

**THE CANADIAN ACTION PARTY /  
PARTI ACTION CANADIENNE**

**2000 ANNUAL REPORT**

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## AUDITORS' REPORT

TO THE CHIEF AGENT FOR THE CANADIAN ACTION PARTY / PARTI ACTION CANADIENNE

We have audited the balance sheet of the Canadian Action Party / Parti Action Canadienne as at December 31, 2000 and the statement of receipts and expenditures for the year then ended. These financial statements are the responsibility of the Party's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free from 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.

Our examination was designed to enable us to report as required under the Canada Elections Act. The Act does not require us to report that the accounting records include all the transactions of the Party and, thus, our examination was not designed to determine the extent of omissions if any, from the accounting records.

In our opinion, these financial statements present fairly the information contained in the accounting records of the Canadian Action Party / Parti Action Canadienne as at December 31, 2000 and the receipts and expenditures for the year then ended.

Brampton, Ontario  
March 15, 2001

*McCarney Greenwood LLP*  
McCARNEY GREENWOOD LLP  
Chartered Accountants

**CANADIAN ACTION PARTY / PARTI ACTION CANADIENNE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2000**

**1. ORGANIZATION**

The organization is a registered political party under the Canada Elections Act. It is currently led by Paul Hellyer.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Estimates and Assumptions Used in Preparing Financial Statements**

Preparation of these financial statements requires the use of estimates and assumptions that affect amounts reported and disclosed in the statements and related notes. Such estimates are not expected to change materially in the near term.

**Contributions**

Contributions are recorded at fair market value and are recognized in the year of receipt.

**Capital Assets**

Capital assets are recorded at cost less accumulated depreciation or amortization. Depreciation and amortization are calculated on a declining balance basis at per annum rates which are expected to amortize the cost of the capital asset over their estimated useful lives as follows:

Computer equipment	30%
Telephone equipment	20%
Furniture and fixtures	20%

**3. CAPITAL ASSETS**

	Cost	Accumulated Depreciation	Net
	\$	\$	\$
Computer equipment	8,910	5,499	3,411
Telephone equipment	5,760	3,699	2,061
Furniture and fixtures	6,356	1,607	4,749
	21,026	10,805	10,221

Depreciation in the year was \$2,852 (1999 - \$1,904) and is included in administrative expenditures.

**THE CANADIAN ACTION PARTY / PARTI ACTION CANADIENNE  
STATEMENT OF RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	\$
<b>RECEIPTS</b>	
Contributions	51,477
Memberships and other	8,373
	<b>59,850</b>
<b>EXPENDITURES</b>	
Administrative	10,785
Advertising	12,560
Election expenses	392,109
Legal and audit	2,193
Miscellaneous	16,720
Salaries, wages and benefits	115,591
Telephone	6,923
Travel	903
	<b>557,784</b>
<b>DEFICIENCY OF RECEIPTS OVER EXPENDITURES FOR THE YEAR</b>	<b>(497,934)</b>
<b>NET LIABILITIES, BEGINNING OF YEAR</b>	<b>(126,479)</b>
<b>NET LIABILITIES, END OF YEAR</b>	<b>(624,413)</b>

*See Accompanying Notes*

**THE CANADIAN ACTION PARTY / PARTI ACTION CANADIENNE**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2000**

	\$
<b>ASSETS</b>	
Current	
Cash	29,236
Accounts receivable	66,750
	<u>95,986</u>
Capital assets (Note 3)	10,221
	<u>106,207</u>
 <b>LIABILITIES</b>	
Current	
Accounts payable	19,656
Loan payable to Paul Hellyer (Note 4)	710,964
	<u>730,620</u>
<b>NET LIABILITIES</b>	<u>(624,413)</u>

*See Accompanying Notes*

On behalf of the Party:

..... Party Leader

**CANADIAN ACTION PARTY / PARTI ACTION CANADIENNE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000**

**4. LOAN PAYABLE TO PAUL HELLYER**

The loan payable to Paul Hellyer is without interest with no specific terms of repayments.

**5. STATEMENT OF CASH FLOWS**

A statement of cash flows has not been prepared as the required information is readily apparent from other financial statements and notes to the financial statements.