

**Instructions**

All candidates must complete Boxes A, B, C, D, E and F and Schedule 1. All candidates must complete Schedules 2, 3 and 4 as appropriate. Candidates who receive contributions or incur expenses in excess of \$10,000 must also attach an Auditor’s Report.

All surplus funds (after any refund to the candidate or his or her spouse) shall be paid immediately over to the clerk who was responsible for the conduct of the election.

	YYYY	MM	DD		YYYY	MM	DD
<b>For the campaign period from (day candidate filed nomination)</b>	2010	06	01	to	2010	12	31

- Primary filing reflecting finances to December 31 (or 45<sup>th</sup> day after voting day in a by-election)
- Supplementary filing including finances after December 31 (or 45<sup>th</sup> day after voting day in a by-election)

**Box A: Name of Candidate and Office**

Name of Candidate

Last Name

Merlino

First Name

Rich

Middle Initial

Mailing Address

Suite/Unit No.

Street No.

Street Name

5817

Aspen Court

City/Town

Niagara Falls

Province

On

Postal Code

L2G 7V4

Telephone No. (incl. area code)

Business

Home

905-356-4797

Fax No.

Email Address

onerich@cogeco.ca

Name of office for which the candidate sought election

City Councillor

Ward Name or No. (if any)

Name of Municipality

Niagara Falls

**Box B: Summary of Campaign Income and Expenses**

1. My spending limit (as issued by clerk) was	\$	58,446.30
2. Surplus (or deficit) from previous election	\$	0.00
3. Total contributions received (from Schedule 1)	\$	12,052.60
4. My total campaign expenses that were subject to the spending limit were (from Box C)	\$	9,864.60
5. My total campaign expenses that were not subject to the spending limit were (from Box C)	\$	2,188.00
6. Total of all campaign expenses (from Box C)	\$	12,052.60
7. Election campaign surplus/deficit from current election (from Box E)	\$	0.00
8. Contributions refunded to candidate or spouse (from Box E)	\$	0.00
9. Amount paid to clerk (from Box E)	\$	0.00

**Box C: Statement of Campaign Period Income and Expenses**

From YYYY 2010	MM 06	DD 01	To YYYY 2010	MM 12	DD 31	For Candidate Rich Merlino
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**INCOME**

Candidate's surplus from immediately preceding election released by the clerk	+	\$	0.00
Contributions from candidate	+	\$	1,517.52
Contributions from spouse of candidate	+	\$	0.00
All other contributions	+	\$	10,535.08
Revenue from fund-raising functions not deemed a contribution (from Schedule 2, Part III)	+	\$	0.00
Interest income	+	\$	0.00
Other (provide full details)			
1.	+	\$	0.00
2.	+	\$	0.00
3.	+	\$	0.00

**Total Campaign Period Income** = **\$ 12,052.60** C1

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

Expenses Subject to Spending Limit

Advertising	+	\$	2,261.91
Bank charges	+	\$	120.50
Brochures	+	\$	3,153.96
Interest on loan	+	\$	0.00
Inventory contributed to candidate's campaign (Schedule 3)	+	\$	0.00
Meetings hosted	+	\$	248.87
Nomination filing fee	+	\$	0.00
Office expenses	+	\$	145.60
Phone and/or Internet	+	\$	0.00
Salaries and benefits/honoraria/professional fees	+	\$	0.00
Signs	+	\$	3,836.35
Other (provide full details)			
1. Municipal Campaign Seminar	+	\$	50.00
2. Garbage Pickers	+	\$	47.41
3.	+	\$	
<b>Subtotal</b>	=	<b>\$</b>	<b>9,864.60</b>

C2

Expenses Not Subject to Spending Limit

Accounting and audit	+	\$	1,100.00
Costs of fund-raising function (from Schedule 2, Part IV)	+	\$	
Expenses related to compliance audit	+	\$	
Expenses related to controverted elections	+	\$	
Expenses related to recounts	+	\$	
Voting day party / appreciation notices	+	\$	1,088.00
Expenses related to candidate's disability (provide details)			
1.	+	\$	
2.	+	\$	
3.	+	\$	
Other (provide full details)			
1.	+	\$	
2.	+	\$	
3.	+	\$	
<b>Subtotal</b>	=	<b>\$</b>	<b>2,188.00</b>

C3

**Total Campaign Period Expenses (C2) + (C3)** = **\$ 12,052.60** C4

**Excess (Deficiency) of Income over Expenses (C1) – (C4)** = **\$**

**Box D: Statement of Assets and Liabilities as at December 31, 2010**

**Assets**

Cash	+	\$	0.00	
Accounts receivable	+	\$	0.00	
Value of inventory retained (from Schedule 4)	+	\$	2,064.31	
Other (provide full details)				
1.	+	\$	0.00	
2.	+	\$	0.00	
3.	+	\$	0.00	
<b>Total Assets</b>				= \$ <b>2,064.31</b>

**Liabilities and Excess (Deficiency) of Income over Expenses**

Accounts payable	+	\$	0.00	
Borrowings, overdraft	+	\$	0.00	
Other (provide full details)				
1.	+	\$	0.00	
2.	+	\$	0.00	
3.	+	\$	0.00	
<b>Total Liabilities</b>				= \$

**Box E: Statement of Determination of Surplus or Deficit and Disposition of Surplus**

**Part I – Determination of Surplus or Deficit**

Amount of excess (deficiency) of income over expenses (from Box C)	+	\$	0.00	E1
Deduct: Any deficit carried forward by the candidate from immediately preceding election if the offices are with respect to the same jurisdiction	-	\$	0.00	E2
Surplus (or deficit) for the campaign period (E1) – (E2)	=	\$	0.00	
Deduct: Any refund of contributions to the candidate or spouse (only if there is a surplus)	-	\$	0.00	
<b>Total Determination</b>	=	\$	<b>0.00</b>	<b>E3</b>

**Part II – Disposition of Surplus**

If line E3 shows a surplus, the amount must be paid in trust, at the time the financial statements are filed, to the municipal clerk who was responsible for the conduct of the election.

Surplus paid to the municipal clerk of the municipality of 0.00

**Box F: Declaration**

I, Rich Merlino, a candidate in the municipality of Niagara Falls, Ontario, hereby declare that to the best of my knowledge and belief that these financial statements and attached supporting schedules are true and correct.

Declared before (clerk or commissioner)

in the CITY OF NIAGARA FALLS

on (yyyy/mm/dd) 2011/03/16

*WILLIAM GLEN MATSON, a Commissioner, etc.,  
Deputy Clerk, for the City of Niagara Falls,  
Regional Municipality of Niagara,  
Province of Ontario*

  
Signature of Clerk or Commissioner

  
Signature of Candidate

2011/03/16  
Date Filed in the Clerk's Office (yyyy/mm/dd)



**Table 2: Monetary contributions from unions or corporations**

Name (Legal and Carrying on Business As)	Address	President or Business Manager	Cheque Signatory	Amount
				\$
				\$
				\$
				\$
				\$
				\$
				\$
<input type="checkbox"/> Additional information is listed on separate supplementary attachment				<b>Total</b> \$

**Table 3: Contributions in goods or services (Note: must also be reported as expenses in Box C)**

Name	Address	Goods or Services	Amount
Marvin Mimms	4508 Dawn Crescent Niagara Falls, Ontario L2H 3H9	Accounting Services	\$ 350.00
Guyatt & Moffatt	911 Golf Links Road Unit #211 Ancaster, Ontario L9K 1H9	Audit of Financial Statement	\$ 750.00
Zappi's Pizza	6663 Stanley Avenue Niagara Falls, Ontario L2G 3Y9	Pizza for volunteers	\$ 31.08
Rich Merlino	5817 Aspen Court Niagara Falls, Ontario L2G 7V4	Supplies, Advertising	\$ 517.23
			\$
			\$
			\$
<input type="checkbox"/> Additional information is listed on separate supplementary attachment			<b>Total</b> \$ <b>1,648.31</b>

**Total Part II Contributions**

**\$ 11,248.31**

**Schedule 2 – Fund-Raising Function**

Additional schedule for each event or activity held is/are listed on separate supplementary attachment(s)

Date			Description of event or activity
YYYY	MM	DD	

Admission charge (per person)\* (may not exceed individual contribution limit) - - - - - \$  2A

\*If admission charge per person is not consistent, attach complete breakdown of all ticket sales.

Number of tickets sold - - - - -  2B

**Part I – Ticket Revenue**

Lines: (2A) x (2B) (include in Schedule 1) - - - - - = \$

**Part II – Other Revenue Deemed A Contribution**

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

1.	- - - +	\$ <input type="text"/>
2.	- - - +	\$ <input type="text"/>
3.	- - - +	\$ <input type="text"/>
4.	- - - +	\$ <input type="text"/>
5.	- - - +	\$ <input type="text"/>
6.	- - - +	\$ <input type="text"/>
7.	- - - +	\$ <input type="text"/>
8.	- - - +	\$ <input type="text"/>
<b>Total Part II Revenue (include in Schedule 1)</b>	- - - - - =	\$ <input type="text"/>

**Part III – Other Revenue Not Deemed A Contribution**

Provide full details (e.g., contributions of \$10 or less; revenue from refreshment sold at cost)

1.	- - - +	\$ <input type="text"/>
2.	- - - +	\$ <input type="text"/>
3.	- - - +	\$ <input type="text"/>
4.	- - - +	\$ <input type="text"/>
5.	- - - +	\$ <input type="text"/>
6.	- - - +	\$ <input type="text"/>
7.	- - - +	\$ <input type="text"/>
8.	- - - +	\$ <input type="text"/>
<b>Total Part III Revenue (include in Box C)</b>	- - - - - =	\$ <input type="text"/>

**Part IV – Expenses Related to Fund-Raising Function**

Venue - - - - -	+ \$ <input type="text"/>
Event advertising - - - - -	+ \$ <input type="text"/>
Food and drink - - - - -	+ \$ <input type="text"/>
Entertainment - - - - -	+ \$ <input type="text"/>
Other (provide full details)	

1.	- - - +	\$ <input type="text"/>
2.	- - - +	\$ <input type="text"/>
3.	- - - +	\$ <input type="text"/>
4.	- - - +	\$ <input type="text"/>
5.	- - - +	\$ <input type="text"/>
6.	- - - +	\$ <input type="text"/>
7.	- - - +	\$ <input type="text"/>
8.	- - - +	\$ <input type="text"/>
<b>Total Part IV Expenses (include in Box C)</b>	- - - - - =	\$ <input type="text"/>

**Schedule 3 – Inventory of Campaign Goods and Materials (from Previous Campaign)  
Used in Candidate's Campaign**

Description	Date Acquired (yyyy/mm/dd)	Supplier	Unit Value	Quantity	Total Value
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
			\$		\$
<b>Total Value of Inventory from Previous Campaign Used in Candidate's Campaign</b>					<b>\$</b>

**Schedule 4 – Inventory of Campaign Goods and Materials at The End of Campaign**

Description	Date Acquired (yyyy/mm/dd)	Supplier	Unit Value	Quantity	Total Value
Lawn Signs (small)	2010/09/10	O'Dee Display	\$ 4.17	144	\$ 600.44
Lawn Signs (large)	2010/10/12	O'Dee Display	\$ 12.18	96	\$ 1,169.41
Wood Stakes for Signs	2010/10/13	Penner Building Supplies	\$ 1.47	100	\$ 147.00
T Shirts	2010/07/12	Ramco Event Wear	\$ 4.50	12	\$ 54.00
Vests	2010/07/12	Ramco Event Wear	\$ 4.00	10	\$ 40.00
Garbage Pickers	2010/07/13	Bargain Shop	\$ 4.73	2	\$ 9.46
Sign Frames	2010/09/10	EM Plastic	\$ 0.80	55	\$ 44.00
			\$		\$
			\$		\$
			\$		\$
			\$		\$
<b>Total Value of Inventory of Campaign Goods and Materials</b>					<b>\$ 2,064.31</b>

**Auditor's Report***Municipal Elections Act, 1996 (Section 78)*

A candidate who has received contributions or incurred expenses in excess of \$10,000 must attach an auditor's report. The report must be done in accordance with generally accepted auditing standards and must:

- set out the scope of the examination
- provide an opinion as to the completeness and accuracy of the financial statement and whether it is free of material misstatement

Professional Designation of Auditor

Chartered Accountant / Licensed Public Accountant

Municipality Hamilton		Date (yyyy/mm/dd) 2011/03/11	
Contact Person Last Name Moffatt		First Name Brad	Licence No. 1-11638
Address Suite/Unit No. 211	Street No. 911	Street Name Golf Links Road	
City/Town Ancaster		Province On	Postal Code L9K 1H9
Telephone No. (incl. area code) 905-527-0000 ext.	Fax No.	Email Address bmoffatt@gwmca.com	

**Rich Merlino Campaign 2010**  
**Form 4 - Schedule 1 - Contributions - Part I**

<u>Contributor</u>	<u>Amount</u>	<u>Method</u>	<u>Receipt #</u>	<u>Address</u>
Michael Scudder	\$0.00	cheque	2010-00026	Voided - non resident - funds returned
David Cameron	\$5.00	paypal	2010-00007	22 Hillgarden Road St Catharines L2T 2W6
Joanna Ducato	\$25.00	cash	2010-00009	7069 Adams Ave NF
Joe Pullano	\$25.00	cash	2010-00022	3778 Dorchester Road NF L2J 3A7
Rosa Pullano	\$25.00	cash	2010-00023	3778 Dorchester Road NF L2J 3A7
Zappis Pizza	\$31.08	goods	2010-00047	6663 Stanley Ave NF L2G 3Y9
Best Western	\$50.00	cheque	2010-00004	6400 Lundys Lane NF L2G 1T6
Lapennaco.com	\$50.00	cheque	2010-00035	405 Detenbeck Rd NF L2E 6S6
Jim Sissons	\$50.00	cheque	2010-00039	2182 Stonehaven Ave NF L2J 4K2
Denise Elliott	\$50.00	paypal	2010-00041	5952 Stevens Avenue NF L2E 3A3
Pat McMurrich	\$50.00	paypal	2010-00043	29 Walker Avenue Toronto M4V 1G3
Ralph Sacco	\$50.00	cheque	2010-00045	155 Main Street East Grimsby L3M 1P2
Kwame Donkor	\$75.00	cheque	2010-00040	4457 Latina Cres NF L2E 7H1
Embassy Suites	\$99.00	cheque	2010-00010	6700 Fallsview Blvd NF L2G 3W6
<b>Subtotal</b>	<b>\$585.08</b>			
Laurie Flasko	\$100.00	paypal	2010-00011	8311 Vegter Crt NF L2H 3M4
Halex Ventures	\$100.00	cheque	2010-00013	6000 Marineland Parkway NF L2E 6X8
Romzap Ltd	\$100.00	cheque	2010-00024	6881 Stanley Ave NF L2G 7B6
Sacco Construction	\$100.00	cheque	2010-00025	4530 Drummond Rd NF L2E 6C7
Tots & Tikes	\$100.00	cheque	2010-00027	8055 McLeod Road NF L2H 2Y6
Carol Cameron	\$100.00	cheque	2010-00029	4291 Montrose Rd Unit#4 NF L2H 1K1
Cordasco Chiropractic	\$100.00	cheque	2010-00030	4407 Montrose Road NF L2H 1K1
Klein Development	\$100.00	cheque	2010-00034	6279 Huggins St NF L2J 1H2
Jake Redikop	\$100.00	cheque	2010-00038	PO Box 284 Queenston L0S 1L0
Falls Auto Body	\$100.00	cheque	2010-00042	4414 Bridge Street NF L2E 2R7
Greg Smith	\$100.00	paypal	2010-00046	7771 Stanley Ave NF L2E 6V6
Marvin Mimms	\$150.00	paypal	2010-00001	4508 Dawn Crescent NF L2H 3H9
Earthdance	\$150.00	cheque	2010-00031	4549 Queensway Gardens NF L2E 6R2
1049517 Ontario Inc	\$200.00	cheque	2010-00002	4490 Montrose Rd unit#2 NF L2H 1K2
Morgan Animal Hospital	\$200.00	paypal	2010-00017	6251 ONeil St NF L2J 1M6
Pinewood Homes	\$200.00	cheque	2010-00021	2125 Fruitbelt Pkwy NF L2E 6S4
Dr Sharmila Perera	\$200.00	cheque	2010-00037	3930 Montrose Rd NF L2H 3C9
Mountainview Homes	\$250.00	cheque	2010-00018	3350 Merritville Hwy Thorold Unit#9 L2V 4Y6
MSANF Inc	\$250.00	cheque	2010-00019	112 Carleton St N Thorold L2V 2B2
Ernieu Bagnulo	\$300.00	paypal	2010-00003	3641 Cardinal Drive NF Ontario L2H 2Y1
Historic Niagara Dev Inc	\$300.00	cheque	2010-00015	4681 Ontario Ave NF L2E 3R1
Marvin Mimms	\$350.00	services	2010-00049	4508 Dawn Crescent NF L2H 3H9
Michela Crisanti	\$400.00	cheque	2010-00008	6780 Caledonia Street NF L2G 5A9
Niagara 21st Group	\$400.00	cheque	2010-00020	5950 Victoria Ave NF L2G 3L7
Bill Burke	\$500.00	paypal	2010-00005	35 Queen Street St Catharines L2R 5G4
Denise Burke	\$500.00	paypal	2010-00006	35 Queen Street St Catharines L2R 5G4
Givic Construction	\$500.00	cheque	2010-00012	7000 McLeod Rd Unit#17 Suite 251
Randy Herkimer	\$500.00	paypal	2010-00014	7078 Rosseau Place NF L2J 3V2
Adel Wakil	\$500.00	paypal	2010-00028	253 Taylor Road NOTL L0S 1J0
Grant Hardy	\$500.00	cheque	2010-00032	24 Creek View Court Carlisle L0R 1H1
HOCO Ltd	\$500.00	cheque	2010-00033	4960 Clifton Hill PO Box 60 NF L2E 6S8
Michaels Inn	\$500.00	cheque	2010-00036	5599 River Rd NF L2E 3H3
Peter Merlino	\$750.00	cheque	2010-00016	6780 Caledonia Street NF L2G 5A9
Guyatt & Moffatt	\$750.00	services	2010-00050	911 Golf Links Rd Unit#211 Ancaster L9K 1H9
<b>Subtotal</b>	<b>\$9,950.00</b>			
Rich Merlino	\$0.29	paypal	2010-00048	5817 Aspen Court NF L2G 7V4
Rich Merlino	\$517.23	goods	2010-00044	5817 Aspen Court NF L2G 7V4
Rich Merlino	\$1,000.00	cheque	2010-00044	5817 Aspen Court NF L2G 7V4
<b>Subtotal</b>	<b>\$1,517.52</b>			
<b>Total</b>	<b>\$12,052.60</b>			

# Rich Merlino Campaign 2010

## Form 4 - Schedule 1 - Part II

### Table 1 - Monetary Contributions >\$100.00 per Individual Contributor

<u>Contributor</u>	<u>Amount</u>	<u>Method</u>	<u>Receipt #</u>	<u>Address</u>
Laurie Flasko	\$100.00	paypal	2010-00011	8311 Vegter Crt NF L2H 3M4
Halex Ventures	\$100.00	cheque	2010-00013	6000 Marineland Parkway NF L2E 6X8
Romzap Ltd	\$100.00	cheque	2010-00024	6881 Stanley Ave NF L2G 7B6
Sacco Construction	\$100.00	cheque	2010-00025	4530 Drummond Rd NF L2E 6C7
Tots & Tikes	\$100.00	cheque	2010-00027	8055 McLeod Road NF L2H 2Y6
Carol Cameron	\$100.00	cheque	2010-00029	4291 Montrose Rd Unit#4 NF L2H 1K1
Cordasco Chiropractic	\$100.00	cheque	2010-00030	4407 Montrose Road NF L2H 1K1
Klein Development	\$100.00	cheque	2010-00034	6279 Huggins St NF L2J 1H2
Jake Redikop	\$100.00	cheque	2010-00038	PO Box 284 Queenston L0S 1L0
Falls Auto Body	\$100.00	cheque	2010-00042	4414 Bridge Street NF L2E 2R7
Greg Smith	\$100.00	paypal	2010-00046	7771 Stanley Ave NF L2E 6V6
Marvin Mimms	\$150.00	paypal	2010-00001	4508 Dawn Crescent NF L2H 3H9
Earthdance	\$150.00	cheque	2010-00031	4549 Queensway Gardens NF L2E 6R2
1049517 Ontario Inc	\$200.00	cheque	2010-00002	4490 Montrose Rd unit#2 NF L2H 1K2
Morgan Animal Hospital	\$200.00	paypal	2010-00017	6251 ONeil St NF L2J 1M6
Pinewood Homes	\$200.00	cheque	2010-00021	2125 Fruitbelt Pkwy NF L2E 6S4
Dr Sharmila Perera	\$200.00	cheque	2010-00037	3930 Montrose Rd NF L2H 3C9
Mountainview Homes	\$250.00	cheque	2010-00018	3350 Merritville Hwy Thorold Unit#9 L2V 4Y6
MSANF Inc	\$250.00	cheque	2010-00019	112 Carleton St N Thorold L2V 2B2
Ernie Bagnulo	\$300.00	paypal	2010-00003	3641 Cardinal Drive NF Ontario L2H 2Y1
Historic Niagara Dev Inc	\$300.00	cheque	2010-00015	4681 Ontario Ave NF L2E 3R1
Michela Crisanti	\$400.00	cheque	2010-00008	6780 Caledonia Street NF L2G 5A9
Niagara 21st Group	\$400.00	cheque	2010-00020	5950 Victoria Ave NF L2G 3L7
Bill Burke	\$500.00	paypal	2010-00005	35 Queen Street St Catharines L2R 5G4
Denise Burke	\$500.00	paypal	2010-00006	35 Queen Street St Catharines L2R 5G4
Givic Construction	\$500.00	cheque	2010-00012	7000 McLeod Rd Unit#17 Suite 251
Randy Herkimer	\$500.00	paypal	2010-00014	7078 Rosseau Place NF L2J 3V2
Adel Wakil	\$500.00	paypal	2010-00028	253 Taylor Road NOTL L0S 1J0
Grant Hardy	\$500.00	cheque	2010-00032	24 Creek View Court Carlisle L0R 1H1
HOCO Ltd	\$500.00	cheque	2010-00033	4960 Clifton Hill PO Box 60 NF L2E 6S8
Michaels Inn	\$500.00	cheque	2010-00036	5599 River Rd NF L2E 3H3
Peter Merlino	\$750.00	cheque	2010-00016	6780 Caledonia Street NF L2G 5A9
<b>Total</b>	<b>\$8,850.00</b>			

Rich Merlino Campaign 2010  
Form 4 - Schedule 1 - Part II  
Table 3 - Contributions in Goods or Services

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<u>Contributor</u>	<u>Amount</u>	<u>Method</u>	<u>Receipt #</u>	<u>Address</u>
Zappis Pizza	\$31.08	goods	2010-00047	6663 Stanley Ave NF L2G 3Y9
Marvin Mimms	\$350.00	services	2010-00049	4508 Dawn Crescent NF L2H 3H9
Rich Merlino	\$517.23	goods	2010-00044	5817 Aspen Court NF L2G 7V4
Guyatt & Moffatt	\$750.00	services	2010-00050	911 Golf Links Rd Unit#211 Ancaster L9K 1H9
<b>Total</b>	<b>\$1,648.31</b>			

# Rich Merlino Campaign 2010

## Form 4 - Schedule 4

### Inventory of Campaign Goods and Materials End of Campaign

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<u>Description</u>	<u>Supplier</u>	<u>Unit Value</u>	<u>Qty</u>	<u>Total Value</u>
Lawn Signs (small)	O'Dee Display	\$4.17	144	\$600.44
Lawn Signs (large)	O'Dee Display	\$12.18	96	\$1,169.41
Wood Stakes for Signs	Penner Building Supplies	\$1.47	100	\$147.00
T Shirts	Ramco Wear	\$4.50	12	\$54.00
Vests	Ramco Wear	\$4.00	10	\$40.00
Garbage Pickers	Bargain Shop	\$4.73	2	\$9.46
Sign Frames	EM Plastic	\$0.80	55	\$44.00
		<b>Total</b>		<b>\$2,064.31</b>

**\*\* copies of invoices attached**

# Guyatt + Moffatt

Chartered Accountants

Michael B. Guyatt Professional Corporation  
C. Brad Moffatt, BComm, CA  
Douglas M. Guyatt Professional Corporation

911 Golf Links Road, Unit #211  
Ancaster, Ontario L9K 1H9  
(905) 527-0000  
Fax (905)-648-3101

## INDEPENDENT AUDITOR'S REPORT

### To Rich Merlino – Candidate

We have audited the Statement of Assets and Liabilities as at December 31, 2010, the Statement of Campaign Period Income and Expenses and the Statement of Determination of Surplus or Deficit and Disposition of Surplus of Rich Merlino, candidate, for the campaign period from June 1, 2010 to December 31, 2010 relating to the election held on October 25, 2010. These financial statements have been prepared by Rich Merlino, candidate based on the financial reporting provisions of the Municipal Elections Act, 1996.

### Candidate's Responsibility for the Financial Statements

Rich Merlino, candidate is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Municipal Elections Act, 1996 and for such internal control as the candidate determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

## Basis of Qualified Opinion

Due to the nature of the types of transactions inherent in an election campaign, it is impracticable through auditing procedures to determine that the accounting records include all donations goods and services, and receipts and disbursements. Accordingly, my verification of these transactions was limited to ensuring that the financial statement reflect the amount recorded in the accounting records of Rich Merlino, candidate, in accordance with the accounting procedures established by the Municipal Elections Act, 1996 and we were not able to determine whether any adjustments might be necessary to income and expenses, assets or liabilities and surplus/deficit.

## Qualified Opinion

In our opinion, except for the effects of matters described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the candidate's election campaign as at December 31, 2010 and the income and expense for the campaign period from June 1, 2010 to December 31, 2010 and the determination of surplus or deficit and the disposition of surplus in accordance with the financial reporting provisions prescribed by the Municipal Elections Act, 1996.

## Emphasis of Matter

The Municipal Elections Act, 1996 does not require us to report, nor was it practicable for us to determine, that contributions reported include only those which may be properly retained in accordance with provisions of the Municipal Elections Act, 1996.

Ancaster, Ontario  
March 14, 2011



GUYATT + MOFFATT  
Chartered Accountants  
Licensed Public Accountants