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CHARTERED ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To Elections Canada
Re: The Libertarian Party of Canada

I have audited the Financial Transaction Return of The Libertarian Party of Canada as at December 31, 2005. This return is the responsibility of the Party. My responsibility is to express an opinion on the Return based on my audit.

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

In my opinion, the Financial Transaction Return presents fairly, in all material respects, the financial position of the Party as at December 31, 2005 in accordance with Canadian generally accepted accounting principles.


Chartered Accountant

Montreal, Quebec
August 30, 2006

**The Libertarian Party of Canada
Statement of Assets and Liabilities and Surplus
As at December 31, 2005**

Assets

Cash	\$ 2,777
Deposits in transit	<u>1,938</u>
Total Assets	<u>4,715</u>

Liabilities

Accrued professional fees	450
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Surplus

Opening surplus	4,455
Net income	<u>(190)</u>
Ending surplus	<u>4,265</u>

<u>Total liabilities and Party Surplus</u>	<u>\$ 4,715</u>
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**The Libertarian Party of Canada
Deposits and Withdrawal Analysis
For the Fiscal Year Ended December 31, 2005**

	<u>Deposits</u>	<u>Withdrawal</u>		<u>Cheque</u>
14/03/2005	\$ 525		2004 most part	
04/04/2005		200	Audit fees	91
12/05/2005		960		92
15/05/2005	1,823		Convention related	
24/05/2005		379		95
25/05/2005		200		94
30/05/2005		1,409	Michael Cloud	
30/05/2005		50	Trf to US acct	
30/05/2005	61			
30/05/2005	2,110		Convention fees	
15/08/2005		2,756	John Shaw Convention exp.	96
06/09/2005	20	-	John Tomlinson	
06/09/2005		150	Jim McIntosh Convention exp	97
19/10/2005		100	Audit work	98
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Total	\$ 4,539	\$ 6,205		

Subsequent deposits

28/03/2006	\$ 2,525	\$ -	*
	<u>\$ 7,064</u>		

Cash reconciliation

Beginning balance	\$ 4,755
Deposits	4,539
Withdrawals	- 6,205
Bank charges	- 313
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Cash ending	\$ <u>2,777</u>

* Of which \$1,938 relates to the 2005 fiscal year.

**The Libertarian Party of Canada
Statement of Party Revenues and Expenses
For the Fiscal Year Ended December 31, 2005**

Revenues

Contribution received	\$ 3,825
Convention fee	2,709
Total	<u>6,534</u>

Expenses

Convention expenses	5,399
Web hosting	100
BOD meeting	463
Professional fees	450
Banking charges	313
	<u>6,724</u>

Net income

\$ (190.22)

**The Libertarian Party of Canada
Convention Expenses Analysis
For the Fiscal Year Ended December 31, 2005**

Convention expense

Ramada	\$ 2,253
Stamps	617
Paper	14
Ink printer	151
Envelops	9
Paragon digital	684
Gift certificate speaker	150
Speaker expense- Neil Cameroun	200
Speaker expense- Michael Cloud	1,320
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	\$ 5,399

**The Libertarian Party of Canada
Bank Charges Analysis
For the Fiscal Year Ended December 31, 2005**

Bank fees + Visa fees

January	\$	85
February		15
March		17
April		15
May		25
June		20
July		20
August		20
September		22
October		20
November		34
December		20
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	\$	<u>313</u>