

MAPS' Financial Report:

Fiscal Year 2006~2007

Rick Doblin, PhD, MAPS President

Financial Overview

The Multidisciplinary Association for Psychedelic Studies (MAPS) turned 21 on April 8, 2007, near the end of Fiscal Year (FY) 2006-07 (June 1, 2006 to May 31, 2007). As befitting its emergence into adulthood, MAPS' FY 06-07 financial performance was better than in any previous year, with more income (\$1,285,493), more expenses (\$1,288,059) and more assets at the end of the fiscal year (\$788,694, of which \$297,044 were restricted to various projects and \$491,650 were unrestricted). MAPS' income figures are actually \$50,000 larger than indicated since these figures don't include an additional \$50,000 donated directly to the Swiss Medical Association for Psycholytic Therapy (SAePT) by Swiss citizen Vanja Palmers, for MAPS' and SAePT's Swiss MDMA/PTSD study.

MAPS also benefits from the donation of a substantial amount of highly-skilled labor from people who assist MAPS with our clinical research protocol development and monitoring efforts, website management and design, software development and management consulting services. In addition, MAPS receives much-needed donated labor for a range of office tasks and outreach efforts, such as tabling at events.

MAPS' income, expenses and assets for the last seven years are presented in a bar chart on page 5. MAPS' expenses are broken out in detail by project and category on page 7. An expanded written description of each project and category can be found on the MAPS website at maps.org/fiscalmaps_fy2007/projects.pdf. MAPS' assets, divided into restricted funds for each project and unrestricted funds, are presented on page 8.

Assets: Restricted Funds

MAPS permits donors to restrict their contributions to specific projects. While this limits MAPS' flexibility to allocate resources to what we consider to be our highest priorities, this approach enables donors to ensure that their resources support their own personal priorities. Furthermore, this approach results in a diversified portfolio of projects. As a result, MAPS will continue to welcome restricted donations.

At the end of FY 06-07, MAPS held \$297,044 in restricted funds. The largest restricted fund, our Start-up Fund/UMass Amherst, contains \$65,395 contributed by John Gilmore. His goal was to catalyze projects in the early stages when funding is most difficult to obtain, with the goal being to replenish these funds when the projects come to fruition. This fund has been used exclusively for our efforts to start a medical marijuana production facility as a prerequisite to drug development research (see page 10), and has been supplemented by grants MAPS has received from the Marijuana Policy Project and the Drug Policy Alliance.

MAPS' second largest restricted amount is \$60,428 for our MDMA psychotherapy effort, from funds donated by Peter Lewis. The rest of the restricted funds can be seen in the summary chart on page 8.

Assets: Unrestricted Funds

At the end of FY 06-07, MAPS held \$491,640 in unrestricted assets. Of that amount, \$40,000 is the value of a non-liquid remainder interest in a \$1 million home in La Jolla that was left to MAPS in a bequest. According to actuarial tables, MAPS is likely to receive the full value of the home in about 30 years. MAPS' Board of Directors has voted not to sell this asset.

MAPS' liquid unrestricted funds amount to less than one year's operating expenses. Looked at in this way, they provide a necessary cushion for the fluctuations in MAPS' income due to donors' preferences and the timing of contributions. In addition, these funds enable MAPS to make commitments to support new pilot projects, so that researchers are motivated to invest their precious time in developing projects that they know can be funded if and when the projects are approved, even if we don't raise new funds for the project. To retain this ability to make commitments, we do seek to raise new funds for all projects that we have prioritized and that do become approved.

In terms of our future fundraising needs, these unrestricted funds are only about 20% of the cost of one large-scale Phase 3 study. MAPS will need to fund two such Phase 3 studies for each drug/patient combination to obtain approval for the prescription use of that drug in those patients. As a result, our unrestricted funds are only a small down payment on future Phase 3 studies, and on the completion of our Phase 2 pilot studies should we be unable to raise new funds for those projects.

MAPS Fiscal Year 2006-2007

Income	1,285,493.05
Expenses	1,288,059.26
Net Change	(2,566.21)
Net Assets Beginning of Fiscal Year	783,522.99
Adjustments For Tax Purposes	7,737.56
Adjusted Assets at Beginning of Fiscal Year	791,260.55
Less: Net Change	(2,566.21)
Net Assets End of Fiscal Year	788,694.34
Asset Categories	
Assets: Restricted Funds - Liquid	297,044.00
Assets: Unrestricted Funds - Liquid	451,650.34
Assets: Remainder Interest in Home	40,000.00
Total Assets	788,694.34
Income Categories	
Donations from Individuals & Foundations >=\$1000.00	896,336.00
Donations from Individuals <=\$1000.00	103,941.00
Product Sales: Books, Art, etc	127,776.00
Other Income: Interest, Conferences	157,441.00
Total Income	1,285,493.00
IRS 990 Expense Categories	
Research Projects	341,340.04
Educational Projects	231,460.32
MAPS Bulletin, Website, Forum, & Erowid	184.55
Project Related Staff/Office Expenses	282,180.11
Product Costs/Royalties for Art	69,930.85
Management and General	156,319.70
Fundraising	13,934.69
Capital Expenditures	8,340.51
Total Expenses	1,288,059.26

MAPS can
in some ways
be thought of as
a mutual fund,
seeking diversification
in our research
projects.

Conceptual Overview

In last year's financial report (maps.org/news-letters/v16n3-html/doblin.html), I discussed the three stages of MAPS' organizational development. MAPS began operations with a "Low Maintenance/High Performance" stage lasting for its first twenty years. During this time, MAPS struggled against major cultural and political resistance to initiate psychedelic and medical marijuana research, with relatively minimal resources and rare, but crucial, successes. Our educational efforts were often more expensive than our research efforts.

MAPS' second stage, which we are currently transitioning into, consists of a "High Maintenance/High Performance" stage. This stage will last for the next 5-10 years, when MAPS will need to at least double or triple its research efforts, income, and expenses, as we move from sponsoring small pilot studies to larger Phase 3 confirmatory studies designed to provide evidence of safety and efficacy of a specific drug for a specific clinical indication.

We must be treating a condition that can be reliably measured, and that is responsive to the therapy we're delivering.

Should our Phase 3 studies prove successful, they will lead to prescription approval. MAPS will then transition into its third stage, a "No Maintenance/High Performance" stage when MAPS' further research and operational expenses are increasingly covered by sales of prescription medicines that we have been approved to market (as generics); by profits from the operation of psychedelic clinics that MAPS develops, owns and operates as models in which these prescription drugs are likely to be prescribed, at least initially; and by income generated by our professional

training seminars as we seek to educate psychiatrists, psychologists, nurses, and other mental health professionals about the medical uses of psychedelics and marijuana.

Medical Marijuana Research: Fundamentally Obstructed

As long as the federal government holds a monopoly on the supply of marijuana that can be used in FDA-approved research, it doesn't make financial sense for MAPS to try to conduct medical marijuana research. NIDA doesn't have the high THC/high CBD varieties that are representative of the medical-grade marijuana used by most patients. Moreover, there are unreasonable delays in the NIDA protocol review process. While FDA is required

to respond to protocols within 30 days, NIDA has no time limit and has taken two years to respond to our vaporizer research protocol, then rejected the protocol for arbitrary reasons. We immediately filed a response that NIDA has ignored that for two more years - all for a request to purchase 10 grams at cost! NIDA has also refused to provide marijuana to two MAPS-sponsored protocols that received clearance from FDA.

Marijuana drug development research must be conducted with the exact strain that the sponsor plans to ask FDA for permission to market. NIDA's marijuana is grown for research, not prescription use. If we managed to obtain approval from FDA to market marijuana for prescription use, we would need to negotiate with Professor Mahmoud ElSohly, who grows marijuana under contract to NIDA, to provide it to us. He'd have a monopoly position and major financial conflict of interest since DEA has licensed him (but not Prof. Craker) to grow for his own private gain, to extract THC from the plant (less expensive than making it synthetically) for sale to Mallinckrodt for use in generic Marinol, against which smoked or vaporized marijuana would successfully compete. Nobody in their right minds would invest millions in research with a drug that they couldn't guarantee would be available at a reasonable price if the drug were approved for prescription use.

In FY 06-07, MAPS paid \$11,800 to UMass-Amherst to support Prof. Craker's efforts in the lawsuit. We invested \$23,603 in our effort to generate Congressional pressure on DEA (see page 10).

We also invested \$1136 in revising the MAPS/CaNORML vaporizer protocol for resubmission to NIDA, most likely before the end of 2007. We don't expect that NIDA will review the protocol in a reasonable amount of time, or on the basis of the scientific quality of the protocol. But unless we resubmit, we can't criticize NIDA for ignoring or conducting a biased review of a new protocol. Furthermore, there is always the possibility that something will change at NIDA and our protocol will be approved.

Strategy: MDMA for PTSD v. LSD, Psilocybin or MDMA for Anxiety Associated with End-of-Life Issues

To make a wise, data-driven decision about what drug/patient combination to move first into Phase 3 studies, MAPS has a two-pronged strategy. We're conducting three MDMA/PTSD pilot studies in the US, Switzerland and Israel. This is the drug/patient combination that we currently think is most likely to be able to justify moving into Phase 3 studies (see maps.org/research/mdmaplan.html for our analysis).

In addition, we're also going to be looking at three different studies using either MDMA, LSD or psilocybin to treat subjects with anxiety associated with end-of-life issues (see page 13). These studies seek to meet a need for



which almost everyone is sympathetic, assisting people facing the reality of death to cope more effectively with fear, anxiety and pain so that they can make the most of their remaining time.

We made substantial progress in FY 06-07 on starting the LSD study (investing \$17,816) and began work on the psilocybin study (investing \$1,652) and will very likely see both of these studies approved by early 2008. The LSD study will become the first LSD-assisted psychotherapy study completed in over 35 years. The MDMA study is already approved but has not yet enrolled any subjects, though that is also about to change as a result of a few changes in our inclusion criteria.

If these pilot studies demonstrate a favorable risk/benefit ratio for LSD, MDMA and psilocybin, we might be able to design subsequent studies that permit therapists to customize a program of psychedelic psychotherapy for individual patients that utilizes different psychedelics at different stages of the therapeutic process.

One serious limitation of these studies is that it may prove to be quite difficult to capture in standardized outcome measures for anxiety and depression the existential changes that subjects may experience as they make progress in their psychedelic psychotherapy. We're engaged not in pure scientific exploration but in drug development. We need to speak to the FDA and other regulatory agencies in language that they consider valid. We must be treating a disease that can be reliably measured, and that is responsive to the therapy we're delivering.

Expenses for MDMA Psychotherapy Research

As evidence of MAPS' maturation and transition to a High Maintenance/High Performance stage, in FY 06-07 MAPS spent \$185,456 on our US MDMA/PTSD pilot study alone (see pages 11-12). This investment has generated remarkable data and has brought us to the point where we have a good chance to complete the active treatment component of the study (but not the one-year follow-up) before or shortly after the end of FY 07-08. *The Washington Post Sunday Magazine* will feature a cover story about this study on November 25, the Sunday after Thanksgiving. We're both conducting research and engaging in some high-profile public education.

Our Swiss MDMA/PTSD study, on which MAPS spent \$30,683 with additional sums of about \$25,000 spent by SAePT, is gathering momentum and actively treating subjects. Our Israeli MDMA/PTSD study, on which we've spent \$44,687 in FY 06-07 (\$25,000 of which in advance payment for treating the first four subjects), has not yet started treating subjects but is close to doing so. The initial male/female co-therapist team that we brought to the US for training didn't feel sufficiently well-trained so we're bringing a second team to the US in early December, 2007 to observe an MDMA/PTSD session conducted by Dr. Michael Mithoefer and Annie Mithoefer, BSN. Several potential subjects for the Israeli study have already been identified, so the study should begin enrolling subjects shortly after the team returns to Israel.

The need for an MDMA/PTSD therapist training program, in which we can legally administer MDMA to the psychedelic-therapists-in-training so that they can understand what MDMA does on a personal, subjective, experiential level, has been apparent to us for quite some time. MAPS' newest member of the Board of Directors, Shawn Hailey, helped us to identify this need more than three years ago. In FY 06-07, MAPS spent just \$305 on development for our therapist training protocol, but expenses, and progress, have risen substantially in FY 07-08, with our goal to submit the protocol to FDA close to the end of 2007.

In recognition of... the historic breakthroughs on the horizon... we realized that MAPS needed to grow to have the capacity to fund, monitor and manage an increasing number and scale of research studies.

In FY 06-07, MAPS also spent \$22,697 on a series of other MDMA-related projects. These expenses included \$8205 on our ongoing review of the scientific literature about MDMA and Ecstasy; \$6000 to analyze transcripts of MDMA/PTSD therapy sessions to code for a range of defense mechanisms in a study of process variables that may help us understand how MDMA facilitates the acceptance, catharsis and integration of difficult emotional and cognitive content; \$3980 on various protocol refinements for a study of MDMA-assisted psychotherapy in subjects with anxiety associated with advanced-stage cancer (MAPS is not sponsoring this study since Peter Lewis pledged to donate \$250,000 directly to the cover the costs of the study); \$3106 on a study to gather anecdotal reports about the potential use of MDMA to treat Asberger's (high-functioning autism); \$500 for the Ecstasy pill-testing program that we conducted with Erowid and Dancesafe, which is now out of funds; \$453.25 on preliminary design of a protocol to explore the use of MDMA in higher-risk populations with controlled hypertension, HIV+ and Hep-C, conditions that we think will probably not significantly increase MDMA's risk profile when administered within a clinical context; coincidentally, the same amount, \$453.25 on exploring ideas to seek approval in Spain for our MDMA/PTSD study that was shut down for political reasons in 2002, a study which we would eventually like to start after our three pilot studies in the US, Switzerland and Israel are completed.

Ibogaine Research

In FY 06-07, MAPS spent \$10,615 on ibogaine research at clinics in Canada and Mexico.

MAPS can in some ways be thought of as a mutual fund, seeking diversification in our research projects. Among the most promising areas of psychedelic research from the 1950s and 1960s was in the treatment of alcoholism and drug addiction. For scientific, compassionate and political reasons, it makes sense for MAPS to try to facilitate psychedelic research in the treatment of addiction. We've selected ibogaine as the drug we'd like to investigate because of the large number of anecdotal reports of its successful use in the treatment of opiate addiction. Ibogaine is legal in much of the world (though not in the US) and there are numerous ibogaine clinics offering treatment for addiction. Furthermore, there are still no published prospective studies on the efficacy of ibogaine.

Given our limited resources, and the fact that a Phase I dose-response safety study with ibogaine has not yet been conducted and would likely cost about \$250,000, MAPS is not seeking to develop ibogaine into an FDA-approved prescription medicine. Rather, for a fraction of the cost of a clinical study, we're working to conduct an observational study into the long-term (one year) outcomes of subjects treated with ibogaine for opiate dependence at two legal ibogaine clinics, one in Canada and one in Mexico. We have IRB approval for the study in Canada and have recruited several subjects into the study. However, recruitment is slow. We're working through the IRB process for a study at a clinic in Mexico and hope to have the study ready to start around the beginning of 2008.

Operational Expenses

In FY 06-07, MAPS' Florida-based staff moved to our new location in Ben Lomond, California, to be nearer to educational outreach opportunities, and our base of membership support. This increased our rental expenses substantially but also increased our fundraising and community-building potential.

In recognition of the promising pilot data being generated in our US MDMA/PTSD study, and the historic breakthroughs on the horizon — such as obtaining permission for what will become the first completed LSD-assisted psychotherapy study in over 35 years — we realized that MAPS needed to grow to have the capacity to fund, monitor and manage an increasing number and scale of research studies. MAPS therefore added a part-time marketing staff person and a half-time fundraiser, to help with the crucial challenge of raising the funds to realize MAPS' goals. MAPS' staff has also become more experienced and skilled over the years, so some incremental raises were in order. For example, I now earn \$60,000 a year.

SUMMARY 2006-2007

Expenses FY 06-07

Research Projects

Ibogaine Follow-Up (Canada & Mexico)	\$10,614.55
LSA Cluster Headache Study	\$5,264.25
LSD Swiss End of Life Study	\$17,815.81
LSD/Psilocybin Cluster Headache	\$8,624.59
MDMA Analysis (Ecstasy Pill Testing)	\$500.00
MDMA Asberger Study	\$3,105.61
MDMA Cancer/Halpern (Harvard)	\$3,980.31
MDMA/Defense Mechanism	\$6,000.00
MDMA/PTSD Israel	\$44,687.39
MDMA Therapist Training	\$305.25
MDMA Lit Review	\$8,204.75
MDMA Phase 1 Safety Study	\$453.25
MDMA PTSD-South Carolina	\$185,455.68
MDMA PTSD-Spain	\$453.25
MDMA PTSD-Swiss	\$30,683.04
MJ Production Facility/UMass Amherst	\$11,800.00
MJ Vaporizer Study	\$1,135.94
Peyote Native American Neurocognitive Study	\$604.16
Psilocybin/Cancer Anxiety Study	\$1,652.22
Research Subtotal	\$341,340.05

Education Projects

Book-LSD My Problem Child	\$928.45
Book-The Ultimate Journey	\$18,933.80
Burning Man 2006	\$85,520.87
Burning Man 2007	\$32.50
Conference-Boom	\$7,535.21
Conference Peru	\$10,610.62
DEA/UMASS Cong. Sign on Letter	\$23,603.11
Erowid Website	\$139,245.89
Event - Final Frontier	\$5,830.53
Ibogaine DVD	\$1,524.00
MAPS Forum	\$2,114.00
MAPS Staff Retreat	\$82.00
S.A.F.E.R./UC Boulder Colorado State	\$60,670.00
Video-Difficult Trip Guidance	\$584.96
Women's Alliance for	
Medical Marijuana (WAMM)	\$3,200.00
Women's Entheogen Fund	\$31,640.43
Education Subtotal	\$392,056.37

MAPS Bulletin/Website/Internet

Bulletin	\$24,311.35
Internet	\$6,031.26
Web Administration	\$11,999.34
Website Content	\$3,541.50
Maps Bulletin/Website/Internet	\$45,883.45

Fundraising**\$13,934.69****Staff/Operating/Project-Related and Management/General**

Copies	\$3,340.95
Information: Books Subscriptions etc...	\$626.09
Phones	\$9,421.20
Postal	\$13,911.02
Conference Fees	\$2,222.28
Accounting Services	\$4,625.00
Staff Travel	\$27,341.87
Salary & Taxes	\$269,546.69
Benefits	\$53,054.73
Corporate Fees (Bank, credit card, etc...)	\$10,812.59
Equipment Rental	\$2,594.72
Office Moving Expenses	\$11,888.40
Office Rent Love Creek	\$23,121.48
Office Supplies	\$10,098.32
Overall Subtotal	\$442,605.34
Project Related Staff/Office Subtotal	\$110,651.34
Management and General Subtotal	\$331,954.01

Product Cost/Royalties for Art

Books, Tapes and Accessories	\$2,710.05
LG Hofmann/Chamberlain Portrait	\$295.00
Huxley/Chamberlain Portrait	\$295.00
Ram Dass/Chamberlain Portrait	\$2,835.55
Shulgin/Chamberlain	\$343.52
Grey/Hofmann Portrait	\$23,113.50
Venosa/Hofmann Portrait	\$23,186.03
Resale/Royalties Subtotal	\$52,778.65

Computer Equip/Software	\$3,360.24
Office Equipment	\$4,980.27
Capital Subtotal	\$8,340.51

Adjustments for Refunds	(\$8,879.55)
Grand Total	\$1,288,059.26

Balance Sheet Restricted 5/31/2007

MAPS NET ASSETS	As of 5/31/2007
Total Liquid Assets	\$730,800
Remainder Interest in Home	\$40,000
Total Portfolio, actual value, not cost	770,800
Fixed Assets and Security Deposits	17,894
Total Assets	788,694
Minus Restricted	297,044
Unrestricted	491,650
RESTRICTED FUND	As of 5/31/2007
MDMA Psychotherapy Research Effort	60,428
Vaporizer study	11,864
Cluster Headache/Clusterbusters	46,047
LSA Cluster	2,736
LSD Psilocybin Research	43,494
LSD Psilocybin Cluster Headache	26,000
Ketamine Tampa	1,000
Venosa Royalties	447
Start Up Fund/UMass Amherst	65,395
MPP/DPA/UMASS Amherst	10,419
Creativity Study	1,000
SAFER	15,000
Women's Entheogen Fund	4,341
Women's Visionary Congress	6,375
Psychedelic Difficult Trip Video	2,500
Sum of Restricted Money	297,044
Sum of Unrestricted Funds	491,650
Total Assets	\$788,694

Income as Compared to Operational Expenses

As a result of these expansions, MAPS spent \$442,605 on operational expenses, both project-related and general management (as compared to a total of \$313,419 in FY 05-06), for an increase of \$129,186. As we had hoped, our income in FY 06-07 increased as well over that of FY 05-06, by \$129,435. Our total assets at the end of FY 06-07 increased as well, by \$5171. However, our unrestricted assets declined in FY 06-07 to \$491,650, as compared to \$516,901 at the end of FY 05-06, a decline of \$25,251. This decline, while significant, still indicates that we're close to raising sufficient additional funds to cover the expanded operational expenses that our larger number of projects requires.

MAPS' Donors

MAPS is able to implement our ambitious agenda only to the extent that we receive support from our donors. As the information presented on page 3 shows, MAPS received \$103,941 from donors of less than \$1000. These donations provide essential support for MAPS' operational expenses and indicate the importance of MAPS' membership base. Every donation of any amount helps provides necessary support for MAPS.

MAPS also received \$896,336 in donations of over \$1000, from both individuals and foundations. These donors included Peter Lewis (\$251,125 for MDMA research), John Gilmore (\$150,000 unrestricted and \$25,000 for Erowid), anonymous bequest (\$87,500 for Erowid), MPP grant (\$60,000 for SAFER), Robert Barnhart (\$50,000 unrestricted, \$5,000 Women's Entheogen Fund), MPP grant (\$45,000 for UMass-Amherst medical marijuana production facility), Robert Keeler Foundation (\$25,000 for US MDMA/PTSD research), Anonymous (\$25,000 for Women's Entheogen Fund), Bryant McBride (\$25,000 unrestricted), Rene Ruiz (\$13,000 unrestricted, \$10,000 for Erowid), Drug Policy Alliance (\$12,500 for UMass Amherst medical marijuana production facility), Kevin Herbert (\$7,500 unrestricted, \$3,000 for Erowid), Seth Hollub (\$10,000 for cluster headache research), Robert Field (\$10,000 for SAFER), Tim Butcher (\$7,500 for psychedelic research), Wendy Grace (\$5,000 for Women's Entheogen Fund), Richard Wolfe (\$6,000 unrestricted), Mark Anderson (\$5,000 unrestricted), David Bronner (\$5,065 unrestricted), Jack Huang (\$5,000 unrestricted), Ed Fenster (\$5,000 for Erowid), Anonymous (\$5000, Erowid). There were also a number of donors who gave between \$5000 and \$1000. MAPS also benefited from a \$50,000 donation

from Swiss citizen Vanja Palmers for our Swiss MDMA/PTSD study. This donation was made directly to the Swiss Medical Association for Psycholytic Therapy and doesn't show up directly on MAPS' books.

To all of MAPS' donors, the MAPS staff is doing its best to make you proud of the investment you are making in MAPS' mission.

Shifting From the Approval Process to Implementation

Within the next few months, the protocol design and approval process for our LSD and psilocybin end-of-life anxiety studies are likely to reach successful conclusions. The Mexican ibogaine study is likely to be approved by the IRB, allowing it to begin. The MDMA/PTSD therapist training protocol will be submitted to FDA, though I can't offer a realistic prediction of FDA's response. The new Israeli MDMA/PTSD co-therapist team will be trained. Minor changes in the Swiss MDMA/PTSD are likely to be approved so that we can offer up to 5 therapeutic sessions and up to 150 mgs to subjects who are partially treatment-resistant. In addition, the protocol changes in Dr. Halpern's MDMA/cancer-anxiety study have already been completed such that subject enrollment is imminent.

The completion of the protocol development and approval process, and the start of these new studies, have several major implications. The first is that a substantial amount of my time that has been spent on the protocol development and approval process will be freed up for other tasks. MAPS' strategic plan for pilot studies, as I've outlined it in this report, will have been achieved. MAPS doesn't intend to start many new studies outside of the ones I've mentioned. We will shift more of our efforts to implementation of the studies we've obtained permission to conduct. MAPS Director of Operations and Clinical Research Associate, Valerie Mojeiko, will have much to do.

More Fundraising

The second implication is that MAPS' fundraising needs will continue to grow, so figuring out where to allocate my time, and that of Troy Dayton, our half-time Director of Development, will not be difficult.

Management Consulting Process

Peter Lewis, one of MAPS' largest donors, has hired The Management Center, run by Jerry Hauser and Rebecca Epstein, to provide management consulting services on a pro-bono basis to non-profit organizations that Peter funds. Peter has recognized that the skills necessary to start a non-profit are different than the skills necessary to manage growth as the non-profit begins to achieve some degree of success. Fortunately for MAPS, Peter approved my request that MAPS be placed on the list of non-profits that Jerry and Rebecca advise. As a result, Valerie and I are going through a management seminar and are learning new skills and techniques. We've all been working together for about five months with several more months to go. We still have lots to learn, but little by little, I'm coming to see that MAPS can successfully make the transition to a larger, more efficient, organization. We're becoming able to manage a drug development effort that has a reasonable chance over the next 5-10 years, even in our delicate political context, to obtain FDA approval for the legal prescription use of psychedelic-assisted psychotherapy for at least one psychedelic for at least one patient group.

If significant but subtle policy changes are made at DEA following the 2008 Presidential election, Prof. Craker will be in excellent position to obtain permission for his medical marijuana production facility. If so, we could launch a parallel effort to develop marijuana, smoked and/or vaporized, into a legal prescription medicine.

On this note of optimism for the future, tempered with the knowledge of the many challenges ahead, I'll conclude MAPS' financial report for FY 06-07. We've come this far with some great teamwork between MAPS' Board of Directors, staff and members.



– Rick Doblin, Ph.D., MAPS President

With your continued and expanded support, we may just amaze ourselves.