

INDEPENDENT AUDITOR'S REPORT

To the Clerk for the Corporation of the Town of Essex

Qualified Opinion

We have audited the accompanying financial statement for Richard Meloche, mayoral candidate, which comprise the statement of campaign income and expenses for the period May 27, 2022 to January 3, 2023 and the related schedules for the campaign period.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statement presents fairly, in all material respects, the statement of campaign income and expenses for the period May 27, 2022 to January 3, 2023 and related schedules for the period then ended in accordance with the Municipal Elections Act, 1996.

Basis for Qualified Opinion

Due to the nature of the types of transactions inherent in an election campaign, it is impractical through auditing procedures to determine that the accounting records include all donations, donations of goods and services and receipts and disbursements. Accordingly, our verification of these receipts 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 contributions, expenses or campaign surplus/deficit.

Our audit opinion on the financial statement for the period ended January 3, 2023 was 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 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 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with Canadian accounting standards in accordance with the Municipal Elections Act, 1996, and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the campaign's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

HICKS, MacPHERSON, IATONNA
& DRIEDGER LLP

*Hicks, MacPherson, Iatonna
& Driedger LLP*

Leamington, Ontario
February 6, 2023

Chartered Professional Accountants
Licensed Public Accountants

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)

YYYY	MM	DD
2 0 2 2	0 5	2 7

 to

YYYY	MM	DD
2 0 2 3	0 1	0 3

- 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
Meloche

Given Name(s)
Richard

Office for Which the Candidate Sought Election
Mayor

Ward Name or Number (if any)

Municipality
Corporation of the Town of Essex

Spending Limit

General
\$21,567.50

Parties and Other Expressions of Appreciation
\$2,156.75

Contribution Limit

Contributions from Candidate and Spouse
\$10,810.00

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

Box B: Declaration

I, Richard Meloche, 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

2023/03/21
Date (yyyy/mm/dd)

Date Filed (yyyy/mm/dd) <u>2023/03/21</u>	Time Filed <u>1:35</u>	Initial of Candidate or Agent (if filed in person) 	Signature of Clerk or Designate 
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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)

+ \$ 18,613.42

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

+ \$ 3.50

Other (provide full details)

1. + \$

2. + \$

3. + \$

4. + \$

5. + \$

6. + \$

Total Campaign Income (Do not include loan)**= \$ 18,616.92 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)

+ \$ 1,092.40

Advertising

+ \$ 4,619.48

Brochures/flyers

+ \$ 1,479.74

Signs (including sign deposit)

+ \$ 6,621.35

Meetings hosted

+ \$ 973.17

Office expenses incurred until voting day

+ \$

Phone and/or internet expenses incurred until voting day

+ \$ 135.60

Salaries, benefits, honoraria, professional fees incurred until voting day

+ \$

Bank charges incurred until voting day

+ \$ 9.75

Interest charged on loan until voting day

+ \$

Other (provide full details)

1. Volunteer T-Shirts + \$ 452.00

2. + \$

3. + \$

4. + \$

5. + \$

6. + \$

Total Expenses subject to general spending limit**= \$ 15,383.49 C2****2. Expenses subject to spending limit for parties and other expressions of appreciation**

1. Decorations - Post Election Party

+ \$ 164.01

2. Post Election Thank You Advertisements	+ \$	172.16	
3. Food Catering - Post Election Party	+ \$	450.00	
4. Volunteer Appreciation Dinner	+ \$	395.50	
5.	+ \$		
Total Expenses subject to spending limit for parties and other expressions of appreciation	= \$	1,181.67	C3
3. Expenses not subject to spending limits			
Accounting and audit	+ \$	2,034.00	
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	+ \$	13.75	
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	= \$	2,047.75	C4
Total Campaign Expenses (C2 + C3 + C4)			= \$ 18,612.91 C5

Box D: Calculation of Surplus or Deficit

Excess (deficiency) of income over expenses (Income minus Total Expenses) (C1 – C5)	+ \$	4.01	D1
If there is a surplus, deduct any refund of candidate's or spouse's contributions to the campaign	- \$	4.01	
Surplus (or deficit) for the campaign			= \$ _____ 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	+ \$	135.60	
Contributions in goods and services from candidate and spouse (include value listed in Table 1 and Table 2)	+ \$	1,092.40	
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).	+ \$	100.85	
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).	+ \$	17,284.57	
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)	= \$	18,613.42	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 (\$)
Election Signs - 24" x 16"	2014/06/01	Colenutt Signs	90	640.80
Election Signs - 2' x 6'	2006/06/01	Colenutt Signs	4	99.68
Duplicate Receipt Book	2014/06/01	Monarch Basics	1	10.16
Election Signs - 24" x 16"	2010/06/01	Colenutt Signs	48	341.76
Total				1,092.40

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 (\$)
Rob Robinson	3191 County Rd. 11, Harrow, ON N0R 1G0	2022/07/21	300.00	
Keith Robinson	3191 County Rd. 11, Harrow, ON N0R 1G0	2022/07/21	300.00	
Raquel Ferriss	4810 4th Conc., Harrow, ON N0R1G0	2022/08/04	1,200.00	
Bernard (Bernie) Gorski	101 Poplar Bluff, Harrow, ON N0R 1G0	2022/08/05	1,200.00	
Thaddeus (Ted) Gorski	6110 County Rd 11, Harrow, ON N0R 1G0	2022/08/08	1,200.00	
Wing-On-Li	65 Harbour Sq, Ste, 706, Toronto, ON M5J 2L4	2022/08/08	1,200.00	
Timothy (Tim) Catherwood	12 South Talbot Rd. S., Essex ON N8M 1L9	2022/08/11	200.00	
Robert Robinson	3177 County Rd 11, Harrow, ON N0R 1G0	2022/08/11	300.00	
Kenneth (Ken) Knapp	1291 Lyoness Crt., Lasalle, ON N9J 3Y5	2022/08/08	1,200.00	
Kin Cheung (Jonesy) Kwong	202 Morris Dr., Essex, ON N8M 0A4	2022/06/23	1,000.00	
John Fancsy	151 County Rd. 50 E, Harrow, ON N0R 1G0	2022/08/25	750.00	
Pietro Valente	2985 Dougall Ave., Windsor, ON N9E 1S1	2022/08/31	1,200.00	
Robert Haynes	1684 Road 2 E, Unit 142, Ruthven, ON N9Y 2E4	2022/09/01	1,000.00	
Joe Gorski	8 Laird Ave S, Amherstburg, ON N9V 1X5	2022/08/30	1,200.00	
Amy Valente-Sarkis	1340 Outram Ave, Lasalle, ON N9J 0B2	2022/09/14	600.00	
Angela Marie Leng	29 King St. E., Harrow, ON N0R 1G0	2022/09/09	1,200.00	
Mohamad Ismail	438 Niagara St., Unit 408, Windsor, ON N9A 3S9	2022/09/12	1,200.00	
Dan Inverarity	535 Lypps Beach Rd., Harrow, ON N0R 1G0	2022/09/30	250.00	
Donald G. Hearn	392 Front Rd, Lasalle, ON N9J 1Z8	2022/10/14	400.00	
Total			15,900.00	

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 (\$)
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Name	Full Address	Description of Goods or Services	Date Received (yyyy/mm/dd)	Value (\$)
Bahaaeldin Yakoub	91 Talbot St. N., Essex, ON N8M 2C3	Chochi's - Pizza for Meet the Mayor	2022/10/06	340.15
Michael Slusarczyk	697 Fox Place, Harrow, ON N0R 1G0	Food Discount, Polish Beach Club, Meet Mayor, Colchester	2022/09/10	137.93
Gord Nascimento	2444 County Rd. 20, Harrow, ON N0R 1G0	Lumber for Election Signs	2022/12/14	306.49
Serge Braga	175 King St. W., Harrow, ON N0R 1G0	O.G.'s - Pizza for Meet the Mayor	2022/10/13	150.00
Miad Majjar	350 Cabana Rd. E., Windsor, ON N9G 1A3	Mazaar Food Catering - Post Elect Party	2022/10/24	300.00
Kin Cheung (Jonesy) Kwong	202 Morris Dr., Essex, ON N8M 0A4	A1 Chinese Food Catering - Post Elect Party	2022/10/24	150.00
Total				1,384.57

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) \$ 17,284.57 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

Lindsay Iatonna CPA CA LPA

Municipality

Leamington, Ontario

Date (yyyy/mm/dd)

2023/02/03

Contact Information

Last Name or Single Name

Iatonna

Given Name(s)

Lindsay

Licence Number

1-21380

Address

Suite/Unit Number

Street Number

49

Street Name

Erie Street North (PO box 189)

Municipality

Leamington

Province

Ontario

Postal Code

N8H 3W2

Telephone Number

519-326-2681

Email Address

lindsayiatonna@hmid.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.