

Gary Rozon, CMA Inc

Certified Management Accountant
Federal Political Finance Auditor

156 Redpath Drive, Ottawa, ON K2G 6K5

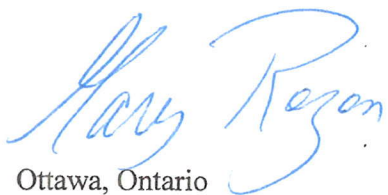
Auditor's Report

To: Jack Peach, Chief Agent, Radical Marijuana Party

I have audited the Balance Sheet, Statement of Revenue and Expenses and the Financial Transactions Return as at **December 31, 2010** in accordance with sections 424 to 434 of the Canada Elections Act. These financial statements are the responsibility of the Party's management. My responsibility is to express an opinion on this Financial Transaction Return based on my audit.

I conducted the audit in accordance with Canadian Generally Accepted Auditing Standards and Section 424 to 434 of the Canada Elections Act. 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 statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement preparation.

In my opinion, the financial transaction return present fairly, in all material respects, the financial position of the Party as at **December 31, 2010** and the results of its operations, changes in fund balances and cash flows for the period then ended in accordance with Canadian Generally Accepted Accounting Principles and Sections 424 to 434 of the Canada Elections Act.



Ottawa, Ontario
May 25, 2011

PARTI MARIJUANA / MARIJUANA PARTY

Financial Statements as at December 31, 2010

Statement of Operations and Changes in Net Assets	2
Statement of Cash Flows	3
Statement of Financial Position	4
Notes to Financial Statements	5

PARTI MARIJUANA / MARIJUANA PARTY
Statement of Operations and Changes in Net Assets
for the year ended December 31, 2010

	2010	2009
REVENUES		
Contributions greater than \$200	\$ 1,500	\$ 2,400
Contributions \$200 or less	-	210
Transfers (Note 3)	(200)	-
	<u>1,300</u>	<u>2,610</u>
EXPENSES		
Professional services	500	263
Advertising - Other (signs, brochures, ads, Internet)	494	226
Office expenses	1,359	760
Bank charges	88	86
	<u>2,441</u>	<u>1,335</u>
Excess (deficiency) of revenues over expenses	(1,141)	1,275
Net assets, beginning of year	4,091	2,816
Net assets, end of year	<u><u>\$ 2,950</u></u>	<u><u>\$ 4,091</u></u>

The attached notes are an integral part of these financial statements.

PARTI MARIJUANA / MARIJUANA PARTY**Statement of Cash Flows**

for the year ended December 31, 2010

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (1,141)	\$ 1,275
Changes in working capital		
Accounts Receivable	1,100	-
Accounts Payable	237	239
	196	1,514
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from member	-	-
Increase (decrease) in cash	196	1,514
Cash, beginning of year	3,254	1,740
Cash, end of year	<u>\$ 3,450</u>	<u>\$ 3,254</u>

The attached notes are an integral part of these financial statements.

PARTI MARIJUANA / MARIJUANA PARTY**Statement of Financial Position**

as at December 31, 2010

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash	\$ 3,451	\$ 3,254
Accounts Receivable	-	1,100
	<u>\$ 3,451</u>	<u>\$ 4,354</u>
LIABILITIES		
Current liabilities		
Accounts Payable	\$ 500	\$ 263
	500	263
NET ASSETS	<u>2,950</u>	<u>4,091</u>
	<u>\$ 3,450</u>	<u>\$ 4,354</u>

The attached notes are an integral part of these financial statements.

PARTI MARIJUANA / MARIJUANA PARTY**Notes to Financial Statements**

December 31, 2010

1 PURPOSE OF THE ORGANIZATION

The party was officially registered as a political party on November 6, 2000 and has as its objective the legalization of marijuana and the legalization of a revolution.

2 SIGNIFICANT ACCOUNTING POLICIES**Accounting estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires the chief agent to make estimates that affect the reported amounts of assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Revenue recognition

Monetary contributions are recognized on a cash basis. Non-monetary contributions are recognized at their fair market value when goods or services are received.

Contributed services

The functioning of the party depends, in a large part, on the volunteer work of members. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

3 TRANSFERS

During 2010 the Party transferred funds to the Nanaimo-Cowichan Marijuana Party, whose Electoral District Agent is Blair T. Longley.