16,701.35 C5**

Box D: Calculation of Surplus or Deficit

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)		+ \$	773.65 D1
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign		- \$	_____
Surplus (or deficit) for the campaign		= \$	773.65 D2

If line D2 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	+	\$	1,000.00
Contributions in goods and services from candidate and spouse (include value listed in Table 1 and Table 2)	+	\$	
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).	+	\$	
Total value of contributions exceeding \$100 per contributor (from line 1B; list details in Table 3 and Table 4) • 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).	+	\$	16,450.00
Less: Ineligible contributions paid or payable to the contributor	-	\$	
Contributions paid or payable to the clerk, including contributions from anonymous sources exceeding \$25	-	\$	
Total Amount of Contributions (record under Income in Box C)	=	\$	17,450.00 1A

Part II – Contributions from candidate or spouse

Table 1: Contributions in goods or services

Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
Total		

Additional information is listed on separate supplementary attachment, if completed manually.

Table 2: 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 (\$)
Total				

Additional information is listed on separate supplementary attachment, if completed manually.

Part III – Contributions exceeding \$100 per contributor – individuals other than candidate or spouse

Table 3: Monetary contributions from individuals other than candidate or spouse

Name	Full Address	Date Received (yyyy/mm/dd)	Amount Received (\$)	Amount Returned to Contributor or Paid to Clerk (\$)
Chris Pink	95 Fox Hollow Dr. Dorchester N0L1G3	2022/08/09	1,200.00	
Randy Kerr	48 Pinehurst Drive, Box 149, Dorchester N0L1G0	2022/08/10	1,000.00	
Paul Laidlaw	451 Dingman Dr. London On N6N1G6	2022/08/06	1,200.00	
Elaine Blainey	129 Oakwood Dr. Dorchester N0L1G3	2022/08/11	500.00	
Mark Williams	217 Thames Cres., Dorchester N0L1G3	2022/08/11	200.00	
John Fuller	4885 Catherine St. Dorchester N0L1G6	2022/08/12	1,000.00	
Gary Nethercott	5115 Hamilton Rd. Dorchester N0L1G6	2022/08/12	1,000.00	
Jim Sandusky	RR1 Dorchester N0L1G3	2022/08/12	100.00	
Steve Baljko	170 Parkview Dr Dorchester N0L1G2	2022/08/12	700.00	
Linda Clarke	185 Sherwood Cres. Dorchester N0L1G3	2022/08/13	200.00	
Gord Hardcastle	43-1077 Hamilton Rd. London N5W6G3	2022/08/10	500.00	
Danny Deprest	PO Box 292 Thorndale ON N0M2P0	2022/08/24	100.00	
Bill Ross	21434 Cherry Hill Rd. Thorndale ON N0M2P0	2022/08/24	1,200.00	
Edward Davis	129 Bloomfield Dr. London ON N6G1P4	2022/08/24	1,200.00	
Linda Ross	21434 Cherry Hill Rd. Thorndale ON N0M2P0	2022/08/24	600.00	
Thomas Pincombe	14 Monteith Ave. Thorndale ON N0M2P0	2022/08/24	200.00	
Mike Pratt	5-107 Quail Run Dorchester, ON N0L1G3	2022/08/31	500.00	
Brian Courtis	84 Fox Hollow Dr. Dorchester, ON N0L1G3	2022/08/30	150.00	
Dan Armstrong	28 Parkview Dr. Dorchester, ON N0L1G3	2022/08/09	200.00	
John Willsie	24 Turnberry Dorchester, ON N0L1G3	2022/08/06	500.00	
Joe Phillips	13 Monteith Ave. Thorndale ON N0M2P0	2022/08/07	200.00	

Name	Full Address	Date Received (yyyy/mm/dd)	Amount Received (\$)	Amount Returned to Contributor or Paid to Clerk (\$)
Karl Pfister	15548 Nine Mile Rd. Ilderton, ON N0M2A0	2022/09/13	1,200.00	
Glen Bogart	4755 Gore Rd Dorchester, ON N0L1G4	2022/09/18	1,000.00	
Cindy Wright	3079 Catherine St. Dorchester ON N0L1G4	2022/09/11	500.00	
Tony Aarts	2304 Slo-Pitch Road, Putnam ON N0L2B0	2022/09/26	500.00	
Darrell Dobbie	21486 Cherry Hill Rd., Thorndale, ON N0M2P0	2022/09/16	100.00	
Peter Beerda	19-4700 Hamilton Rd. Dorchester, ON N0L1G6	2022/10/20	500.00	
Brenda Scrans	615 Moonlight Way, Dorchester ON N0L1G5	2022/08/11	200.00	
Total			16,450.00	

Additional information is listed on separate supplementary attachment, if completed manually.

**Table 4: 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 (\$)
Total				

Additional information is listed on separate supplementary attachment, if completed manually.

**Total for Part III – Contributions exceeding \$100 per contributor
(Add totals from Table 3 and Table 4 and record the total in Part 1 – Summary of Contributions)** \$ 16,450.00 1B

Schedule 2 – Fundraising Events and Activities

Complete a separate schedule for each event or activity held.

Additional schedule(s) attached, if completed manually.

Fundraising Event/Activity 1

Description of fundraising event/activity _____

Date of event/activity (yyyy/mm/dd) _____

Part I – Ticket revenue

Admission charge (per person) \$ _____ **2A**

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

Number of tickets sold x _____ **2B**

Total Part I (2A X 2B) (include in Part I of Schedule 1) = \$ _____

Part II – Other revenue deemed a contribution

Provide details (e.g., revenue from goods sold in excess of fair market value)

- 1. _____ + \$ _____
- 2. _____ + \$ _____
- 3. _____ + \$ _____
- 4. _____ + \$ _____
- 5. _____ + \$ _____

Total Part II (include in Part I of Schedule 1) = \$ _____

Part III – Other revenue not deemed a contribution

Provide details (e.g., contribution of \$25 or less; goods or services sold for \$25 or less)

- 1. _____ + \$ _____
- 2. _____ + \$ _____
- 3. _____ + \$ _____
- 4. _____ + \$ _____
- 5. _____ + \$ _____

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. _____ + \$ _____

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

Municipality

Municipality of Thames Centre

Date (yyyy/mm/dd)

Contact Information

Last Name or Single Name

ERNST & YOUNG LLP

Given Name(s)

Licence Number

Address

Suite/Unit Number

2300

Street Number

255

Street Name

Queens Avenue

Municipality

London

Province

Ontario

Postal Code

N6A 5R8

Telephone Number

519-646-5559

Email Address

andrea.c.feddema@ca.ey.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.