

FRANCIS TRUDEAU, CA

CHARTERED ACCOUNTANT

2329 VENDÔME

SAINTE-JULIE, QUEBEC J3E 0A7

TEL (450) 849-8685

FAX 514-985-8330

E-MAIL: francis_trudeau@videotron.ca

INDEPENDENT AUDITOR'S REPORT

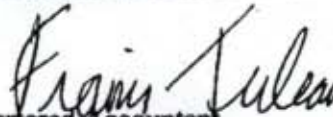
Drew Dorweiler
Chief Agent
The Libertarian Party of Canada
308 Saint-Louis Square
Montreal, Qc
H2X 1A5

I have audited the balance sheet of The Libertarian Party of Canada as at December 31, 2007 and the statements of revenue and expenses, net assets, and financial transactions return for the year then ended. The financial transactions return and related financial statements are the responsibility of the Party. My responsibility is to express an opinion on the financial transactions return and related financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards and Section 424 of the Canada Elections Act. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial transactions return is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As is the case with other political parties, The Libertarian Party of Canada derives most of its revenue in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Party and I was not able to determine whether any adjustments might be necessary to donation revenues, excess of expenses over revenues, assets and net assets.

In my opinion, subject to the above limitation, the financial transactions return presents fairly, in all material respects, the financial position of the Party as at December 31, 2007 in accordance with Canadian generally accepted accounting principles and Section 424 of the Canada Elections Act.


Chartered Accountant

Montreal, Quebec
July 28, 2008

Schedule 1

The Libertarian Party of Canada
Statement of Assets and Liabilities and Surplus
As at December 31, 2007

Assets

Cash	\$ 10,701
Deposits in transit	4,185
Prepaid expense	700
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Total Assets	15,586
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Liabilities

Accrued mailing expense	1,248
Accrued professional fees	
Audit fees	420
Donation processing	480

Surplus

Opening surplus	5,313
Net income	8,125
Ending surplus	13,438
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Total Liabilities and Party Surplus	\$ 15,586
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Schedule 1.1

**The Libertarian Party of Canada
Deposits and Withdrawal Analysis
For the Fiscal Year Ended December 31, 2007**

	<u>Deposits</u>	<u>Withdrawal</u>	<u>Cheque</u>
22/03/2007	\$ 1,965	2006 related deposit = \$1,717	
22/03/2007	57	50 US @1.1372	
22/03/2007	10		
11/07/2007	3,824		
25/09/2007	2,380		
21/09/2007		60 Nina Gerschack - Donation Processing	108
25/09/2007		80 Nina Gerschack - Donation Processing	109
31/10/2007		385 Francis Trudeau - 2006 audit	110
		Deposit for 2008 Convention - Holiday Inn Express	
21/12/2007		700 Edmonton	111
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Total	\$ 8,236	\$ 1,225	
Subsequent deposits			
29/01/2008	\$ 3,315	2007 Contributions	
30/01/2008	\$ 870	2007 Contributions	
	<u>\$ 12,421</u>		

Cash reconciliation

Beginning balance	\$ 3,981
Deposits	8,236
Withdrawals	- 1,225
Bank charges	- 291
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Cash ending	<u>\$ 10,701</u>

Schedule 2

**The Libertarian Party of Canada
Statement of Party Revenues and Expenses
For the Fiscal Year Ended December 31, 2007**

Revenues**Contributions**

Contribution received	\$ 10,710
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Expenses

Mailing expense (postage)*	1,248
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Professional fees

Audit	420
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Donation processing	620
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Banking charges	297
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2,585

Net income

\$ 8,125

* Alan Mercer receipts

1st set of receipts	1179.88
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2nd set of receipts	67.78
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Schedule 2.2

**The Libertarian Party of Canada
Bank Charges Analysis
For the Fiscal Year Ended December 31, 2007**

Bank fees + Visa fees

January	\$ 20
February	20
March	22
April	20
May	20
June	20
July	30
August	10
September	14
October	81
November	30
December	<u>10</u>
	<u>\$ 297</u>