

David C. Taylor, C.A.

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**Auditor's Report
On Form 947, Leadership Contestant's Financial Statements and
Supporting Schedules**

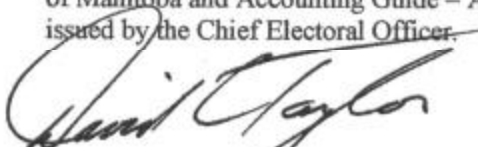
To Sandra Unger, Official Agent for Ken Waddell

I have audited Form 947, Leadership Contestant's Financial Statements and Supporting Schedules, prepared in accordance with the accounting requirements of The Elections Finances Act of Manitoba and Accounting Guide – Accounting for Purposes of The Elections Finances Act issued by the Chief Electoral Officer, for the leadership candidacy of Ken Waddell for the contest period December 5, 2005 to June 28, 2006 relating to the leadership election held on April 28, 2006. The financial statements are the responsibility of the Official Agent and the Leadership Contestant. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Official Agent and the Leadership Contestant, as well as evaluating the overall financial statement presentation.

During the leadership contest period, the Leadership Contestant failed to deposit all money received into the bank account, as is required by subsection 10.1(1) of The Elections Finances Act of Manitoba and Accounting Guide – Accounting for Purposes of The Elections Finances Act of Manitoba. Cash contributions in the amount of \$1810.00 were used to pay for expenses incurred.

In my opinion, except for the failure to comply with the requirements of The Elections Finances Act of Manitoba, as described in the preceding paragraph, Form 947 Leadership Contestant's Financial Statements and Supporting Schedules for Ken Waddell are presented fairly, in all material respects, in accordance with the accounting requirements of The Elections Finances Act of Manitoba and Accounting Guide – Accounting for Purposes of The Elections Finances Act issued by the Chief Electoral Officer.



David C. Taylor, C.A.
Neepawa, Manitoba
July 27, 2006

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ELECTIONS MANITOBA

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Leadership Contestant's Financial Statements and Supporting Schedules



(To be filed within 30 days after the end of the Leadership Contest Period)

For the Leadership Contest Period

Date DECEMBER 10, 2005

To

Date JUNE 28, 2006

Leadership Contestant

Name

KEN WADDELL

Registered Political Party

PROGRESSIVE CONSERVATIVE PARTY

Official Agent

Name

SANDRA UNGER

Auditor

Name of Auditor

DAVID C TAYLOR

Name of Public Accountant to Whom Inquiry May be Directed (if different than above)

Declaration

I, the undersigned Official Agent, hereby file a completed Form 947 – *Leadership Contestant'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 Elections Finances Act*.

Sandra Unger
Signature of Official Agent

Aug 8/06
Date

Statement of Assets, Liabilities and Surplus/(Deficit) as at the End of the Leadership Contest Period

Assets

100	Cash	\$	<u>1473.62</u>
110	Accounts receivable		_____
	Other assets (provide details)		
120	<u>INVENTORY - BANNERS</u>		<u>368.40</u>
130	_____		_____

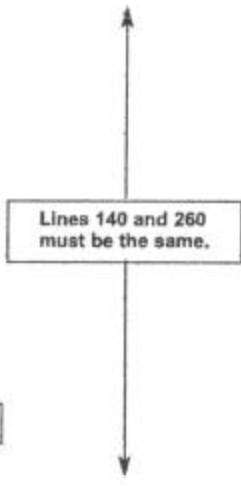
140 **Total Assets** (total of lines 100 to 130) \$ 1842.02

Liabilities and Surplus/(Deficit)

200	Accounts payable	\$	<u>3717.66</u>
210	Overdraft/Line of Credit*		_____
220	Loans*		<u>8450.00</u>
	Other liabilities (provide details)		
230	_____		_____
240	_____		_____

250 Leadership Contest Period Surplus/(Deficit) (10325.64) ← From line 410

260 **Total Liabilities and Surplus/(Deficit)** (total of lines 200 to 250) \$ 1842.02



* 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 leadership contestant during the leadership contest period.

Statement of Income and Expenses for the Leadership Contest Period

Income

300	Contributions	\$ <u>17515.48</u>	← From line 530, column C
310	Fund raising	_____	
	Other Income (provide details)	_____	
320	_____	_____	
330	_____	_____	
340	Total Income (total of lines 300 to 330)	line 340	\$ <u>17515.48</u>

Expenses

400	Expenses	From line 580, column C →	line 400	\$ <u>27841.12</u>
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410	Leadership Contest Period Surplus/(Deficit) (line 390 minus line 400)	line 410	\$ <u>(10325.64)</u>
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To line 250

Schedule 1 – Leadership Contest Period Expenses (Including Donations in Kind)

Expenses (used in leadership contest period)

	A	B	C
	Money paid, liabilities	Donations in Kind	Total Expenses (columns A plus B)
500 Advertising - Media	9419.09	5015.88	14434.97
505 Posters, pamphlets, promotional	1868.69	125.00	1993.69
510 Audit fee (amount in excess of subsidy)			
515 Disability			
520 Fund raising			
525 Furniture and equipment rental			
530 Honoraria/Salaries			
535 Interest and bank charges	132.20		132.20
540 Office Occupancy (rent, utilities)			
545 Office Supplies and postage	4186.47		4186.47
550 Personal	438.88		438.88
555 Polling			
560 Signs/structural support			
565 Telephone	2242.58		2242.58
570 Transportation, accommodation and food	3397.73	1014.60	4412.33
Other (provide details)			
575 _____			
580 _____			
585 Totals (total lines 500 to 580)	21685.64	6155.48	27841.12

← To line 400

