

NATURAL LAW PARTY OF CANADA
STATEMENTS OF PARTY'S ASSETS AND LIABILITIES
AND
PARTY'S RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002

NATURAL LAW PARTY OF CANADA
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002	2001
Revenues:		
Donations	\$ 21,185	36,327
Candidate campaign excess	-	458
Interest	-	1
Other income	-	800
	<hr/>	<hr/>
Total Revenues	21,185	37,586
	<hr/>	<hr/>
Expenses:		
Office expenses	1,987	19,278
Distribution - printed material	-	-
Depreciation - computer equipment	1,328	-
Rent	-	5,300
Travel/Accommodations	3,276	8,602
Staff expense	-	4,561
Independent Contractors	-	1,020
Legal and audit Fees	2,087	1,953
Fundraising commission	-	200
Management fees	1,650	-
Miscellaneous	-	4,338
Advertising	800	(1,059)
Transfer to organization supporting NL	14,954	-
Real estate expense	-	96
	<hr/>	<hr/>
Total Expenses	26,082	44,289
	<hr/>	<hr/>
Excess of Expenses over Revenues	\$ 4,897	6,703
	<hr/>	<hr/>

NATURAL LAW PARTY OF CANADA

STATEMENT OF DEFICIT

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>2002</u>	<u>2001</u>
Balance, beginning of year	\$ 3,713,897	3,707,194
Loan payable forgiven	(3,700,000)	-
Interest payable forgiven	(8,484)	-
Current year excess of expenses over revenues	<u>4,897</u>	<u>6,703</u>
Balance, end of year	<u><u>\$ 10,310</u></u>	<u><u>3,713,897</u></u>

NATURAL LAW PARTY OF CANADA
STATEMENT OF ASSETS AND LIABILITIES

DECEMBER 31, 2002

ASSETS		2002	2001
Cash in bank	\$	6,948	9,638
Petty cash		500	500
		<u>7,448</u>	<u>10,138</u>
Data processing equipment, cost		43,765	43,765
Accumulated depreciation		<u>(39,507)</u>	<u>(38,178)</u>
		<u>4,258</u>	<u>5,587</u>
Total Assets	\$	<u>11,706</u>	<u>15,725</u>
LIABILITIES			
Accounts payable and accrued	\$	<u>8,950</u>	<u>6,872</u>
Loans payable		13,066	3,714,266
Interest Payable		<u>-</u>	<u>8,484</u>
		<u>13,066</u>	<u>3,722,750</u>
Total Liabilities		<u>22,016</u>	<u>3,729,622</u>
DEFICIT			
Deficit		<u>(10,310)</u>	<u>(3,713,897)</u>
Total Liabilities and Deficit	\$	<u>11,706</u>	<u>15,725</u>



RONALD BRUCE LOVE
CHARTERED ACCOUNTANT

30 Wertheim Court Unit 1
Richmond Hill ON L4B 1B9
Tel: (905) 475 5777
Fax: (905) 886 0175
Email: ron@loveca.com

AUDITOR'S REPORT
(Pursuant to the Canada Elections Act)

To the Natural Law Party Fund
Chief Agent of the Natural Law Party of Canada


I have audited the Natural Law Party of Canada's Financial Transactions Return and Trust Fund Return for 2002, the statement of Assets and Liabilities as at December 31, 2002 and the statements of Revenues and Expenses and Deficit for the year then ended. These statements are the responsibility of the Chief Agent of the Party. My responsibility is to express an opinion on the statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards and the requirements of Section 426(1) of the Canada Elections Act. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by the Chief Agent of the Party, as well as evaluating the overall presentation of the financial information.

The Act does not require me to report, nor was it practicable for me to determine, that the accounting records include all transactions of the Party and, thus, my audit was not designed to determine the extent of omissions, if any, from the accounting records.

In my opinion, the Financial Transaction Return, Trust Fund Return, statements of Assets and Liabilities, Revenues and Expenditures and Deficit of the Natural Law party of Canada present fairly, in all material respects, the information contained in the accounting records on which the returns are based in accordance with the accounting requirements of the Canada Elections Act and the accounting guidelines issued by Elections Canada.

Richmond Hill, ON
June 27, 2003



Ronald Bruce Love
Chartered Accountant