

**COMMUNIST PARTY OF CANADA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2002**

# FINANCIAL STATEMENTS

December 31, 2002

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## AUDITOR'S REPORT

To David Rigby, Chief Financial Agent  
and to the Management Committee of  
**Communist Party of Canada**

The accompanying summarized statement of Financial Position and summarized statement of Revenue and Expense and Cash Flows and the Financial Transaction Return are derived from the completed financial statements of the **Communist Party of Canada** as at December 31, 2002. The fair summarization of the complete financial statements is the responsibility of management. My responsibility in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In my opinion, the accompanying financial statements, and the Financial Transactions Return is summarized in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements and Financial Transactions Return, present fairly, in all material respects, the financial position of the **Communist Party of Canada** as at December 31, 2002, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada  
May 22, 2003

*Martin Abrams*  
Chartered Accountant

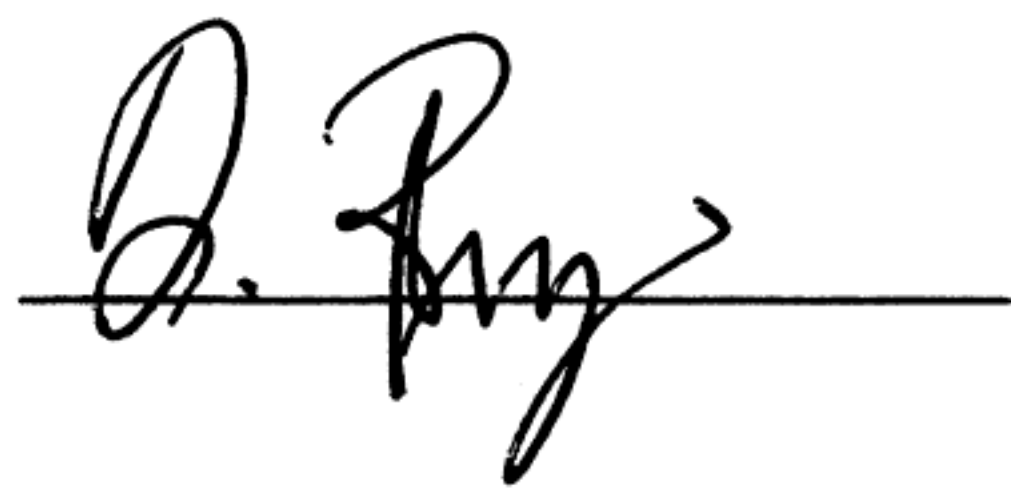
# COMMUNIST PARTY OF CANADA

## BALANCE SHEET

As at December 31, 2002

Assets	<u>2002</u>	<u>2001</u>
Current Assets		
Cash	\$ 1,317	\$ 9,660
Accounts receivable	<u>-</u>	<u>18</u>
	<u>1,317</u>	<u>9,678</u>
Liabilities and Accumulated Net Assets		
Current Liabilities		
Accounts Payable	<u>9,793</u>	<u>8,237</u>
Net Assets		
Unrestricted (Debit), and credit	<u>(8,476)</u>	<u>1,441</u>
	<u>\$ 1,317</u>	<u>\$ 9,678</u>

On Behalf of the Association



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See accompanying notes to these financial statements

# Statement of Operations

Year Ended December 31, 2002

	<u>2002</u>	<u>2001</u>
Revenue		
Political donations	\$ <u>102,026</u>	\$ <u>92,409</u>
Expenses		
Subsidies to various regions	45,044	26,795
Salaries and benefits	32,107	23,321
Printing and stationary	5,603	6,589
Provision for Convention Fund	5,378	-
Rent, storage and utilities	5,232	9,443
General and office	4,433	1,781
Postage and delivery	4,003	1,139
Legal and audit	5,077	12,325
Telephone	2,519	2,802
Travel	2,247	3,024
Subsidy to New Labour Press	300	1,996
Miscellaneous	-	5,894
Advances to Candidates for the Election Canada 2000	<u>-</u>	<u>1,847</u>
	<u>111,943</u>	<u>96,956</u>
Excess (Expenses) over Revenue	\$ <u>( 9,917)</u>	\$ <u>( 4,547)</u>

## Communist Party of Canada Statement of Changes in Net Assets Year Ended December 31, 2002

	<u>2002</u>	<u>Unrestricted</u> <u>2001</u>
Balance, credit at beginning of year	1,441	\$ 5,988
(Expenses) over Revenue for year	<u>(9,917)</u>	<u>( 4,547)</u>
Balance, (debit), credit at end of year	\$ <u>(8,476)</u>	\$ <u>1,441</u>

**COMMUNIST PARTY OF CANADA****STATEMENT OF CASH FLOWS**

Year Ended December 31, 2002

Cash Provided By:	<u>2002</u>	<u>2001</u>
Operating Activities		
Excess expense over revenue	(9,917)	\$ (4,547)
Net change in non - cash working capital balances related to operations	<u>1,574</u>	<u>8,665</u>
(Decrease) Increase in Cash for Year	(8,343)	4,118
Cash at Beginning of Year	<u>9,660</u>	<u>5,542</u>
Cash at End of Year	\$ <u>1,317</u>	\$ <u>9,660</u>

See accompanying notes to these financial statements



**COMMUNIST PARTY OF CANADA**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2002

Note 1. Significant Accounting Policies

Purpose of the Organization - Communist Party of Canada

The Communist Party of Canada strives to unite within its ranks all those who defend and advance the interests of the working class in Canada and who aspire for a socialist future. The CPC participates in federal elections, and is active in a wide range of extra parliamentary activities across Canada on a consistent and ongoing basis.

2. Revenue Recognition

Donations to the Communist Party of Canada are recognized as income on a cash basis.

3. Donated Services

The work of the Communist Party of Canada is dependent on the voluntary services of members of the Party. Since these services are not normally purchased by the Party and because of the difficulty of determining their fair market value, donated services are not recognized in these statements.