

ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

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AUDITOR'S REPORT

To the chief agent of the
ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

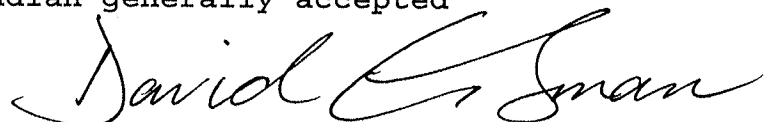
I have audited the statement of financial position of the ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA (AAEVPC) as at December 31, 2008 and the statements of revenues and expenses and accumulated net assets and cash flows for the year then ended. These financial statements are the responsibility of the party's chief agent. My responsibility is to express an opinion on these financial statements 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 financial statements are 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.

In common with many political parties, the ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA derives revenue from 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 required to revenues, excess of revenues over expenditures, assets, liabilities and accumulated net assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the receipts referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA (AAEVPC) as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Vaughan, Ontario, Canada
March 24, 2009



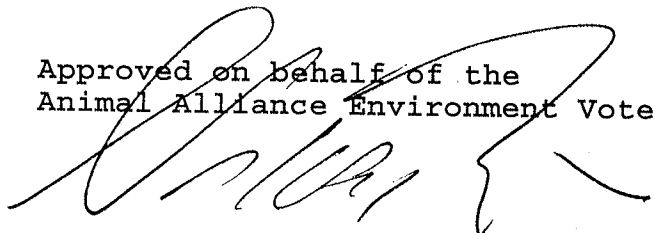
Chartered Accountant

ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
	\$	\$
ASSETS		
Cash	59,960	58,557
Refundable deposits - Elections Canada	3,000	---
	<u>62,960</u>	<u>58,557</u>
	=====	=====
LIABILITIES		
Accounts payable and accrued liabilities	3,150	3,180
ACCUMULATED NET ASSETS	59,810	55,377
	<u>62,960</u>	<u>58,557</u>
	=====	=====

Approved on behalf of the
Animal Alliance Environment Voters Party of Canada



Stephen D. Best, chief agent

See accompanying notes to the financial statements
and Auditor's Report dated March 24, 2009.

DAVID LIBMAN, MBA
Chartered Accountant

ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

STATEMENT OF REVENUES AND EXPENSES

YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
	\$	\$
REVENUES		
Donations	<u>306,228</u>	<u>304,922</u>
EXPENSES		
Advertising	24,350	1,307
Bank service charges and interest	6,541	5,464
Fundraising activities	54,740	34,114
Office expenses	48,954	43,728
Professional services	40,512	64,867
Research	3,186	10,835
Salaries and benefits	117,418	115,333
Travel	5,825	3,841
Other	269	1,450
	<u>301,795</u>	<u>280,939</u>
EXCESS OF REVENUES OVER EXPENSES	4,433	23,983
ACCUMULATED NET ASSETS, beginning of year	55,377	31,394
ACCUMULATED NET ASSETS, end of year	<u>59,810</u>	<u>55,377</u>
	=====	=====

See accompanying notes to the financial statements
and Auditor's Report dated March 24, 2009.

ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
	\$	\$
Cash was provided by (used for)		
Operating activities		
Excess of revenues over expenses	4,433	23,983
Changes in non-cash working capital		
- accounts payable	(30)	(5,747)
- accounts receivable	---	1,450
- refundable deposit	(3,000)	---
	<u>1,403</u>	<u>19,686</u>
Financing activities	---	---
Investing activities	---	---
	<u>1,403</u>	<u>19,686</u>
Increase in cash	1,403	19,686
CASH, beginning of year	58,557	38,871
CASH, end of year	<u>59,960</u>	<u>58,557</u>
	=====	=====

See accompanying notes to the financial statements
and Auditor's Report dated March 24, 2009.

DAVID LIBMAN, MBA
Chartered Accountant

ANIMAL ALLIANCE ENVIRONMENT VOTERS PARTY OF CANADA

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

1. Nature of the organization

These financial statements pertain to an unincorporated political party. The statement of financial position and the statement of revenues and expenses do not include all of the assets, liabilities, revenues and expense of the members. No income tax provision has been made in these financial statements because the AAEVPC is not liable for income taxes on the excess of revenues over expenses.

2. Significant accounting policies

a) Revenue recognition

Income is recorded as it is received and deposited into the bank account.

b) Financial instruments

It is the chief agent's opinion that AAEVPC is not exposed to significant interest rate and credit risks arising from its financial instruments. Financial instruments carrying values approximate their fair values. AAEVPC's financial instruments consist of cash which is invested in interest bearing accounts insured by a Canadian chartered bank.

3. Contributed services and materials

Because of the difficulty in determining the fair value of volunteer labour, volunteer labour is not recognized in the financial statements. Donated goods and services are valued at fair market value and treated as an equivalent donation.

See Auditor's Report dated March 24, 2009.