

As part of MAPS' policy of transparency, what follows is a full disclosure of MAPS' income, expenses and assets for FY 08-09 (June 1, 2008- May 31, 2009). Detailed descriptions of most of our research, educational, operational, and capital expenditure line items follow this initial overview report.

New for this year, we're also reporting our actual expenses for FY 09-10 to date (as of October 31), projected expenses for the entire FY 09-10, and closing balance sheet projections under low, medium and high income scenarios.

From the desk of Rick Doblin, Ph.D.

We're also reporting expenses for FY 08-09 for our international series of MDMA/PTSD pilot studies, along with projections for these studies for FY 09-10, FY 10-11, and FY 11-12 (see charts 6 & 7). These projections are forecasted to our next major transformative milestone, which is our "End of Phase 2 Meeting" with the FDA and the European Medicines Agency (EMA) to plan our Phase 3 MDMA/PTSD multi-site studies. (Yes, we're projecting well into 2012!). This multi-year overview of our MDMA/PTSD pilot studies enables us to more effectively communicate the big picture of our top priority research area; we've projected expenditures—and need to obtain funding—for about \$1.1 million on MDMA/PTSD research over the next three years.

The future of MAPS' research efforts is getting clearer than it's ever been. We've matured to the point of using financial projection tools and we have preliminary data about the effect size and variability of MDMA/PTSD treatment outcomes from both our U.S. and Swiss studies. This doesn't mean that we can tell how close our projections are going to come to reality. These projections are based on a web of assumptions that we are frequently updating according to new circumstances, some expected and some not. These projections are created to provide useful information for daily financial decision-making, such as designing the size of our new U.S. MDMA/PTSD pilot study for veterans of war. We will use these projections to make informed financial decisions in order to maximize progress toward our three-part mission, as recently updated by our Board of Directors:

Our mission is, 1) to treat conditions for which conventional medicines provide limited relief—such as posttraumatic stress disorder (PTSD), pain, drug dependence, anxiety and depression associated with end-of-life issues—by developing psychedelics and marijuana into prescription medicines; 2) to cure many thousands of people by building a network of clinics where treatments can be provided; and 3) to educate the public honestly about the risks and benefits of psychedelics and marijuana.

The funds that MAPS members donate to MAPS for our mission are the life-blood of our non-profit organization. This financial report will show you that we are efficiently transforming dollars into research, public education, social change, and evidence of cures.

Overview FY 08-09

The big picture for FY 08-09 is that MAPS, like a great many other non-profit organizations in financially challenging FY 08-09, experienced a reduction in net assets (18%, or \$187,000) as well as a reduction in overall income (29%, or \$491,000) and expenses (4% or \$53,000) from FY 07-08, which was a record year for MAPS in income, expenses and assets (see chart 1). As in all years past, we're proud to report that no studies were slowed down due to lack of resources.

MAPS' income in FY 08-09 followed a familiar pattern. Of the donations from individuals and family foundations, 85% of the total amount was from donations of over \$1000, from about 44 donors. If you know of someone who might become one of our few donors who empower MAPS with gifts of \$1000 or more, please let us know.

The remaining 15% of the total amount of donations were from about 1,532 donors. These smaller donations provide an essential base of support that helps cover a substantial portion of our operating expenses.

Psychedelic Research Overview

In terms of our mission, FY 08-09 was our best year to date, MAPS gathered substantially more data than ever before, and gained more experience designing, obtaining approval for, funding, conducting, monitoring, and evaluating psychedelic psychotherapy clinical trials. Our primary achievement was completing the gathering of the data from our U.S. MDMA/PTSD pilot study. Upon analysis, we found that the study was an outstanding success with statistically and clinically significant results. Dr. Mithoefer presented a poster about his results in November 2008, at the International Society for Traumatic Stress Studies (ISTSS), the largest organization focused on research and treatment for PTSD. This was covered by CNN. In early June, just days into FY 09-10, he presented his results at the annual conference of the Royal College of Psychiatrists in Liverpool, England. A TV news feature accompanied this on Channel 4 in England. In October 2009, he presented his results at an international conference on PTSD in Jerusalem, Israel. We're steadfastly working on a paper about our results for submission to a peer-reviewed scientific journal.

We made substantial progress in our Swiss MDMA/PTSD studies, with the 12th of 12 subjects now being treated. We conducted a preliminary data analysis and found that after just nine patients, we were obtaining clinically and statistically significant results, though not to the extent of the U.S. data. We obtained permission for our Canadian study (though we are still waiting to get the approvals to import the MDMA from Switzerland for the study) and made progress toward our Jordanian study. Our Israeli study also moved forward, though slowed by significant challenges recruiting subjects.

We also planned our first MDMA/PTSD therapist training seminar, with therapists from seven countries, which took place in Austria one month into FY 09-10.

Our Swiss LSD/end-of-life study moved forward into the fourth subject (now into the fifth), with a track record of safety and somewhat promising results.

Due to serious recruitment challenges for our Swiss LSD/end-of-life study and

the MDMA/cancer-anxiety study at Harvard that MAPS helped to start, and the outstanding results from our U.S. and Swiss MDMA/PTSD studies, MAPS' Board of Directors decided to move forward with MDMA/PTSD as our primary drug development project. While our research with psychedelic-assisted psychotherapy for anxiety related to end-of-life issues will move forward as rapidly as it can, the international series of MDMA/PTSD Phase 2 pilot studies and results represent the most direct route for expansion to Phase 3 studies. As projected in Chart 7, we'll need about \$1.1 million and two to three years before we're designing and pricing the Phase 3 studies.

Marijuana Research Overview

As can be seen by glancing at our FY 08-09 research expenditures for medical marijuana research, (\$8,993 for helping Dr. Abrams recruit and pay for transportation and lodging expenses for subjects from around the country coming to UCSF to enroll in his pain/opiates/marijuana study, and \$27,125 for our Israeli medical marijuana projects), our medical marijuana research expenses are minimal compared to our psychedelic research projects. Yet again, the DEA has been successful in its efforts to obstruct medical marijuana research.

Dr. Abrams' study was the last study in the U.S. of the medical use of plant marijuana in patients that I am aware of. The study was funded by the State of California's Center For Medicinal Cannabis Research (CMCR). His results are promising, showing that the administration of marijuana can further reduce pain in patients using opiates for chronic pain and can reduce the amounts of opiates that are needed. Despite his promising findings his research is ending.

In a few months, MAPS' effort to end the federal monopoly on the supply of marijuana for research under the U.S. FDA will enter its 10th year. It was early 2000 when I started looking for a partner to apply to the DEA to grow medicinal marijuana for research. To all of our good fortune, Prof. Lyle Craker, UMass Amherst, was willing to be our champion and turned out to be an even more effective advocate for medical marijuana science over politics than I could have



Rick Doblin, Ph.D.

Our primary
achievement
was completing
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from our U.S.
MDMA/PTSD
pilot study.

We are now
expanding our
MDMA/PTSD research
to new countries
and therapeutic teams,
testing different protocol
modifications that will
ultimately help us
in fine-tuning
the design of
the Phase 3 studies.

imagined. We're currently waiting for Pres. Obama to appoint new leadership at the DEA. Only then might we be able to reverse the Bush-era DEA's decision to block FDA drug development research at all costs. Watching the expansion of the number of states approving medical marijuana laws, and the growing public support for both medical marijuana and marijuana legalization in those states, I am curious if some of the DEA officials ponder whether it was really such a good idea for them to block the development of marijuana into an FDA-approved prescription medicine. Without a scientific drug development process available, states have been left no choice but to resort to making medical marijuana legal through legislation.

Frustratingly, our 6-year struggle to purchase 10 grams of federal marijuana from the National Institute on Drug Abuse (NIDA) for vaporizer research has ended unsuccessfully. The research laboratory we have been working with for all these years decided it wasn't worth the effort to continue to negotiate with NIDA. For the foreseeable future, our vaporizer research project is on hold until we locate a new laboratory and find a new source of clinically available marijuana.

In Israel, we've helped several Ministry of Health-licensed growers cover some of the costs of producing marijuana for Ministry-of-Health-licensed patients. The Ministry's current policy is to permit the licensed growers to give medical marijuana to patients for free on a compassionate basis, with sales forbidden. MAPS provided some support in the early stages for several producers who are planning to be able to be sustainable if the Ministry approves sales to patients. However, the Ministry has yet to approve sales, and may not do so for some time, if at all. Fortunately, the producers MAPS helped have found a new strategy for survival. The producers have become for-profit organizations with investors who speculate on possible profits if and when sales are permitted. MAPS has ceased donations to the for-profit Israeli medical marijuana producers. Our efforts in Israel have, for the moment, mostly come to an end. We are still trying to be of some assistance with medical marijuana research studies

that may be conducted in Israel.

MAPS FY 09-10 budget projects spending almost nothing on medical marijuana research. This will change substantially should the DEA decide to accept the February 12, 2007 recommendation of DEA Administrative Law Judge Mary Ellen Bittner that it would be in the public interest for the DEA to issue a license to Prof. Craker to grow marijuana for research. MAPS would fund Dr. Craker's facility and use the marijuana produced for a renewed drug development effort for smoked and vaporized marijuana. The reality though is that this is not a likely outcome in the next few months.

Detailed Expense Reports

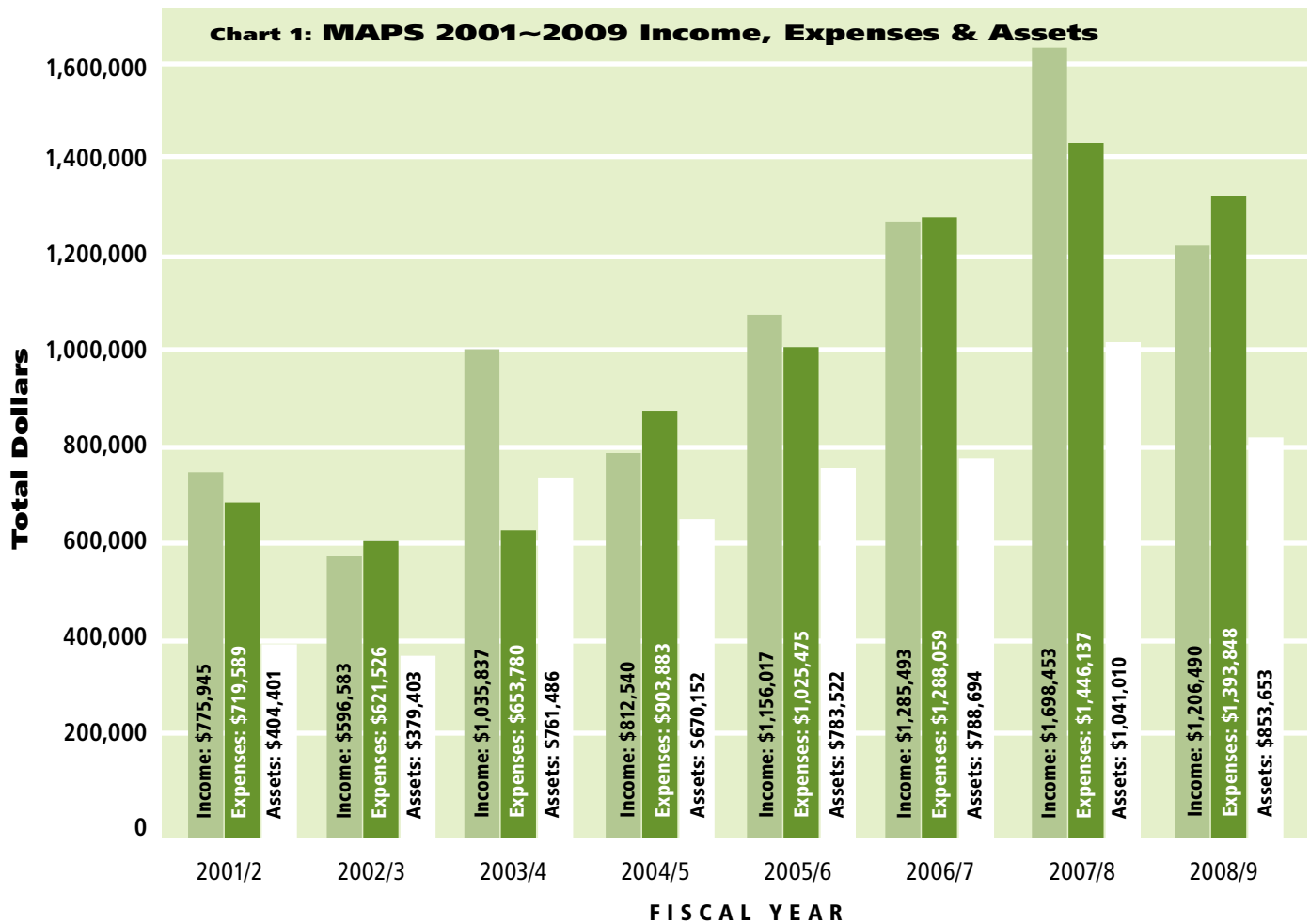
Research Projects - \$514,054

MP-1 MDMA PTSD-US - \$194,780

Our largest expenditure on research was for ongoing costs for MAPS' pilot MDMA-assisted psychotherapy study, conducted in Charleston, South Carolina under the direction of Michael Mithoefer, M.D. and Annie Mithoefer, B.S.N. This study investigated MDMA-assisted psychotherapy in subjects with treatment-resistant posttraumatic stress disorder (PTSD). The 21st and final subject completed the two-month follow-up in September 2008, concluding the study. Over the years, MAPS has spent approximately \$1.2 million on this study. The results of this study are so promising that it was worth every penny. We are now expanding our MDMA/PTSD research to new countries and therapeutic teams, testing different protocol modifications that will ultimately help us in fine-tuning the design of the Phase 3 studies. If other therapist teams can get results that are similar to the results obtained by Michael and Annie, we will have sufficient evidence to justify the prescription use of MDMA-assisted psychotherapy.

MP-2 MDMA PTSD-Swiss - \$48,073

This item is for ongoing costs related to Peter Oehen M.D.'s MAPS-sponsored MDMA/PTSD study, which has continued to enroll patients this year. Study is designed for 12 subjects. The estimated completion date for the treatment phase



of this study is January 2010. This study has been submitted to the FDA under MAPS' investigational new drug (IND) application for MDMA, in order to ensure that the FDA will review the data generated by this study.

MP-3 MDMA PTSD-Israel - \$13,282

This item is for ongoing costs related to Moshe Kotler M.D.'s MAPS-sponsored MDMA/PTSD study, which has continued to enroll patients this year. This study is designed for 12 subjects: three were treated and a fourth subject is enrolled. The estimated completion date for this study is December 2010. This study has been submitted to the FDA under MAPS' investigational new drug (IND) application for MDMA, in order to ensure that the FDA will review the data generated by this study.

MP-4 MDMA/PTSD-Canada - \$22,698

This item is for the protocol development of a new MAPS-sponsored MDMA/PTSD study to take place in Vancouver,

Canada, with co-therapists Ingrid Pacey M.D. (psychiatrist) and psychologist Andrew Feldmar M.A. A Canadian Institutional Review Board (IRB) has approved the study, as has Health Canada. We are currently working to obtain permits for importing the MDMA from Switzerland into Canada. When we obtain a full approval and start the study, it will be the first instance of psychedelic research conducted in Canada in the last 35 years. This study is designed for 12 subjects.

MP-5 MDMA/PTSD-France - \$2,513

These expenses are for a site visit by MAPS staffers Valerie Mojeiko and Josh Sonstroem, and for initial work on a draft protocol. The French psychiatrists interested in conducting this study have not been able to obtain approval from their institution to submit the protocol to its ethics committee. This study is therefore blocked for the time being.

MP-6 MDMA/PTSD-Spain - \$3,643

MAPS is working with Jose Carlos

...continued on pg 11

**Chart 2 - Big Picture
MAPS Fiscal Year 2007-2008
as of 5/31/2009**

Income	\$1,206,490
Expenses	\$1,393,848
Change in Assets	-\$187,358

Income Categories as of 5/31/2009

Donations from Individuals & Foundations >\$1000	\$753,503
Donations from Individuals <\$1000	\$129,469
Product Sales (Books, Art, Clothes)	\$49,549
Other Income: Conferences, Events, Interest	\$273,969
Total Income	\$1,206,490

Asset Categories as of 5/31/2009

Net Assets at beginning of Fiscal Year	\$1,041,011
Minus: Net Change	-\$187,358
Net Assets at end of Fiscal Year	\$853,653
Assets: Restricted Funds - Liquid	\$267,624
Assets: Unrestricted Funds	\$636,029

Total Assets \$853,653

IRS 990 Expense Categories as of 5/31/2009

Research Projects	\$514,054
Core Educational Projects	\$115,992
Educational Projects Fiscal Sponsorship	\$283,187
MAPS Website and Forum	\$17,915
Project Related Staff/Office Expenses	\$206,743
Management and General Operations	\$189,166
Fundraising	\$33,759
Product Costs/Royalties for Art	\$11,541
Capital Expenditures	\$12,102
Refunds/Adjustments	\$9,389
Total Expenses	\$1,393,848



MAPS staff and researchers pose at our first MDMA therapist training retreat in Austria.

**Chart 3 - Balance Sheet Restricted
MAPS Net Assets as of 5/31/2009**

Total Portfolio (actual value, not cost)	\$846,151
Fixed Assets and Security Deposits	\$5,800
Total Assets	\$853,653
Restricted	\$245,949
Unrestricted	\$607,705

Restricted Funds as of 5/31/2008

Jordanian MDMA/PTSD	\$81,530
Mexican Ibogaine	\$4,655
Vaporizer study	\$10,364
LSD/Psilocybin Research (Miami)	\$32,912
LSD Research (Swiss LSD)	\$77,889
Ketamine Research	\$1,000
Staff Retirement Funds	\$8,901
Erowid	\$1,881
Start Up Fund/UMass Amherst	\$21,973
Creativity Study	\$1,000
CA Sales Tax	\$588
Summer Festivals	\$3,256

Restricted Assets \$245,949



Deputy Director Valerie Mojeiko opens a workshop at the retreat.

Chart 4 - Expenses Summary 2008-2009**RESEARCH PROJECTS as of 5/31/2009**

MP-1 MDMA/PTSD-U.S.	\$194,780
MP-2 MDMA/PTSD-Swiss	\$48,073
MP-3 MDMA/PTSD-Israel	\$13,282
MP-4 MDMA/PTSD-Canada	\$22,698
MP-5 MDMA/PTSD-France	\$2,513
MP-6 MDMA/PTSD-Spain	\$3,643
MP-7 MDMA/PTSD-Jordan	\$3,470
MP-8 MDMA/PTSD-U.S. Veterans	\$1,573
MDMA Therapist Training	\$9,769
MDMA Literature Review	\$3,343
MDMA Research General	\$2,234
MDMA NIMH Grant	\$641
MDMA/PTSD Researcher Retreat	\$7,236
LDA-1 LSD Swiss End-of-Life Study	\$77,045
Psilocybin/Cancer Anxiety Study (Miami)	\$1,027
Ayahuasca Integration Study (Grant)	\$2,250
Univ. of Bristol Drug Usage Survey (Grant)	\$1,000
Ibogaine Canada	\$478
Ibogaine Mexico	\$9,638
Clusterbusters' Research	\$59,789
Clinical Research General	\$13,384
MJ Production Facility/UMass Amherst	\$70
Dr. Abrams Marijuana Study UCSF	\$8,993
Israel Medical Marijuana Farm	\$27,125
TOTAL RESEARCH PROJECTS	\$514,054

CORE EDUCATIONAL PROJECTS as of 5/31/2008

Book - LSD:My Problem Child	\$13,817
Book - Ayahuasca Religions	\$7,413
CME Project	\$4,447
MAPS/DogStar Catering Psychedelicatessen	\$7,445
WWDPE (Difficult Trip Video)	\$3,196
MAPS Monthly Email Newsletter	\$8,273
MAPS Bulletin	\$55,438
William Westerfield House Fundraiser-SF	\$4,308
Burning Man Zendo/Teepee	\$5,000
Conferences and Summer Festivals	\$6,655
TOTAL CORE EDUCATIONAL PROJECTS	\$115,992

EDUCATIONAL PROJECTS FISCAL**SPONSORSHIP as of 5/31/2009**

Basura Segrada (Burning Man) 2008	\$90,694
Entheon Village (Burning Man) 2008	\$171,387
Women's Visionary Congress	\$2,968
Women's Alliance for Medical Marijuana (WAMM)	\$1,870
Website EROWID	\$16,268

TOTAL EDUCATIONAL PROJECTS**FISCAL SPONSORSHIPS \$283,187****TOTAL EDUCATIONAL PROJECTS****BOTH INT. & EXT. \$399,179****Chart 5 - Staff Salary and Benefits****STAFF SALARY (Operational) as of 5/31/2009**

Gross Salary for Employees	\$112,634
Employee Benefits	\$37,943
Rick Doblin Salary/Benefits	\$60,000
TOTAL SALARY	\$210,577

Note: A portion of staff salaries have been allocated to specific projects when appropriate.

These are times

of extraordinary opportunity.

With the combined efforts of MAPS staff,

MAPS donors and MAPS volunteers,

we can make a unique and

valuable contribution to

our culture through

the mainstreaming

of psychedelics and the

states of consciousness

they catalyze.

Chart 6
MAPS Projected Expenses FY 09-10

	Actual Expenses, as of Oct 30, 2009	Estimated Expenses FY 2009 - 2010		Actual Expenses, as of Oct 30, 2009	Estimated Expenses FY 2009 - 2010
Research Projects			Operations		
Salvia Research (ITP)	\$4,000	\$4,000	Books, Tapes & Accessories	\$5,774	\$8,500
Ibogaine Association (Mexico)	\$3,019	\$12,000	Copies	\$4,204	\$6,000
Iboga Therapy House (Canada)	\$462	\$462	Information	\$198	\$1,000
LSD Swiss End of Life Study	\$732	\$2,500	MAPS Ads Memb. Drive	\$8,145	\$30,000
LSD/Psilocybin Cluster Headache	\$10,023	\$10,023	Phones	\$9,097	\$16,000
MDMA/PTSD-US Vets	\$1,337	\$135,000	Postal	\$5,550	\$16,000
MDMA Research General	\$4,292	\$7,000	Refunds & Reimbursements	\$39	\$2,000
MDMA Treatment Manual /NIMH Grant	\$0	\$8,000			
MDMA Lit Review	\$462	\$3,500			
MDMA/PTSD—U.S.	\$81,729	\$95,000	Conference Fees/Special Events	\$952	\$1,500
MDMA/PTSD—U.S. Long-term Follow-up	\$930	\$5,000	Professional Services	\$4,790	\$18,300
MDMA/PTSD—Swiss	\$25,702	\$27,500	Staff Travel	\$6,107	\$25,000
MDMA/PTSD—Israel	\$5,384	\$30,000	Salary & Taxes	\$106,961	\$234,193
MDMA/PTSD—Canada	\$5,543	\$50,000	Benefits	\$13,099	\$32,500
MDMA/PTSD—Spain	\$0	\$2,500	Corporate Fees (Bank credit card etc...)	\$2,442	\$7,500
MDMA/PTSD—Jordan	\$4,894	\$15,000	Equipment Rental	\$1,500	\$2,500
MDMA Therapy Training Protocol	\$14,131	\$10,000	Office Rent Santa Cruz	\$9,330	\$21,000
MJ Production Facility/UMass Amherst	\$0	\$3,000	Office Supplies	\$2,096	\$3,000
MJ Vaporizer Study	\$0	\$0	Operational Subtotal	\$180,291	\$424,993
Clinical Research General	\$19,228	\$25,000			
Israel Marijuana Farm	\$5,338	\$5,338	Resale/Royalties	\$5,209	\$7,500
Psilocybin/Cancer Anxiety Study (Miami)	\$0	\$0			
Research Subtotal	\$187,211	\$450,824	Capital		
Education Projects			Computer Equip/Software	\$3,052	\$4,000
Book—Ultimate Journey	\$0	\$12,000	Capital Subtotal	\$3,052	\$4,000
Book—Healing With Entactogens	\$0	\$4,000			
Burning Man 2008	\$0	\$0	Totals		
Burning Man 2009	\$3,207	\$3,207		\$575,735	\$1,274,105
Conference—Summer Festivals	\$3,190	\$3,250			
Conference—Horizons	\$2,069	\$2,069			
Conference—Symbiosis	\$1,099	\$1,099			
Conference—DPA	\$1,855	\$5,750			
MAPS/DogStar Psychedelicatessen	\$0	\$3,000			
Entheon Village 2009	\$120,388	\$120,388			
Erowid Website	\$3,762	\$3,762			
Fundraising Brunch Santa Cruz	\$2,646	\$2,646			
Vancouver Fundraiser	\$5,375	\$5,375			
CME Project	\$5,727	\$130,000			
MAPS Forum	\$95	\$250			
MAPS Research Retreat	\$28,488	\$28,488			
Bulletin	\$8,622	\$35,000			
Internet/Webhosting	\$2,973	\$8,000			
Web Administration	\$2,809	\$4,000			
Email Updates	\$1,995	\$8,000			
Web Content/Res Page/Info@	\$5,661	\$6,500			
Education Subtotal	\$199,969	\$386,788			

Chart 7**MAPS' Phase 2 MDMA/PTSD Studies Expenses 2008 to 2012
In Preparation for FDA/EMA End-of-Phase 2 Meeting**

Study	2008-09	2009-10	2010-11	2011-12
US MDMA/PTSD	\$194,600	\$95,000	\$0	\$0
US MDMA/PTSD Long-Term	\$0	\$5,000	\$0	\$0
US MDMA/PTSD Vets	\$1,570	\$135,000	\$117,000	\$0
US MDMA/PTSD Vets Long-Term	\$0	\$0	\$0	\$20,000
Swiss MDMA/PTSD	\$48,000	\$27,500	\$25,000	\$0
Swiss MDMA/PTSD Long-Term	\$0	\$0	\$0	\$10,000
Israel MDMA/PTSD	\$13,250	\$30,000	\$25,000	\$0
Israel MDMA/PTSD Long-Term	\$0	\$0	\$5,000	\$0
Canadian MDMA/PTSD	\$21,600	\$50,000	\$230,000	\$0
Canadian MDMA/PTSD Long-Term	\$0	\$0	\$0	\$10,000
Jordanian MDMA/PTSD	\$3,470	\$5,000	\$66,530	\$0
Jordanian MDMA/PTSD Long-Term	\$0	\$0	\$0	\$5,000
Spain MDMA/PTSD	\$3,640	\$2,500	\$100,000	\$25,000
Spain MDMA/PTSD Long-Term	\$0	\$0	\$0	\$5,000
Associated Projects	2008-09	2009-10	2010-11	2011-12
MDMA Literature Review	\$3,340	\$3,500	\$3,500	\$3,500
MDMA Treatment Manual	\$640	\$18,000	\$8,000	\$0
MDMA Therapist Training-Seminar	\$7,236	\$8,500	\$0	\$30,000
MDMA Therapist Training-MDMA	\$9,600	\$0	\$15,000	\$20,000
Total MDMA-Related Expenses	\$306,946	\$420,000	\$605,030	\$128,500
Multi-Year Projected Costs		\$1,025,030 over next two years		
Multi-Year Projected Costs		\$1,153,530 over next three years		



MAPS staff
left to right:
Jalene Otto,
Rick Doblin,
Randolph Hencken,
Valerie Mojeiko,
& Josh Sonstroem

Chart 8
Projected One Page Fiscal Summary
Twelve Months Ending May 31, 2010

Revenue	Low	Medium	High
Major Donors (> \$1000)	\$659,663	\$767,000	\$967,000
Donors (< \$1000)	\$145,000	\$150,000	\$160,000
Event Income (CME Event)	\$120,000	\$130,000	\$140,000
Entheon Village	\$100,000	\$100,000	\$100,000
Product Sales	\$60,000	\$70,000	\$80,000
Investments	\$5,000	\$7,500	\$10,000
Total Revenue	\$1,089,663	\$1,224,500	\$1,457,000
Cost of Goods Sold	Total	Total	Total
COGS	\$16,000	\$16,000	\$16,000
Total Cost of Goods Sold	\$16,000	\$16,000	\$16,000
Gross Profit	\$1,073,663	\$1,208,500	\$1,441,000
Expenses	Total	Total	Total
Research Expenses	\$450,824	\$446,824	\$446,824
Education Expenses	\$386,789	\$386,789	\$386,789
Operations	\$424,993	\$424,993	\$424,993
Royalties	\$7,500	\$7,500	\$7,500
Capital Purchases	\$4,000	\$4,000	\$4,000
Total Expenses	\$1,274,106	\$1,274,106	\$1,274,106
Net Profit (Income - COGS - Expenses)	(\$200,443)	(\$65,606)	\$166,894
Total Income	(\$200,443)	(\$65,606)	\$166,894



At our fundraising brunch this past summer in Santa Cruz, CA, Communication and Marketing Director Randolph Hencken auctions off an autographed piece of glassware from Sasha Shulgin's laboratory. The test-tube is encased in a one-of-a-kind hand blown glass sculpture made by Logan MacSporrán.



Clinical Program Manager Amy Emerson and Executive Director Rick Doblin stand with auction winner and MAPS member Paul Renn.

Bouso, Ph.D. Candidate and Jordi Riba, Ph.D. to start an MDMA/PTSD study in Spain. In 2002, Jose Carlos Bouso's MAPS-sponsored MDMA/PTSD study was shut down due to political suppression of research. We are now starting the process to conduct a new MDMA/PTSD study in Spain. These expenses went toward bringing Jose Carlos and his potential co-therapist to our Austrian training seminar, and for minimal protocol design work for a grant application that has been submitted to a Spanish charity. Announcements of successful grant applications will be made in November 2009.

MP-7 MDMA/PTSD-Jordan - \$3,470

MAPS is working to start MDMA/PTSD research in Amman, Jordan, and we have received a restricted grant of \$85,000 for all expenses related to this study. Our initial expenses are for a site visit and early protocol development work. We expect to obtain approval and start the study in early 2010.

MP-8 MDMA/PTSD-US Veterans - \$1,573

These expenses are for early protocol development work for our next U.S. MDMA/PTSD study, which will be exclusive to veterans of war with PTSD. There is a growing public concern over veterans returning from Iraq and Afghanistan with serious and untreated PTSD. We believe that MDMA-assisted psychotherapy will be able to help heal some of the trauma of war.

MDMA Therapist Training - \$9,769

MAPS is developing a training program for therapists who we will hire to conduct our Phase 3 research into MDMA-assisted psychotherapy for PTSD. These costs are for training-program development, which includes evaluating and learning from therapists currently conducting MDMA/PTSD studies for MAPS. We've found that one of the most effective training tools is analyzing videotapes of actual MDMA/PTSD therapy sessions.

MDMA Literature Review - \$3,343

MAPS research specialist Ilsa Jerome, Ph.D. is responsible for keeping current on the state of the world's scientific, peer-reviewed literature on MDMA. She continued this ongoing review throughout FY 08-09. When applying to the FDA and institutional review boards with a new protocol, it is necessary to have a comprehensive review of all factors related to risk. This literature review is becoming less expensive each year due to the relatively settled state of MDMA research, with the research generating relatively few changes in the risk-benefit estimates.

MDMA Research General - \$2,234

These are general expenditures in support of our MDMA research efforts that benefit multiple projects.

MDMA National Institute of Mental Health (NIMH) Grant - \$641

This year, MAPS didn't submit an NIMH grant request for funding to develop our treatment manual, even though developing a treatment manual is among our top priorities. Rather, we have focused on completing our U.S. MDMA/PTSD study and our Swiss MDMA/PTSD study so that we would be able to submit solid pilot data as part of our eventual grant application to the NIMH.

MDMA/PTSD Researcher Retreat - \$7,236

MAPS held its first MDMA/PTSD therapist training seminar in June 2009, with therapists attending from 7 different countries. This training program was a great success and allowed the researchers from our ongoing and planned studies to discuss MAPS' therapeutic method and treatment manual together. This gathering was inspirational, as we are seeing the development of a new field of psychotherapy for PTSD.

LDA-1 LSD Swiss End-of-Life Study - \$77,045

MAPS worked with Peter Gasser, M.D., a Swiss psychiatrist, on the protocol development and approval process for a pilot study investigating the safety and efficacy of LSD-assisted psychotherapy in reducing anxiety and pain in patients with end-of-life diagnoses. The study gained approval and treated its fourth subject in this fiscal year. When completed, this will become the first study of the therapeutic use of LSD in over 35 years.

Psilocybin/Cancer Anxiety Study (Miami) - \$1,027

This item is for the protocol development and approval process for a study of psilocybin-assisted therapy in patients with advanced-stage melanoma cancer and anxiety. Sameet Kumar, Ph.D. will conduct the study. The FDA has approved the protocol, but we are still seeking an institution in southern Florida willing to host the study and have its IRB review the protocol. There is no estimated start date for this study at this time.

Ayahuasca Integration Study (Grant) - \$2,250

MAPS is acting as fiscal sponsor for this study.

Univ. of Bristol Drug Usage Survey (Grant) - \$1,000

MAPS is also acting as fiscal sponsor for this study.

Ibogaine Canada - \$478

MAPS was sponsoring a study of the long-term effectiveness of Ibogaine-assisted therapy in the treatment of opiate addiction. This study was located in Vancouver, Canada with patients treated at the Iboga Therapy House. Funds were used for enrollment and follow-up for five subjects. Unfortunately, the Iboga Therapy House had to shut its doors for financial reasons and our study has thus ended prematurely. Fortunately, this study has led us to investigate another ibogaine outcome study in Mexico. The Canadian ibogaine study has also helped introduce us to therapists in Vancouver with whom we are working to start our aforementioned Canadian MDMA/PTSD study.

Ibogaine Mexico - \$9,638

MAPS is sponsoring a study of the long-term effectiveness of ibogaine-assisted therapy in the treatment of opiate addiction. This study, located in Mexico, follows patients treated at Pangaea Biomedics. Funds were used for protocol development, training, and the approval process, as well as the actual conduct of the study.

Clusterbusters Research - \$59,798

MAPS donated some funds that it received from cluster headache sufferers back to Clusterbusters, which is a group of people who suffer from cluster headaches and have found psilocybin and LSD to be effective in treating their headaches.

Clinical Research General - \$13,384

These are expenses for our clinical research that are for all studies. We've chosen not to allocate a share of these expenses across all of our research projects but rather to create this special category.

MJ Production Facility/UMass Amherst - \$70

This fiscal year, MAPS spent almost nothing on a sign-on letter since we were waiting on the Drug Enforcement Agency (DEA) to reply to the February 12, 2007, DEA administrative law judge Mary Ellen Bittner's findings of fact and recommendation in the case of Prof. Lyle Craker. ALJ Bittner recommended that the DEA issue a license to Prof. Craker for a MAPS-sponsored medical marijuana production facility, which would end the federal monopoly on the supply of marijuana legal for research purposes. The licensing of Prof. Craker would catalyze a serious drug development research program, which is what the DEA is seeking to prevent. After the ALJ ruling, MAPS initiated a major effort to educate members of the U.S. House of Representatives on the ALJ Bittner recommendation. We obtained signatures of 45 congressional representatives on a letter to the DEA urging it to accept the ALJ Bittner recommendation. We also obtained written support from senators Kennedy and Kerry, who sent a letter to the DEA urging it to accept the ALJ Bittner recommendation. On January 14, 2009, the DEA issued what it hoped was a final ruling rejecting the ALJ Bittner recommendation. In this final ruling, the DEA cited new evidence to justify its rejection. The DEA cited evidence that was misleading or in error and which had not been reviewed by Prof. Craker's legal team. As a result, Prof. Craker's lawyers have filed a series of requests for reconsideration, delaying the DEA final order from going into effect. There is a reasonable chance that the DEA under an Obama administration will put science first and issue Prof. Craker his license. As of November 2009, Pres. Obama has not yet nominated new leadership for the DEA, which is still run by Bush administration holdovers. If new leadership is appointed and decides to accept the ALJ Bittner recommendation, the controversy over the medical use of marijuana will be decided by the outcome of the U.S. Food and Drug Administration (FDA) sanctioned research. Funds for

our congressional educational campaign were donated to MAPS by board member John Gilmore.

Dr. Abrams Marijuana Study UCSF - \$8,993

Donald Abrams, M.D. is one of a few researchers in the U.S. evaluating the medical use of smoked or vaporized marijuana used in conjunction with pain medications in a patient population. MAPS donated staff time and resources to assist with travel and lodging for patients in Dr. Abrams' study. MAPS helped find the remaining patients for this study, which has been completed and has generated promising results.

Israel Medical Marijuana Production Facility - \$27,125

The Israeli Ministry of Health has established a policy whereby physicians whose patients have any of a certain limited number of clinical conditions can apply to the ministry requesting that their patient receive a license to use marijuana legally. Since there was no legal supply of marijuana in Israel, the Ministry of Health decided to issue several licenses to produce marijuana for ministry-approved patients. The license does not permit the producer to sell the marijuana, thus it requires that the marijuana be given away for free. The producers must obtain donations to cover their costs. An anonymous donor donated funds to MAPS in order to help subsidize the costs of several growers. Over time, as more patients are approved and subsequently obtain medical benefits from medical marijuana, we think the ministry may reconsider the policy of free distribution and permit sales which would be a sustainable model of marijuana distribution. MAPS also brought medical marijuana production and distribution experts, Mike Corral, Val Corral and Mimi Peleg to Israel to consult.

MAPS Core Educational Projects - \$115,992

MAPS' educational projects are a key part of our mission. In this financial report we've separated MAPS' core educational projects from the projects for which we are acting as fiscal sponsor for other organizations, such as Erowid, Entheon Village at Burning Man, etc. See Chart #4 for this information.

Book - LSD: My Problem Child - \$13,817

These expenses were for our publication of the new edition of Albert Hofmann's "LSD-My Problem Child."

Book - Ayahuasca Religions: A Bibliography and Critical Essays - \$7,413

These expenses are for the publication of our first book about Ayahuasca, written by Beatriz Caiuby Labate, Isabel Santana de Rose, and Rafael Guimarães dos Santos.

CME Project - \$4,447

MAPS is organizing a Continuing Medical Education (CME) conference for physicians, medical and therapeutic professionals and the general public about the latest findings from clinical research with psychedelics. This will be an international conference that we will hold in San Jose, California, April 15-18, 2010. Funds were spent

on staff time for choosing a conference location, obtaining CME accreditation, presentation planning, marketing and other administrative matters.

MAPS/Dogstar Catering Psychedelicatessen - \$7,445

MAPS hired Dogstar Catering to cater several benefit functions this fiscal year. The expenses shown here reflect the costs of food and staff time.

WWDPE (Difficult Trip Video) - \$3,196

MAPS has created an educational video as part of our efforts to prevent a backlash against psychedelic research due to tragedies caused by people having difficult psychedelic experiences that they are not prepared to handle. Our video presents information explaining how someone can help a friend who is having a difficult psychedelic experience. We created the video in prior fiscal years and these expenditures went toward creating a newer version in this current fiscal year.

MAPS Monthly Email Newsletter - \$8,273

Each month we send out an electronic newsletter to update our readers about our research projects and other matters of interest to MAPS members and friends. These newsletters take approximately 20 hours of staff time each month.

MAPS Bulletin - \$55,438

We use our Bulletin as a key educational tool. We take special care to make the Bulletin a magazine that people can proudly show to others. Bulletin costs have been partially subsidized by using the color covers as an opportunity to display art for sale through the MAPS store. The Bulletin comes out 3 times a year and focuses mostly on articles about MAPS' various projects with occasional themed issues related in some way to psychedelics. Our themed issue in early 2009 was about psychedelics and ecology. In order to save funds we are sending out smaller issues and will have just one special themed issue per year. In early 2010, we'll focus on psychedelics, death, and dying. We're expanding our communications with members through our website and email updates.

William Westerfield House Fundraiser SF - \$4,308

These expenses were for a successful fundraising event in San Francisco.

Burning Man Zendo/Teepee 2008 - \$5,000

MAPS received a \$5000 restricted grant to cover expenses involved in setting up a zendo and teepee at Entheon Village. These facilities are part of our harm reduction efforts and educational efforts.

Conferences and Summer Festivals - \$6,655

MAPS member Seth Hollub donated \$5,000 to help MAPS set up tables at a number of summer festivals, both for educational and member outreach purposes.

Educational Projects Fiscal Sponsorship - \$283,187

Basura Segrada (Burning Man) 2008 - \$90,694

MAPS served as fiscal sponsor for a team of artists who built, and then burned, the temple structure at Burning Man 2008. The temple structure at Burning Man is a place where people traditionally reflect on loved ones who have died. The ceremony is in a meditative location that offers people the opportunity to experience and express somber and serious emotions--in contrast to the often carnival-like mood elsewhere at the festival. The temple structure offers people a supportive place to experience emotions and therefore adds an important, grounded "harm reduction" element that, in combination with the sanctuary space, makes Burning Man a more psychologically-balanced and healthy environment.

Entheon Village (Burning Man) 2008 - \$171,387

MAPS handled funds for Entheon Village 2008, which we first helped to create at Burning Man 2006, where we held MAPS' 20th anniversary. Expenses of Entheon Village were covered by registration fees, for which people did not receive tax receipts as their fees were not a donation but went toward services provided. MAPS organized a lecture series about psychedelic research and culture as part of our educational mission. Participation in Entheon Village helped MAPS fulfill our community outreach goals.

Women's Visionary Congress - \$2,968

Organized by Annie Harrison, MAPS was a fiscal sponsor for the first Women's Visionary Congress, which took place in the summer of 2007. The conference sought to provide a gathering place for women in the psychedelic movement, providing them with networking and speaking opportunities that are frequently absent or minimal at other psychedelic-related conferences. MAPS also fiscally sponsored the Women's Entheon Fund, which supports women who made significant contributions to the psychedelic movement. Annie Harrison and advisors determined allocations. In preparation for the 2008 Women's Visionary Congress, Annie Harrison created a new non-profit to sponsor the event and the Women's Entheon Fund.

Women's Alliance for Medical Marijuana (WAMM) - \$1,870

Valerie Corral co-founded WAMM. She has been involved in litigation with the DEA about her medical marijuana cooperative production facility. This grant from MAPS was for her public education efforts.

Website EROWID - \$16,268

MAPS has served as fiscal sponsor for Erowid since 1999. Erowid is the most popular website of its kind, offering information on a wide range of drugs. It receives roughly 50,000 unique visitors per day. Erowid has now

obtained its own non-profit status and thus MAPS is no longer needed as a fiscal sponsor. However, some donors still send funds to MAPS for Erowid either out of habit or as part of employer matching programs that take time to change. As a result, we still receive some donations for Erowid.

Staff Salaries, Benefits & Other Related

Direct Expenses

All of our groundbreaking research would not be possible without our dedicated core staff. Our main office, located in Santa Cruz, currently employs four full-time staff, two part-time staff and several occasional temporary employees on a project basis throughout the year. MAPS strives to provide a fair and competitive salary and to offer a basic benefit package including healthcare and dental insurance. The gross salary for core staff and contractors attributed to operations in the Santa Cruz office in FY 08-09 was \$173,352.94, with benefits and payroll taxes costing MAPS \$56,826.08. (These numbers differ from what is seen in Chart 5, because staff salaries are allocated across various projects). In addition, MAPS Executive Director Rick Doblin, Ph.D., earns a total salary of \$60,000 per year.

Operational Expenses

MAPS' operational expenses are broken out in a series of detailed line items. In these challenging financial times, we're looking closely at our operational expenses for opportunities to save money without reducing our ability to work toward our mission. One key expense that we've identified as ripe for savings is the cost of the MAPS Bulletin. In FY 08-09, we spent \$55,000 on the MAPS Bulletin. We're moving toward two smaller issues and one special themed issue per year. We're emphasizing our electronic communications, which have the advantages of speed and economy. We're still going to produce a beautiful, thoughtful themed issue each year. In April 2010 we will publish a Bulletin about psychedelics, death and dying, edited by David Jay Brown.

MAPS has an ambitious agenda of research and educational projects that we are privileged to work for as a result of donations provided by our members. Our staff work exceptionally hard for competitive salary and benefit packages in the non-profit sector. I'm the major exception, with my below-market salary of \$60,000 and no benefits (our family's health care is provided by my wife through her job). Every day I wake up working for MAPS is such personal satisfaction. However, it is our organizational goal to grow MAPS' income so that myself and the other MAPS staff can receive appropriate compensation commensurate with all of our growing skills and experience.

Income Projections for FY 09-10 and Beyond: New Angels Needed

MAPS' success can be traced in large part to the substantial, multi-year donations of unrestricted funds for operational expenses from MAPS Board Members John Gilmore and Ashawna Hailey and to the multiple, \$250,000 donations for MDMA-assisted psychotherapy research from Peter Lewis. New Board member Robert Barnhart's targeted donations for our Swiss LSD/end-of-life study, and other projects, have made the renewal of LSD psychotherapy research possible. Their generous contributions over the years have enabled me to focus more of my attention on MAPS' mission itself. Their generosity has empowered me to hire staff so we could expand our organizational capacity. MAPS would be a much different and less effective organization without the key support from these three individuals over the years.

In FY 09-10, John has already donated \$200,000 to MAPS. Ten years ago, John decided to donate \$1 million a year for 10 years to try to hasten the end of the Drug War. Earlier this year, he said that among his successes were helping the medical marijuana and medical psychedelic movements make more progress than they would have otherwise. As a result, he increased his donation to MAPS from \$150,000 last year to \$200,000 this year. However, FY 09-10 is John's 10th and final year of his awesome philanthropic effort. John will be staying on MAPS' Board to share his probing approach to strategizing and contributing his wisdom, which, as the MasterCard ads pronounce, is "priceless."

In order for MAPS to meet the challenges of our expanding research agenda in the years ahead, we're going to need to find one or more new angels who will donate generously. If any of our members could arrange for me to meet with potential angels, I'd travel anywhere in the world to meet with them. Meanwhile, every donation helps whatever the amount. These are times of extraordinary opportunity. With the combined efforts of MAPS staff, MAPS donors and MAPS volunteers, we can make a unique and valuable contribution to our culture through the mainstreaming of psychedelics and the states of consciousness they catalyze. We will accomplish this, not a moment too soon.

Psychedelically yours,



Rick Doblin, Ph.D. MAPS Executive Director