

**LEUNG & COMPANY**  
CHARTERED PROFESSIONAL ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

To City Clerk, City of Markham,

I have audited the Financial Statement of Isa Lee, candidate for the office of Councillor, which comprises the Statement of Campaign Income and Expenses, the Calculation of Surplus or Deficit, and the attached schedules of Contributions, and of Fund-Raising Events and Activities, for the campaign period from June 14, 2022 to December 31, 2022 relating to the election held on October 24, 2022. This financial information has been prepared by the candidate, in accordance with the accounting requirements of Section 88.25 of the Municipal Elections Act, 1996.

**The Candidate's Responsibility for the Financial Statement**

The candidate is responsible for the preparation of the Financial Statement in accordance with the provisions of section 88.25 of the Municipal Elections Act, 1996 and for such control as she determines is necessary to enable the preparation of the financial statement free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Financial Statement based on my audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Generally accepted auditing standards require that we comply with ethical requirements, and plan and perform an audit to obtain reasonable assurance whether the Financial Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Financial Statement 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Basis for Qualified Opinion**


Due to the inherent nature of the transactions of electoral campaigns, the completeness of contributions and other revenue and expenses is not susceptible to 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.

**Qualified Opinion**

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the Financial Statement of Isa Lee for the campaign period from June 14, 2022 to December 31, 2022 is prepared, in all material respects, in accordance with the accounting requirements of the Municipal Elections Act, 1996.

**Basis of Accounting**

Without modifying my opinion, we draw attention to the basis of accounting of the Financial Statement, which is that presented in Form 4 as prescribed under the Municipal Elections Act, 1996. As a result, the Financial Statement may not be suitable for another purpose.

  
Chartered Professional Accountants  
March 28, 2023  
Toronto, Ontario

**Isa Lee**

March 13, 2023

Leung & Company Chartered Professional Accountants  
7130 Warden Ave., Suite 305,  
Markham, ON  
L3R 1S2

Dear Madam:

We are providing this letter in accordance with your audit of the financial statements of Isa Lee Campaign for the campaign period from January 1, 2022 to December 31, 2022 for the purpose of expressing an opinion as to whether such financial statements present fairly, in all material respects of the Campaign in accordance with accounting principles generally accepted in Canada.

Certain representations in this letter are described as being limited to those matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgement of a reasonable person reasonable person relying on the information would have been changed or influenced by the omission or misstatement.

In connection with your review of the financial statements referred to above, we confirm, to the best of our knowledge and belief, as of March 13, 2023, the date of your independent auditor's report, the following representations made to you during your review.

1. We are responsible for the fair presentation in the Statement of Campaign Income and Expenses, the Calculation of Surplus of Deficit, and the attached schedules of Contributions and of Fund-Raising Events and Activities in accordance with Canadian generally accepted accounting principles. We confirm the financial statements include all disclosures necessary for fair presentation and all disclosures otherwise required to be included therein by the laws and regulations to which the Company is subject.

We acknowledge that we are responsible for the implementation and operation of internal controls that are designed to prevent and detect fraud and error.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud and all significant facts relating to any fraud or suspected frauds known to management that may have affected the entity.

We are not aware of any material accounts, transactions, or agreements not fairly described and properly recorded in the accounting records underlying the financial statements and in the financial statements on a consistent basis.

We believe that the effects of the uncorrected misstatements identified by you and attached to this letter as Appendix A are immaterial, both individually and are in aggregate, to the financial statements taken as a whole.

We confirm our understanding that your review was directed to the determination of whether the financial statements were prepared in accordance with Canadian generally accepted accounting principles. We also understand that your review was conducted in accordance with reviewing standards generally accepted in Canada and that your tests were limited to those which you considered necessary in the circumstances. We further understand that because of the test nature and other inherent limitations of a review, together with the inherent limitations of any system of internal control, there is an unavoidable risk that some material misstatements in the financial statements due to errors, fraud or illegal acts if any should exist, could remain undiscovered.

2. We have made available to you all financial and accounting records, related data.
3. There has been no:
  - a. Fraud involving staffs and volunteers who gave significant roles in the Campaign's internal control.
  - b. Fraud involving others that could have a material effect on the financial statements. We understand the term "fraud" to mean those matters described in the CICA 5135, Reviewer's Responsibility to Detect and Communicate Misstatements.
  - c. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
4. All related parties and related amount receivable by or payable to the Campaign have been identified to you and all transactions therewith, including sale and purchase transactions which have not been give accounting.
5. The Campaign has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
6. The nature of all material uncertainties, where the amount recognized in the financial statements could differ by a material amounts from other reasonably possible amounts, is disclosed in the financial statements furthermore, where an estimate is subject to such material uncertainty and it is reasonably possible that the estimate will change within one year from the date of the financial statements; the financial statements also disclose the extent of the uncertainty.

7. Management is not aware of any illegal or possibly illegal acts committed by the Campaign's organizer and volunteers acting on the Campaign's behalf, the consequences of which could result in a significant misstatement of the financial statements. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
8. No events have occurred subsequent to December 31, 2022 that would require adjustment to, or disclosure in, the financial statements. In addition, we know of no other events or conditions since December 31, 2022 that, although not affecting such financial statements have caused, or are likely to cause material change, adverse or otherwise, in the financial position of the Campaign.
9. No significant matters have arisen that would require a restatement of the comparative financial statements.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Isa Lee', with a stylized, cursive script.

Isa Lee