

Elections Saskatchewan

Prepared in Consultation with CPA Saskatchewan

A Guide for the Auditor of a Candidate in a Provincial Election

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Office of the Chief Electoral Officer
(Elections Saskatchewan)
301 - 3303 Hillside Street, Regina, Saskatchewan S4S 6W9
Canada

Phone: 306-787-4000 / Toll-free: 1-877-958-8683

Fax: 306-787-4052 / Toll-free: 1-866-678-4052

Email: info@elections.sk.ca

Website: www.elections.sk.ca



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1. Introduction

Elections Saskatchewan (referred to in legislation as The Office of the Chief Electoral Officer) is the province's independent, impartial, election management body. Under a legal mandate established by the Legislative Assembly of Saskatchewan, Elections Saskatchewan plans, organizes, conducts, and reports on provincial electoral events.

Under *The Election Act, 1996* (the Election Act), Elections Saskatchewan administers provincial electoral events and oversees administration of electoral finances for registered political parties and candidates.

This guide has been prepared in consultation with CPA Saskatchewan to complement the *CPA Canada Handbook* by providing additional guidance to auditors appointed by candidates in a provincial election in Saskatchewan under the Election Act. The financial reporting requirements of the Election Act are specific to the electoral process and this guide is intended to help auditors understand this process and ensure compliance with the Election Act reporting requirements during the audit process. Business managers for candidates must submit an audited expense return (Form E-412, Candidate's Return of Election Expenses) to Elections Saskatchewan within three months after election day (also called polling day).

This guide has no legislative authority. For specific statutory responsibilities, please refer to the Election Act. In case of a discrepancy between the Election Act and this guide, the Election Act will apply. This guide is limited in purpose and as such does not include all standards of the *CPA Canada Handbook*. Users are cautioned that this guide should be used in conjunction with the *CPA Canada Handbook*.

Copies of the Election Act and this guide are available on Elections Saskatchewan's website at www.elections.sk.ca/candidates-political-parties/forms-and-guides/.

The Chief Electoral Officer (CEO) periodically issues interpretation bulletins and directives for clarification on treatment of certain expenses and other matters governed by the Act. A complete list of interpretation bulletins and CEO directives can be found on Elections Saskatchewan's website at <https://www.elections.sk.ca/candidates-political-parties/bulletins-circulars/>

Auditors may want to review the following guides, which are also available on Elections Saskatchewan's website:

- *A Guide for the Candidate to The Election Act, 1996*; and
- *A Guide for the Business Manager to The Election Act, 1996*.

2. Background

Candidates seeking election must appoint an auditor when they declare their candidacy or before they register their candidacy with the constituency returning officer. See [A Guide for the Candidate to The Election Act, 1996](#).

2.1 The Auditor's Responsibilities

The auditor has several statutory responsibilities under the Election Act, including:

- ensuring they are compliant with the requirements and restrictions in order to accept appointment as the auditor for a candidate (s.222(1),222(2),238(4) of the Election Act);
- auditing the election expenses return the business manager prepares for the candidate when the election campaign is over (s.238(6));
- preparing the written report that must accompany the candidate's election expenses return when the business manager submits it to Elections Saskatchewan (s.238(5));
- preparing the written report on supplementary matters (ESKIB-2020-01).

In conducting an examination or in making a report pursuant to the Election Act, the auditor must apply generally accepted auditing principles and take any additional steps that are necessary to ensure compliance with the Election Act. His or her report must state whether the candidate's election expenses return fairly represents the financial transactions in the election campaign accounting records. As such, the engagement is completed under the requirements of CAS 805 *Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*, which include general auditing requirements as applicable under CAS 200, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Canadian Auditing Standards*. In addition, the auditor should note in the report if he or she did not receive from the candidate and business manager all requested information and explanations; or if the business manager did not keep proper accounting records.

The auditor also completes a supplementary engagement to address detailed audit procedures required by Election Saskatchewan (see Section 4).

Once the auditor sends their report to the candidate's business manager and the candidate's election expenses return is filed, Elections Saskatchewan may contact the auditor for further information regarding the audit report or the report on supplementary matters.

If the auditor's appointment ends for any reason before the report is prepared, the candidate must immediately appoint another auditor and inform the Chief Electoral Officer. The responsibilities of the new auditor begin as soon as the Chief Electoral Officer accepts the appointment.

Elections Saskatchewan recommends the auditor, candidate, and candidate's business manager meet prior to the campaign to establish expectations for adequate record keeping in order to satisfactorily support the election expenses return and report on supplementary matters. At this point, a timeline should be established to ensure that the return is received by the auditor in sufficient time to complete the audit prior to the return being submitted to Elections Saskatchewan by the business manager.

2.2 Eligibility Criteria for Auditors

Section 222(1) of the Election Act requires that an auditor appointed by a candidate or a registered political party must be a member in good standing of a recognized accounting profession that is regulated by an Act. If the auditor is a firm, the firm must have at least one partner who is a member in good standing of a recognized accounting profession that is regulated by an Act. In late 2014, the three professional accounting bodies (CA, CMA and CGA) in Saskatchewan merged and are now governed by one piece of legislation. This legislation, *The Accounting Profession Act* requires that any professional accountant who performs an audit or assurance engagement and issues an auditor's report in accordance with the standards of professional practice must be both a member in good standing and licensed by CPA Saskatchewan to perform such services. A specified licensed member may be eligible to conduct audits required by the Election Act provided an exemption request has been made and approved by the CPA Saskatchewan Professional Practice Committee prior to accepting the engagement.

Section 222(2)(a) of the Election Act requires that audits or reviews conducted pursuant to the Election Act are conducted in accordance with generally accepted accounting principles. Section 222(2)(b) of the Election Act requires auditors to take any additional steps necessary to ensure that the examination of the expense return and corresponding audit report are in compliance with the Election Act.

In accordance with section 238(4) of the Election Act, the following individuals may not serve as the auditor or participate in the examination or preparation of the auditor's report even if they are otherwise qualified:

- an election officer as defined by the Election Act;
- a candidate;
- the business manager of a candidate;
- the chief official agent of a registered political party; or
- a partner (business, married, or common-law partner), employee, or student of these individuals.

2.3 Timing of Reporting

Section 261 of the Election Act requires that the business manager for a candidate files an election expenses return and a corresponding auditor's report **within 3 months** after polling day for the election which the return relates to.

Elections Saskatchewan will levy administrative penalties of \$25 per day for late filing. These fines are levied against the candidate to a maximum of \$750.

2.4 Electoral Management System (ELMS)

Elections Saskatchewan requires that all candidates and registered political parties use its secure web-based application, Electoral Management System (ELMS), to complete their respective election expenses returns. Auditors are also required to use ELMS to assist with the audit of the return.

ELMS allows business managers to:

- electronically prepare their election expenses returns;
- submit the prepared return to auditors for their review;
- accept or reject their auditor's proposed changes; and
- print a final copy of the returns and some supporting documentation for submission to Elections Saskatchewan.

ELMS allows auditors to:

- propose changes to transaction amounts or classifications;
- add notes or clarifying comments regarding specific transactions for the business manager; and
- indicate that the audit is complete.

Auditors will be provided their own ELMS user accounts to aid in the audit process. Further information on using ELMS can be found in "A Guide for the Auditor to the Electoral Management System (ELMS)" on the Elections Saskatchewan website.

<https://www.elections.sk.ca/candidates-political-parties/forms-and-guides/>

3. Audit Overview

The auditor plays an important role in the electoral process. Having all legislatively required reports independently audited provides independence, objectivity and credibility to the electoral finance process. Auditors must comply with independence requirements detailed in the CPA Rules of Professional Conduct. In addition to consideration of independence threats, auditors must ensure they maintain independence by avoiding all prohibited circumstances and activities as detailed in the CPA Rules of Professional Conduct. This includes preparing or changing journal entries, determining or changing account codes or classification of a transaction, or preparing or changing an accounting record for the candidate without written approval by the candidate and business manager.

Due to the short time frame between the appointment of the auditor and the filing deadline for the Candidate's Return of Election Expenses, planning the engagement is extremely important. Elections Saskatchewan recommends that the auditor meet with the business manager as soon as possible after being engaged to establish timelines and expectations for the audit.

Elections Saskatchewan also recommends that an engagement letter signed by both the candidate and business manager be obtained prior to accepting the appointment as auditor for a candidate to document and acknowledge the terms of the engagement.

A sample engagement letter can be found in Appendix A.

The requirements for preparing reports in accordance with the Election Act are complex and gives rise to unique risks. Planning for audits in accordance with the Election Act should consider risks that arise as a result of the following set out by the Election Act:

- election expense limits;
- eligible elections expenses;
- advertising expense limits;
- ineligible contributions;
- commercial values;
- provisions for reimbursement of election expenses; and
- provisions for reporting of, and limits to accepting, contributions

The auditor is required (under CAS 315) to obtain sufficient knowledge of the entity's business to provide a basis for adequately planning and properly executing the audit, including a sufficient understanding of internal control. Therefore, the auditor must understand the campaign activities and controls relevant to the audit (paragraph 12 of CAS 315). More particularly, paragraph 5 of CAS 315 requires the auditor to perform risk assessment procedures to provide a basis for the identification and assessment of risks of material misstatement.

Required procedures include making enquiries of the business manager and the candidate, and other persons within the electoral campaign, analytical procedures, observation, and inspection (paragraph 6 of CAS 315). This understanding is required regardless of whether there is an expectation that the controls will be relied upon in the performance of the audit. Elections Saskatchewan issues prescribed forms that comprise the election expense return and, together with required receipts, invoices, cancelled cheques, bank statements and deposit slips, constitute the bookkeeping system for the business manager.

Materiality for each audit engagement is left to the auditors' professional judgement. In determining the appropriate level of materiality, including performance materiality and materiality for a particular class of transactions and account balances for the engagement, the auditor should consider the sensitive and public nature of the election expense return, the potential for reimbursement of expenses from public funds and the impact of non-compliance on users of the election expense return. Due to these factors, it is expected that materiality under each separate level for the engagement will generally be low.

Risks of material misstatement at the assertion level are assessed in order to determine the nature, timing and extent of any additional audit procedures that may be necessary to obtain sufficient appropriate audit evidence. This evidence enables the auditor to express an opinion on the election expense return at an acceptably low level of audit risk.

CAS 330 requires that the auditor design and implement overall responses to address the assessed risks of material misstatement at the election expense return level. The auditor shall also design and perform additional audit procedures whose nature, timing and extent are based on and are responsive to the assessed risks of material misstatement at the assertion level (paragraph 6 of CAS 330, The Auditor's Responses to Assessed Risks).

CAS 450 deals with the auditor's responsibility to evaluate the effect of identified misstatements on the audit and of uncorrected misstatements (if any) on the election expense return. The auditor shall accumulate misstatements identified during the audit (other than those that are clearly trivial) and communicate these accumulated misstatements to the business manager (paragraphs 5 and 8 of CAS 450, Evaluation of Misstatements Identified during the Audit). The auditor shall request that the business manager correct those misstatements (paragraph 8 of CAS 450). If the business manager refuses to correct some or all of the misstatements communicated by the auditor, the auditor shall obtain an understanding of the business manager's reasons for not making the corrections and shall take that understanding into account when evaluating whether the election expense return as a whole is free from material misstatement (paragraph 9 of CAS 450).

The auditor should obtain written assurance from the candidate and business manager in the form of a representation letter as to representations that the auditor considers of significance in forming an opinion on the election expense return.

At the conclusion of the audit, the auditor must issue an Auditor's Report expressing an opinion on whether or not the Candidate's Return of Election Expenses fairly represents the underlying accounting records provided. Due to the nature of political campaigns and the inability to verify completeness of revenues and expenses, it is understood that it is likely that the engagement will result in a qualified opinion.

A sample auditor report can be found in Appendix B.

Auditors are encouraged to contact Elections Saskatchewan to clarify responsibilities and expectations under the Election Act.

3.1 The Audit Program

In designing the audit program there are certain requirements under the Election Act that the auditor should consider.

The auditor must:

- meet Elections Saskatchewan's eligibility criteria for auditors (see page 3);
- comply with CPA Saskatchewan's independence rules and inform the candidate and the candidate's business manager of all relationships that might affect or influence the independence of his or her work;
- audit the candidate's election expense return and the supporting campaign financial records, documents, books, accounts, and vouchers according to generally accepted auditing principles;
- audit all schedules and other forms in the reporting package, checking for accuracy and completeness and checking all additions and cross-references;
- obtain an understanding of the business manager's internal controls, ensuring these controls include keeping the required documentation (e.g., evidence of commercial value for donations in kind, supplier documents for all election expense claims, and adequate detail in all instances where a supplier's invoice is disputed);
- ensure compliance with the Election Act in that commercial value is reported as an election expense and a contribution;
- ensure compliance with the Election Act in that all expenses that cannot be included as election expenses are excluded;
- inform the business manager of any transactions that appear to contravene the Election Act, request further explanation and correction, and if no such explanation or correction is forthcoming, note the contravention in his or her report;
- disclose the details of any disputed item(s) or transaction(s) in the auditor's report;
- include an Emphasis of Matter paragraph in the Auditor's Report is appropriate;
- disclose the total contributions, total expenses and personal expense figures if the auditor deems it necessary; and
- state whether the candidate's election expense return represents fairly the financial transactions and accounting records on which it is based.

3.2 Supplementary Matters Arising from an Audit Engagement

In addition to providing an opinion on whether the candidate's election expense return fairly represents the underlying financial records, the Election Act contains specific requirements for the business manager that may not otherwise be reviewed in the course of a standard audit. As a result, the auditor is required to provide a written report on supplementary matters arising from the audit engagement, as outlined in the Audit Checklist (Appendix D).

For Elections Saskatchewan to have sufficient confidence that the candidate and business manager have complied with all relevant sections of the Election Act, the Audit Checklist must be completed and the supplementary auditing procedures below must be performed and reported on:

- Reconcile deposits in Campaign Bank Account to contributions recorded on the election expense return;
- Review records of contributions received to ensure that all contributors with aggregate contributions of greater than \$250 have been appropriately disclosed;
- Review records for contributions to ensure that any anonymous contributions greater than \$250 were appropriately reported and forfeited to the Chief Electoral Officer;
- Review address information for contributions received to identify potential contributions received from non-Canadians;
- Ensure business manager has confirmed Canadian citizenship for any contributors with non-Canadian addresses;
- Review records of contributions to ensure contributors have been appropriately classified on the election expense return;
- Review records for fundraising events to ensure expenses have appropriately been deducted from gross income and ensure number of contributors and total net proceeds are appropriately disclosed on Schedule 5 of the election expense return;
- Obtain confirmation from business manager that all donations in kind have appropriately been disclosed on the elections expense return as both a contribution and election expense.
- Vouch donation in kind amounts to appropriate evidence of commercial value;
- Vouch all reported contributions from a Corporation, Trust Fund, or Constituency reported on the election expense return to a completed Form VV detailing the initial source of the contribution;
- Review bank records for evidence of funds received via loan. Enquire as to source of the loan and ensure appropriately disclosed as a contribution if not provided by a financial institution.
- For any loans received from financial institution, obtain confirmation from business manager that the loan has not been forgiven or written off;
- Vouch all reported election expenses greater than \$25 to receipt and ensure proof of payment in the form of a cancelled cheque, debit transaction, etc is included;
- Review all reported election expenses and obtain confirmation from business manager that all election expenses recorded were for goods and services used during the election period;
- For election expenses recorded on the election expense return where the full amount of the invoice was for goods and services used for a period greater than the election period, verify that the amount recorded on the election expense return has been properly pro-rated;
- Review election expense return for inclusion of any exempt election expenses;
- Vouch all expenses incurred under joint agreement to copy of the agreement, vendor invoice, and proof of payment;
- Vouch all advertising expenses to proof of "authorization by the business manager of the candidate" (includes print, radio, signs, bus benches, leaflets, billboards).



Supporting documents can be in the form of a picture, proof, design mock up, leftover leaflet, photo of a lawn sign, etc. Note - an item that does not have authorization included in the advertisement is not to be removed from the election expense return, but should be noted in the Auditor's Report on Supplementary Matters Arising from an Audit Engagement;

- Review all election expenses for items of a capital nature, verify that the amount reported is 20% of the acquisition cost or commercial value;
- Review all election expenses for cell phones, computers and computer equipment, ensure amounts are appropriately recorded in accordance with CEODIR-2016-002 and CEODIR-2016-003;
- Communicate to the Chief Electoral Officer misstatements resulting from error, other than trivial errors, whether or not the error has been corrected; and,
- Inform the Chief Electoral Officer if the auditor becomes aware of any fraud, suspected fraud, illegal acts or possible illegal acts that come to the auditor's attention during the course of the audit.

Further discussion of the required supplementary auditing procedures can be found in Section 4 "Detailed Audit Procedures".

4. Detailed Audit Procedures

4.1 Contributions

Section 220(d) of the Election Act defines contributions as a gift, loan (subject to section 238.1), advance, deposit or other form of assistance. This also includes donations in kind as specified by section 269(1)(b).

Section 236(4) of the Election Act requires the business manager to ensure that all the candidate's accounts are kept at a chartered bank, trust, loan corporation or credit union. It also requires that the business manager keep legible records of all contributions and other income received by the candidate including the name and address of all contributors and amounts contributed.

AUDIT PROCEDURE: Reconcile deposits in campaign bank account to contributions recorded on the election expense return.

Contributions in excess of \$250 & Anonymous Contributions

Section 261(2)(g) requires that the name of, and the amount contributed by, each contributor who made total aggregate contributions in excess of \$250 be disclosed on the Candidate's Election Expenses Return.

AUDIT PROCEDURE: Review records for contributions received to ensure amounts are appropriately aggregated and disclosed on the election expense return.

Section 241 prohibits the business manager from accepting any anonymous contributions exceeding \$250. If a contributor's identity cannot be determined, the contribution is considered anonymous. The business manager must report and forward it to Elections Saskatchewan. The contribution will then be forfeited to the Minister of Finance.

AUDIT PROCEDURE: Review records for contributions received to ensure any anonymous contributions received in excess of \$250 were appropriately reported and forfeited.

Contributions from Non-Canadians

Section 242 states that the business manager may not accept contributions from contributors who reside outside Canada unless the contributor is a Canadian citizen.

AUDIT PROCEDURE: Review address information for contributions received to identify potential amounts received from non-Canadians. Ensure business manager confirmed Canadian citizenship for any contributors with non-Canadian addresses

Classification of Contributors

Section 261(2)(e) of the Election Act requires that contributors be disclosed under 5 separate categories as detailed below.

The following table describes how the Election Act classifies contributors.

Class	Description
Individual	<p>A person who normally resides in Saskatchewan. This includes:</p> <ul style="list-style-type: none"> ▪ a person serving in the armed forces, diplomatic corps, or similar employment outside Saskatchewan; ▪ a person attending full-time study outside the province; and ▪ a deceased person's estate.
Corporation	<p>A business entity that meets any of the following criteria:</p> <ul style="list-style-type: none"> ▪ a corporation that is incorporated under <i>The Business Corporations Act (Saskatchewan)</i> (the Business Corporations Act) and maintains its registered office in Saskatchewan; ▪ a corporation that regularly executes contracts in the province through its officers, employees, or agents; ▪ a corporation that conducts business in and outside the province and is registered under section 262 of the Business Corporations Act; or ▪ a corporation that is taxable in Saskatchewan under <i>The Corporations Capital Tax Act (Saskatchewan)</i>.
Trade Union	<p>A trade union under the <i>Trade Unions Act</i>; a formal body, temporary or permanent, formed to regulate relations between workers and management.</p>
Unincorporated organization or association	<p>A business or not-for-profit organization that does not possess a legal identity separate from its owner(s).</p>
Other person or group of persons	<p>Any contributor who is not an individual, corporation, trade union, or unincorporated organization or association.</p>

AUDIT PROCEDURE: Review records for contributions received to ensure contributors have been appropriately classified on the election expense return.

Income from Meetings and Fundraising Events

The income from meetings and fundraising events held by or on behalf of the candidate must be recorded as contributions; this includes:

- income from any tickets sold for dinners, rallies, public meetings, lotteries, conferences, and conventions;
- contributions collected at the meeting or event; and
- all proceeds from the sale of pins, buttons, flags, hats, and other items.

The expenses incurred for the meeting or fundraising event must be deducted from the gross income with the resulting net proceeds reported as the contribution to the candidate. Should a fundraising event end up in a deficit, the amount recorded for net proceeds will be zero. The net proceeds from fundraising must be included on Schedule 5 of the election expense return including the number of contributors.

AUDIT PROCEDURE: Review records for fundraising events to ensure expenses have been appropriately deducted from gross income. Ensure number of contributors and total are included on Schedule 5 of the election expense return

Donations in Kind & Volunteer Labour

As per section 269(1), donations in kind are deemed to be contributions under the Election Act. The Act goes on to define donations in kind as any goods or services provided to a candidate without compensation or payment from the candidate.

If a person donates services for which they are not ordinarily compensated, the services are considered to be volunteer labour. If a person donates services for which they would otherwise be compensated, the services are considered to be a donation in kind.

Example 1

A donor, who is also a website designer, answers the phone in the campaign office and goes door-to-door campaigning for the candidate. Because the donor is not normally compensated for this type of service, the labour would be considered to be volunteer labour and no entry on the candidate election return is required.

Example 2

A donor, who is also a website designer, designs a website for the candidate. The donor would normally charge a client \$500.00 for this service. The campaign must record an election expense of \$500.00 with an amount paid of \$0.00. A donation in kind of \$500.00 must be recorded in the appropriate contribution section.

All donations in kind (excluding volunteer labour) must be recorded at their commercial value. Commercial value considerations can apply to goods and services donated in their entirety or provided to a candidate's campaign at less than their commercial value. Commercial value is the lowest amount that commercial suppliers of the goods or services would charge for them at the time they are donated. (The commercial value of a donation in kind is an election expense as well as a contribution; it must be reported in the candidate's election expenses election expense return as a contribution and an expense.)

The commercial value of goods and services valued at more than \$25 must be established by independent means, e.g., by a commercial supplier in a written estimate.

When	The Business Manager Must Obtain
Goods or services are donated by a contributor who is a commercial supplier of the goods or services being donated	<p>A vendor or supplier statement from the contributor.</p> <p>The statement must identify the vendor or supplier, state the date of donation, describe the goods or services provided, and confirm the lowest amount the vendor or supplier would charge for the goods or services on that date.</p>
Services are donated by a contributor who is not a commercial supplier of the services being donated	<p>A signed and dated service agreement; A signed and dated donor's statement (see page 11); and A commercial supplier's written statement or estimate of the commercial value of the services.</p> <p>The service agreement or donor's statement must describe the services contributed, state the date(s) they were contributed, and specify the amount paid.</p>
Goods are donated by a contributor who is not a commercial supplier of the goods being donated	<p>A signed and dated donor's statement; and A commercial supplier's written statement or estimate of the commercial value of the goods.</p> <p>The donor's statement must describe the goods contributed, state the date(s) they were contributed, and specify the amount paid.</p>
A trade union or business (incorporated or unincorporated) pays an individual directly to perform a service for a party	<p>A written statement from the trade union or business (see page 12); and The cancelled cheque or pay stub that displays the name of the payee (volunteer) and the payer.</p>

A trade union pays a person through an employer to perform a service for a party

A written statement from the trade union;
Verification of an authorized leave of absence from the person's employer (see page 12); and
A cancelled cheque or dated receipt from the donor to the employer.

AUDIT PROCEDURE: Obtain confirmation from business manager that all donations in kind have been appropriately disclosed on the election expense return as both a contribution and an expense. Vouch recorded amounts disclosed to appropriate evidence of commercial value.

Contributions Through an Agent


The business manager may accept contributions made through an agent as long as the agent discloses the name of the original contributor.

AUDIT PROCEDURE: Review records of contributions to ensure any disclosures for contributions made through agents appropriately disclose the original contributor

Contributions from Constituency Associations, Trusts & Registered Political Parties

The business manager must prepare and sign a Statement of Contribution Corporation, Trust Fund or Constituency Association for every contribution from:

- corporations, if the corporation is acting as an agent;
- trust funds; and
- constituency associations.

- 

Statement of Contribution
Corporation, Trust Fund or Constituency Association

Form WV

Contributor Political Party Somewhere Constituency Association
Name of Corporation, Trust Fund or Constituency Association
Address 456 Main St
Somewhere, SK S1S 1S1
Postal Code
Telephone Number 123-456-7899

I, the undersigned, C.A. Treasurer
Party 1 Somewhere Constituency Association
Name of Corporation, Trust Fund or Constituency Association
 having authorization to act for the
 submit the following statement of the individual sources and amounts making up the contribution (or the
 fund) of this corporation, trust fund or constituency association, and further that the total amount indicated
 is the amount contributed to Election Candidate
Name of Candidate
 a candidate at the election about to be held in the constituency of Somewhere

April 4, 2016
Date

Joe Smith
Signature of Authorized Person

Treasurer
Position Held

Source and Amounts

(Check one) ☒ This is a record of individual sources and amounts making up the contribution.
☐ This is a record of individual sources and amounts making up the fund. (A)

Contributions in excess of \$250.00
Note: List below, the aggregate value of contributions for the reporting period from any person who contributed in excess of \$250.00 whose funds were used toward the making of this contribution.

Name of Contributor	Amount
2011 General Election Reimbursement	7,500.00
John Donor	1,000.00
Ray's Place	500.00

List additional contributors on separate sheet and affix to this record.
List Attached No **Number of Pages**
Yes or No

Total Amount of all Category (A) Contributions \$ 9,000.00

(B) Contributions of \$250.00 or less
Note: Report the total value of contributions received in a year from any person who contributed \$250.00 or less whose funds were used toward the making of this contribution.
Total Amount of all Category (B) Contributions \$ 1,000.00


(C) Interest or Investment Income
Note: Report the total value of interest or investment income received in a year which was used toward the making of this contribution.
Total Amount of all Category (C) Contributions 0

Total Contribution (Sum of Categories (A), (B) and (C)) \$10,000.00
- I, the undersigned, business manager for Election Candidate
Name of Candidate

certify that the following record of contributions is a true and correct copy of the statement of contribution
 received by the above-named contributor pursuant to *The Election Act, 1996* (s. 240(6)).

Business Manager
Signature Business Manager

For every contribution from a provincially or federally registered political party, the business manager must prepare and sign a Statement of Contribution Registered Party. The statement must identify the name and address of each person who contributed more than \$250 to the funds contributed and the amount each contributed.



Statement of Contribution Registered Party

Form VV

Contributor Political Party

Name of Registered Party _____

Address 789 Main St

Somewhere, Sk S1S 1S1

Telephone Number 306-123-4567 Postal Code _____

The following is a statement of the individual sources and amounts making up the contribution of this registered party, and further that the total amount indicated is the amount contributed to

Election Candidate _____

Name of Candidate _____

a candidate at the election about to be held in the constituency of Somewhere

Date April 4, 2016

Signature of Authorized Person Jill Smith

Position held Chief Official Agent

I, the undersigned, business manager for Election Candidate

Name of Candidate _____

certify that the following record of contributions is a true and correct copy of the statement of

contribution received by the above-named contributor pursuant to *The Election Act, 1996* (s. 240(7)).

Signature of Business Manager Business Manager

Sources and Amounts

(A) Contributions in excess of \$250.00

Note: List below, the aggregate value of contributions received for a reporting period from any person who contributed in excess of \$250.00 whose funds were used toward the making of this contribution.

Name of Contributor	Amount
2015 Golf Tourmie	2,500.00
Frank Donor	1,000.00
John's Place	500.00
2015 Premier Gala	3,000.00
Telemarketing Fundraiser	2,000.00

List additional contributors on separate sheet and affix to this record.

List attached No Number of Pages _____

Yes or No

Total Amount of all Category (A) Contributions \$9,000.00

(B) Contributions of \$250.00 or less

Note: Report the total value of contributions received in a year from any person who contributed \$250.00 or less whose funds were used toward the making of this contribution.

Total Amount of all Category (B) Contributions \$1,000.00

Total Contribution (Sum of Categories (A) and (B)) \$10,000.00

AUDIT PROCEDURE: Ensure all contributions received from Corporations acting as an agent, Trusts, Constituency Associations, or Registered Political Parties are supported by an appropriate Statement of Contribution and that details of underlying contributions have been adequately disclosed on the Statement.

Loans

Section 220(d) of the Act includes loans as a form of contribution, however section 238.1 excludes from the definition “a loan provided by a financial institution unless the loan is forgiven or written off”. As such, loans received from non-financial institutions or loans from financial institutions which are subsequently forgiven or written off, must be disclosed on the election expense return in the appropriate classification of contributor for the entity which loaned the funds to the campaign.

AUDIT PROCEDURE: Review bank records for evidence of funds received via loan. Enquire as to source of the loan and ensure appropriately disclosed as a contribution if not provided by a financial institution. For any loans received from financial institution, obtain confirmation from business manager that the loan has not been forgiven or written off.

4.2 Expenses

Personal Expenses

Personal expenses are any expenses the candidate incurs other than candidate campaign expenses.

Examples (not an exhaustive list) of personal expenses:

- any costs incurred for travel, meals, and accommodation outside the constituency;
- family, elder, and/or spousal care costs; and
- tickets to community events, fundraisers, sporting events (ie tickets to Saskatchewan Rush, Habitat for Humanity Gala, etc)

The candidate must record personal expenses and report them to the business manager. The business manager must report these expenses in the candidate’s election expenses return but may not include them in the calculation of election expenses.

For all personal expenses, the following documentation must accompany the candidate’s election expenses return when it is submitted to Elections Saskatchewan:

- proof of purchase (bills, invoices, etc.);
- proof of payment (receipts, cancelled cheques, etc.); and
- a detailed statement of particulars, certified true and correct by the candidate.

AUDIT PROCEDURE: Review disclosed personal expenses, ensure they are appropriately disclosed as personal expenses and are supported by appropriate documentation.

Candidate Campaign Expenses

Candidate campaign expenses are expenses the candidate incurs during the campaign period for campaign-related travel, meals, and accommodations within the constituency.

Candidate campaign expenses must be reported in the candidate's election expenses return, but may be excluded from the calculation of election expenses if including them means the candidate will exceed election expense limitations.

For all candidate campaign expenses, proof of purchase (bills, invoices, etc.) and proof of payment (receipts, cancelled cheques, etc.) must accompany the candidate's election expenses return when it is submitted to Elections Saskatchewan.

AUDIT PROCEDURE: Review disclosed campaign expenses, ensure they are appropriately disclosed as candidate campaign expenses and are supported by appropriate documentation.

Election Expenses

Section 220(f) of The Election Act defines "election expenses" as "the cost of goods and services used during an election for the purpose of promoting or opposing, directly or indirectly, a registered political party or the election of a candidate, regardless of whether those costs are incurred before, during or after the election...." It defines "during an election" as "the period commencing the day a writ is issued for an election and ending on polling day for the election."

Candidates are limited to an amount they may spend during an election campaign.

For northern constituencies (Athabasca and Cumberland), the limit the base amount established in the Election Act for northern constituencies, adjusted annually for inflation according to the Consumer Price Index

For southern constituencies (all constituencies except Athabasca and Cumberland), the limit is the base amount established in the Election Act for southern constituencies, adjusted annually for inflation according to the Consumer Price Index

Election expense limits are published in *The Saskatchewan Gazette* and on Elections Saskatchewan's website at www.elections.sk.ca/candidates-political-parties/electoral-finance/expenditures-and-election-expense-limits/.

Goods and Services Used During Election Period & Exempt Election Expenses

Section 220(f) defines "election expenses" as "the cost of goods and services used **during an election** ... regardless of whether those costs are incurred before, during or after the election".

Section 2(1)(o) defines the term "during an election" as "the period commencing the day a writ is issued for an election and ending on polling day for the election".

Section 220(h) lists certain "exempt election expenses" that are specifically excluded from the definition of "election expenses". Among the excluded items are expense for goods or

services incurred at any time and used after 8:00 p.m. on polling day for: social functions, meeting or gatherings; or communicating with voters and campaign workers.

As a result of the above the business manager may be required to pro-rate certain expenses to include the appropriate amount as an election expense on the return. CEODIR-2019-003 provides further clarification on appropriate treatment and can be found at <https://www.elections.sk.ca/candidates-political-parties/bulletins-circulars/>

AUDIT PROCEDURE: Obtain confirmation from business manager that all expenses recorded on the return were for goods or services used during the election period.

AUDIT PROCEDURE: For election expenses recorded on the return where the full amount of the invoice was for goods and services used for a period greater than the election period, verify that the amount recorded on the return has been properly pro-rated.

AUDIT PROCEDURE: Review return for inclusion of exempt election expenses as defined by section 220(h)

Proof of Payment Required

Section 255 of the Election Act requires that every payment for elections expenses of more than \$25 be supported by a supplier document detailing the particulars of the expense AND a cancelled cheque or receipt that provides proof of payment

AUDIT PROCEDURE: Vouch all election expenses more than \$25 to supporting invoice and proof of payment.

Joint Agreements

Candidates from the same party may enter into a written agreement or arrangement with each other and their party for the purpose of jointly incurring and paying for the candidates' election expenses.



Joint Agreement

We, the undersigned, being Political Party candidates or a registered political party in
Political Affiliation

Somewhere and Other Place
Name of Constituencies

constituencies at the elections about to be held of members to represent the said constituencies in the Legislative Assembly of Saskatchewan, do hereby enter into an agreement among ourselves to share jointly in certain election expenses to promote our respective candidacies pursuant to section 260 of *The Election Act, 1996*.

We agree to incur jointly in 50/50 proportions the election expenses for
Share

Office Manager
Description of Disbursements

and any other related joint expenses.

We further agree that Business Manager, business manager or chief official agent
Name

for Election Candidate in the constituency of
Name of Candidate or Registered Political Party

Somewhere shall act as administrator respecting the
Name of Constituency

transactions pursuant to this agreement. It is also understood that all participants will comply with the agreed upon method of Indirect payments to facilitate the disbursements
(Direct – to Supplier) or (Indirect – through Administrator to Supplier)

covered by this agreement for the purpose of this election.

Dated at Somewhere in the Province of Saskatchewan, this 8th day of March, 2016.

(All Participants Sign on Reverse)

<p>Signature of Designate or Chief Official Agent of a Registered Political Party</p> <p><u>Election Candidate</u></p> <p>Signature of Candidate</p> <p>Signature of Candidate</p>	<p>Signature of Candidate</p> <p><u>Candi Date</u></p> <p>Signature of Candidate</p> <p>Signature of Candidate</p>
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Joint agreements must:

- indicate who will administer the agreement (the only role the chief official agent of the party may have is administrator of the agreement);
- specify the proportion of expenses each candidate will pay;
- specify whether the candidate's portion of election expenses will be paid to the supplier or the administrator; and
- be signed by the administrator and all participating candidates.

The administrator of the agreement must keep the original agreement and give a copy of it to the business managers of the candidates participating in the agreement.

If	The Business Manager Must Obtain or Keep
The business manager pays the candidate's portion of election expenses directly to the supplier or vendor	<ul style="list-style-type: none"> ▪ a copy of the agreement; ▪ original bills and invoices; and ▪ original receipts and cancelled cheques proving payment to the supplier or vendor.
The business manager pays the candidate's portion of election expenses to the administrator of the agreement	<ul style="list-style-type: none"> ▪ a copy of the agreement; ▪ copies of the bills and invoices; ▪ copies of the receipts or cancelled cheques proving payment to the supplier or vendor; and ▪ the original receipts and cancelled cheques proving payment to the administrator.

When the administrator submits the party's (or candidate's) election expenses return, he or she must submit the original joint agreement and any original bills, invoices, receipts, and cancelled cheques kept as part of the agreement.

Further information on administration and treatment of joint agreements can be found in Interpretation Bulletin ESKIB-2019-004 at <https://www.elections.sk.ca/candidates-political-parties/bulletins-circulars/>

AUDIT PROCEDURE: Vouch all expenses incurred under joint agreement to copy of the agreement, vendor invoice, and proof of payment

Advertising

Section 215 of the Election Act requires that any advertisement that meets the definition specified in section 215(1) must contain a statement that indicates that the advertisement has been approved by the business manager for the candidate. The wording of the statement required can be found in section 215(2) of the Act. Further discussion can be found in Interpretation Bulletin ESKIB-2019-02 at <https://www.elections.sk.ca/candidates-political-parties/bulletins-circulars/>

Business managers must provide evidence of such authorization for all advertising incurred for the election period with their return.

AUDIT PROCEDURE: Vouch all advertising expenses to proof of “authorization by the business manager of the candidate” (includes print, radio, signs, bus benches, leaflets, billboards). Supporting documents can be in the form of a picture, proof, design mock up, leftover leaflet, photo of a lawn sign, etc. Note – an item that does not have authorization included in the advertisement is not to be removed from the return, rather exceptions should be noted in the auditor’s report on specified procedures.

Expenses that are not Reimbursable

Section 266 of the Election Act details certain expenses that are not reimbursable. Note that even though these expenses are not eligible for reimbursement they are still considered to be election expenses and must be included on the return as such. As auditor, you are not required to determine the eligibility of expenses for reimbursement and they should **not** be removed from the return.

Capital Assets, Cell Phones, Computers & Computer Equipment

CEO Directive CEODIR-2016-004 details appropriate treatment of expenditures for items of a capital nature. For the purposes of this CEO Directive, a capital asset is defined as a non-financial asset having physical substance that has a useful economic life extending beyond the reporting period and an acquisition value greater than \$250. 20% of the acquisition value should be recognized as an election expense on the return.

AUDIT PROCEDURE: Review all election expenses for items of a capital nature, verify that the amount reported is 20% of the acquisition cost or commercial value.

CEO Directives CEODIR-2016-002 and CEODIR-2016-003 detail appropriate treatment and recognition of expense for use of personal cell phones, computers and computer equipment during an election.

AUDIT PROCEDURE: Review all election expenses for cell phones, computers and computer equipment, ensure amounts are appropriately recorded in accordance with CEODIR-2016-002 and CEODIR-2016-003.

Appendix A – Sample Engagement Letter

(Date)

Candidate
Address

Dear _____ :

OBJECTIVE AND SCOPE OF THE AUDIT

Report on the Candidate's Election Expenses Return

The purpose of this letter is to confirm my acceptance and understanding of the terms of the audit engagement to report on the Candidate's Election Expenses Return (the "Return") under *The Election Act*, 1996 (the "Act") relating to your candidacy in the constituency of XX at the election to be held on XX X, 20XX. The objective of my audit will be to express an opinion on the Return.

Report on Other Legal and Regulatory Requirement

In addition, interpretation bulletin ESKIB-2020-01 requires me to include a completed E-440 – Candidate Election Expense Return Audit Checklist (that is, the form prescribed by Elections Saskatchewan). Reporting on the Candidate Election Expense Return Audit Checklist falls under the scope of *Canadian Standard on Related Services* ("CSRS") 4460, *reports on supplementary matters arising from an audit or a review engagement*.

MY RESPONSIBILITIES

As required by subsection 222(1) of the Act, my audit will be performed in accordance with Canadian generally accepted auditing standards, which require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Return is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Return.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Return, whether due to fraud or error. My audit will also include evaluating the appropriateness of accounting policies used and the reasonableness of any accounting estimates made by you or your business manager in the preparation of the Return, as well as the overall presentation of the Return.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making my risk assessments, I consider internal control relevant to the preparation of the Return 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 internal control. However, I will communicate to you in writing concerning any significant deficiencies in internal control relevant to the preparation of the Return that I have identified during the audit.

It should be noted that the *Act* prescribes limitations on sources of contributions. It is not practicable, however, for me to verify, from sources outside the accounting records, that all contributions are in accordance with the *Act*, nor does the *Act* require me to do so. Furthermore, although the *Act* does not require me to report that all financial transactions pertaining to the candidacy have been included in the accounting records, the *Act* requires that I conduct the audit of the Return in accordance with Canadian generally accepted auditing standards. Therefore, since there is a scope limitation due to the inherent nature of the transactions of electoral campaigns, the completeness of contributions, loan guarantees and other revenue and expenses is not susceptible to satisfactory audit verification. Accordingly, I shall state this fact in my report.

As required by the *Act*, my report will be addressed to your business manager, XX.
My report will also be addressed to the Chief Electoral Officer, Elections Saskatchewan to comply with the Canadian Auditing Standards (the “CASS”).

It has been determined and deemed acceptable that the applicable financial reporting framework for preparing the Return be a special purpose compliance framework. Accordingly, in order to comply with the CASS, my report will be based on the applicable financial reporting framework. In addition, to report under the *Act*, I shall include a separate section in the auditor’s report for other reporting on legal and regulatory requirements to comply with subsection 222(2) of the *Act*.

I must include the following statement in the auditor’s report:
As required by subsection 238(6) of the *Election Act, 1996*, in my opinion, the Return presents the information contained in the financial records on which it is based.

It should be noted that this additional paragraph does not include the term “presents fairly” because the nature of the financial reporting framework in the *Act* does not meet the requirements of a fair presentation framework.

This statement must be included at the end of the auditor’s report in a separate section subtitled “Report on Other Legal and Regulatory Requirements.” In addition, I must add a subtitle “Report on the Return” before the “Qualified Opinion” paragraph to clearly distinguish the responsibility to report on the Return from the responsibility to report on other legal and regulatory requirements.

Subsection 238(7) requires the auditor to include in the report under subsection (5) any statement the auditor considers necessary if (a) the return to which the report relates does not present fairly the information contained in the accounting records on which it is based; (b) the auditor has not received from the candidate’s business manager all the information and explanations that the auditor has requested; or (c) it appears from the auditor’s examination that proper accounting records have not been kept by the candidate. This statement must be included in a separate section at the end of the auditor’s report subtitled “Report on Other Legal and Regulatory Requirements.” In addition, I shall add a subtitle “Report on the Return” before the “Qualified Opinion” paragraph to clearly distinguish the responsibility to report on the Return from the responsibility to report on other legal and regulatory requirements.

Canadian generally accepted auditing standards require me to comply with ethical requirements including a duty of confidentiality with respect to client affairs. Accordingly, I will not divulge information related to your campaign that is not already in the public domain to any third party without your permission unless required to do so by legal authority or the rules of professional conduct/code of ethics of the professional accounting organization of which I am a member. In this respect, however, it should be noted that subsection 261(8)

of the *Act* requires the Chief Electoral Officer to publish the election expenses return of candidates within 30 days of the filing of the return.

My responsibility also includes completing the E-440 – Candidate Election Expense Return Audit Checklist and including a statement in connection with the completed E-440 – Candidate Election Expense Return Audit Checklist in a separate section. My report under CSRS 4460 is represented within the Report on the Return in a separate section at the end the report. I will not be performing an audit or review of the E-440 – Candidate Election Expense Return Audit Checklist and as such I do not express an audit opinion or a review conclusion thereon.

My responsibility as auditor does not extend beyond the reporting function outlined above and accordingly does not include ensuring that you and your business manager comply with all the requirements of the *Act*.

In the absence of circumstances that would prevent me from expressing an opinion without further modification or additional statement, my report will be substantially in the following form for the auditor's report on the Return:

[Include content of the auditor's report on the Return]

YOUR RESPONSIBILITIES

My audit will be conducted on the basis that you and your business manager acknowledge and understand that you are responsible for the following:

1. Preparing the Return in accordance with the requirements of the *Act*
2. Such internal control as you and your business manager determine is necessary to enable the preparation of the Return in a manner that is free from material misstatement, whether due to fraud or error, and
3. Providing me with access to all information of which you and your business manager are aware that is relevant for the preparation of the Return. It may be necessary to perform certain auditing procedures at any time before or after the election date. I understand that I will have access at all reasonable times to all records, documents, books, accounts and vouchers held by you and your business manager pertaining to the election and may require from both of you such information and explanations as are necessary to complete my examination and report. This would include providing me with information such as:
 - a. any illegal or possibly illegal acts and all facts related thereto
 - b. claims and possible claims, whether or not they have been discussed with the electoral campaign's legal counsel
 - c. any known or probable instances of non-compliance with legislative or regulatory requirements, including reporting requirements under the *Act*
 - d. an assessment of the reasonableness of any significant assumptions underlying the valuations and disclosures in the Return
 - e. a note to be attached to the Return describing the financial reporting framework applied for preparing the Return
 - f. subsequent events
4. Providing me with additional information that I may request from you and your business manager for the purpose of the audit, and
5. Providing me with unrestricted access to persons from whom I determine it necessary to obtain audit evidence.

As part of my audit process, I will request from you and your business manager written confirmation concerning representations made to me in connection to the audit engagement.

You have also agreed that your business manager will ensure that invoices for property and services will state the current market price when this price is more than the price charged to the business manager and, if necessary, you or your business manager will arrange for suppliers to certify as to the commercial value of goods and services provided.

Your business manager is responsible for the timely preparation and completeness of the accounting records and the Return, which is to be prepared in accordance with the financial reporting provisions of the *Act* and the accounting guidelines issued by Elections Saskatchewan.

As the *Act* requires my examination to be completed and my report issued within three months after polling day, it is essential that the suppliers' accounts be recorded and the accounting records completed in time to allow me a reasonable period to complete my examination. I anticipate that I will be able to report by the date required by the *Act* if your Return is completed and available for final audit on or before (*date*). You have agreed that you will provide me with the completed Return by that date.

The *Act* also requires me to include a completed E-440 – Candidate Election Expense Return Audit Checklist in the prescribed form (that is, the form prescribed by Elections Canada). If necessary, I will be asking you and your business manager to provide me with the information needed to enable me to complete the checklist in the manner required.

FEES

Fees will be determined on the basis of time spent on this engagement at my standard rates, and any disbursements incurred will be added to the billing. The *Act* provides that Elections Saskatchewan will reimburse audit fees up to a maximum amount.

WORKING PAPERS

The working papers, files, other materials, reports and work created, developed or performed by me during the course of the engagement are the property of my firm, constitute confidential information and will be retained by me in accordance with my firm's policies and procedures.

FILE INSPECTIONS

In accordance with professional regulations and my firm's policy, my client files may periodically be reviewed by practice inspectors, and by quality control reviewers to ensure that I am adhering to the standards of my profession and of my firm. File reviewers are required to maintain the confidentiality of client information.

USE OF INFORMATION

It is acknowledged that I will have access to all personal information in your custody that I require to complete my engagement. My services are provided on the basis that:

1. you or your business manager have obtained any required consents for collection, use and disclosure to me, of all personal information required under applicable privacy legislation
2. I will hold all personal information in compliance with my firm's Privacy Statement

If the above terms are acceptable to you, please sign the enclosed copy of this letter in the space provided and return it to me after obtaining your business manager's signed acknowledgment that he or she understands the terms.

This sample audit engagement letter is intended to illustrate the communication required under the CASs and CSRS 4460, as well as some more common additional matters. It does not necessarily apply to every situation. Examples of additional matters that may be addressed are provided in paragraphs A23 and A24 of CAS 210. The firm's policy may require further inclusions. Auditors should determine that inclusions beyond those required under the CASs and CSRS 4460 are consistent with any requirements arising under provincial legislation and from their provincial accounting body.

Yours truly,

(signed)	_____
	Auditor

I confirm your appointment as my auditor on the terms set out in this letter.

(signed)	_____	(Date)
	Candidate	

I acknowledge that I understand the above terms of your engagement which have been authorized by the candidate.

(signed)	_____	(Date)
	Business Manager	

Appendix B – Sample Auditor’s Report

INDEPENDENT AUDITOR’S REPORT

To *(name of business manager)*, business manager for *(name of candidate)* for submission to the Chief Electoral Officer of Saskatchewan in accordance with Section 261 of *The Election Act, 1996*

REPORT ON THE RETURN

Qualified Opinion

We have audited the accompanying Candidate’s Elections Expense Return (the “Return”) for the candidacy of *(name of candidate)* (the “Candidate”), a candidate at the election of a member to serve in the Legislative Assembly of Saskatchewan held on the XX day of XX, 20XX in the constituency of XX, which comprises the Summary of Contributions and Expenses, Schedules of Contributions from Individuals, Corporations, Trade Unions, Unincorporated Organizations or Associations and Any Other Persons or Groups of Persons and Statements of Expenses for Candidate’s Personal Expenses, Candidate’s Campaign Expenses, Hire of Premises, Advertising, Services, Goods Supplied, Travel and Hire of Vehicle, Undisputed Claims Unpaid and Disputed Claims Unpaid for the electoral campaign ending XX X, 20XX.

This Return has been prepared by the business manager for the candidate based on the financial reporting provisions Section 261 of *The Election Act, 1996* and the accounting guidelines issued by Elections Saskatchewan.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the Return of *(name of candidate)* is prepared, in all material respects in accordance with the reporting provisions of Section 261 of the *The Election Act, 1996* and the accounting guidelines issued by Elections Saskatchewan.

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 of satisfactory audit verification. Accordingly, our verification of these amounts was limited to the amounts recorded in the campaign’s accounting records and we were not able to determine whether any adjustments might be necessary to contributions and other revenue and expenses.

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 Return section of our report. We are independent of the Candidate in accordance with the ethical requirements that are relevant to our audit of the Return in Saskatchewan, 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.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note X to the Return, which describes the basis of accounting. The Return is prepared to assist the business manager to meet the requirements of *The Elections*

Act, 1996 and the accounting guidelines issued by Elections Saskatchewan. As a result, the Return may not be suitable for another purpose. Our report is intended solely for the business manager, the candidate and the Chief Electoral Officer, and should not be used by parties other than the business manager, the candidate or the Chief Electoral Officer.

The Business Manager's Responsibilities for the Return

The business manager of the candidate is responsible for the preparation of the Return in accordance with the financial reporting provisions of Section 261 of *The Election Act, 1996* and the accounting guidelines issued by Elections Saskatchewan and for such internal control as the business manager determines is necessary to enable the preparation of a Return that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Return

Our objectives are to obtain reasonable assurance about whether the Return 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 Return. 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 Return, 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 the business manager.

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by subsection 238(6) of *The Election Act, 1996*, in our opinion, the Return presents the information contained in the financial records on which it is based.

REPORT ON THE CHECKLIST FOR AUDITS IN ACCORDANCE WITH *THE ELECTION ACT, 1996* REQUIREMENTS

In accordance with Section 222 of *The Election Act, 1996* and the accounting guidelines issued by Elections Saskatchewan, we have been engaged to complete the attached E-440 – Candidate Election Expense Return Audit Checklist. This other reporting responsibility relates to our audit of the Return. We prepared the E-440 – Candidate Election Expense Return Audit Checklist.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary Matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the E-440 – Candidate Election Expense Return Audit Checklist. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than for, those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the E-440 – Candidate Election Expense Return Audit Checklist.

In response to the other reporting responsibility, we completed the E-440 – Candidate Election Expense Return Audit Checklist using knowledge obtained during our audit of the Return.

This report is intended solely for use by the Chief Electoral Officer of Saskatchewan and should not be used by other parties.

(Auditor's signature)

(Date of the auditor's report)

(Auditor's address)

Appendix C – Sample Representation Letter

(Date)

Dear _____ :

In connection with your audit of the “Candidate’s Election Expense Return” (the “Return”) of XX, a candidate in the constituency of XX in the election held on XX X, 20XX, and in connection also with your completion of the E-440 – Candidate Election Expense Return Audit Checklist in the prescribed form, we assure you that to the best of our knowledge and belief:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated (insert date), for the preparation of the Return, which comprises:
 - a. the Summary of Contributions and Expenses;
 - b. Schedules of Contributions from Individuals, Corporations; Trade Unions, Unincorporated Organizations or Associations and Any Other Persons or Groups of Persons; and
 - c. Statements of Expenses for Candidate’s Personal Expenses, Candidate’s Campaign Expenses, Hire of Premises, Advertising, Services, Goods Supplied, Travel and Hire of Vehicle, Undisputed Claims Unpaid and Disputed Claims Unpaid for the candidacy of (name of candidate), a candidate at the election of a member to serve in the Legislative Assembly of Saskatchewan held on the XX day of XX, 20XX in the constituency of XX in accordance with the financial reporting provisions of Section 261 of *The Election Act, 1996* and the accounting guidelines issued by Elections Saskatchewan.
2. The date of the Return is (insert date)
3. You have been provided a note describing the financial reporting framework applied for preparing the Return to be attached to the Return.
4. You have been afforded access to:
 - a. all information of which we are aware that is relevant to the preparation of the Return, such as records, documents, books, accounts, bank account records and vouchers held by the business manager and held by the candidate relating to the election;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons from who you determined it necessary to obtain audit evidence.
5. All loans, advances, deposits, contributions and gifts received, and all expenses incurred, including donations in kind, have been determined and recorded as required by the *Act* and in accordance with the accounting guidelines issued by Elections Saskatchewan.
6. The business manager has received all the amounts contributed. No contribution from a non-resident, non-Canadian citizen, has knowingly been accepted by the business manager. No contribution greater than \$25 have been accepted by the business manager from an anonymous contributor.

7. All contributors acting as an agent for other persons or organizations have disclosed the identity of his or her principal(s).
8. No election expenses (as defined in the *Act*) have been incurred by any person or organization other than the candidate and the business manager.
9. We have disclosed to you all claims and possible claims against the candidate and/or the business manager, whether or not such claims have been discussed with a lawyer.
10. We are not aware of any illegal or possible illegal acts that have not been disclosed to you.
11. To the extent possible, taking into account the nature and size of the candidate's campaign, we acknowledge our responsibility to implement controls procedures designed to prevent and detect misstatements whether due to fraud or error. We believe that the effects of any uncorrected misstatements aggregated by you during the audit, as set out in the attached schedule, are immaterial, both individually and in the aggregate, to the Return as a whole (*or, if all misstatements have been corrected, state that there are no uncorrected misstatements; otherwise, the schedule of uncorrected misstatements should be attached to the representation letter*).
12. We confirm that we have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected the Return, and the results of our assessment of any material misstatements resulting from the fraud.
13. We are not aware of any instances of non-compliance or suspected non-compliance with the *Act* or other laws and regulations whose effects should be considered when preparing the Return (*or We have disclosed to you all facts related to instances of noncompliance or suspected non-compliance with the Act or other laws and regulations whose effects should be considered when preparing the Return*).
14. All subsequent events to the date of the Return that affect the information required to be disclosed or adjusted in this Return have been accounted for or disclosed in the Return.
15. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
16. For the sole purpose of the candidate's electoral campaign, a separate bank account was opened at a chartered bank, a trust or loan corporation or a credit union.
17. (Other representations)

Yours truly,

(signed) _____ (signed) _____
Candidate Business Manager

Appendix D - Candidate Election Expense Return Audit Checklist



CANDIDATE ELECTION EXPENSE RETURN AUDIT CHECKLIST

E-440

A. Election Expense Return Information			
Candidate Name: _____		Political Affiliation: _____	
Event Date: _____		Constituency: _____	
Business Manager Name: _____			

B. Auditor's Information			
Name of firm (if applicable): _____			
Name of auditor licensed to sign on behalf of firm: _____			

C. Audit Checklist			
#	Requirements	Compliance (Y/N/NA)	Comments
Contributions			
1.	Reconcile deposits in campaign account to contributions recorded on the return		
2.	Review records for contributions received to ensure amounts are appropriately aggregated and disclosed on the return		
3.	Review records for contributions received to ensure any anonymous contributions received in excess of \$250 were appropriately reported and forfeited		
4.	Ensure business manager confirmed Canadian citizenship for any contributions from contributors with non-Canadian addresses		
5.	Review records for contributions to ensure contributors have been appropriately classified on the return		
6.	Review records for fundraising contributions to ensure expenses have been appropriately deducted from gross income and appropriately disclosed on the return		

7.	Ensure number of contributors and totals are included on Schedule 5 of the return		
8.	Obtain confirmation from business manager that all donations in kind have been appropriately disclosed on the return as both a contribution and an expense		
9.	Vouch amounts reported as donations in kind to appropriate evidence of commercial value		
10.	Review records of contributions to ensure any disclosures for contributions made through agents appropriately disclose the original contributor		
11.	Ensure all contributions received from Corporations acting as an agent, Trusts, Constituency Associations, or Registered Political Parties are supported by an appropriate Statement of Contribution and that details of underlying contributions have been adequately disclosed on the Statement		
12.	Review bank records for evidence of funds received via loan and ensure any amounts are disclosed appropriately where applicable		
13.	Obtain confirmation from business manager that any loans received from a financial institution have not been forgiven or written off		
Expenses			
14.	Review disclosed personal expenses and ensure they are appropriately disclosed as personal expenses and are supported by appropriate documentation		
15.	Review disclosed campaign expenses and ensure they are appropriately disclosed as campaign expenses and are supported by appropriate documentation		
16.	Obtain confirmation from business manager that all expenses recorded on the return were for goods or services used during the election period		
17.	Ensure that any expenses for goods and services that were used for a period greater than the election period are properly pro-rated		

18.	Ensure that no amounts for exempt elections expenses as defined by section 220(h) of the Election Act have been recorded on the return		
19.	Vouch all election expenses more than \$25 to supporting invoice and proof of payment		
20.	Vouch all expenses incurred under joint agreement to copy of the agreement, vendor invoice, and proof of payment		
21.	Vouch all advertising expenses to proof of "authorization by the business manager of the candidate"		
22.	Review all elections expenses for items of a capital nature, verify that the amount reported is 20% of the acquisition cost or commercial value		
23.	Review all elections expenses for cell phones, computers and computer equipment, ensure amounts are appropriately recorded in accordance with CEODIR-2016-002 and CEODIR-2016-003		
General			
24.	Did the business manager and candidate provide you with all information and documents requested?		
25.	Did the business manager maintain proper accounting records?		
26.	Did you discover any misstatements resulting from error, other than trivial errors, whether or not the error has been corrected?		
27.	Did you become aware of any fraud, suspected fraud, illegal acts or possible illegal acts during the course of the audit?		