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*Libertarian Party National Convention
Columbus, Ohio – June 26-29, 2014*



2014 Treasurer's Report

- 2012 Audited Financials
- 2013 Audited Financials
- 2014–May Monthly Financial Reports
- 2014–June Membership Report

FINANCIAL STATEMENTS

**LIBERTARIAN NATIONAL COMMITTEE, INC.
(THE LIBERTARIAN PARTY)**

**FOR THE YEAR ENDED DECEMBER 31, 2012
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2011**

LIBERTARIAN NATIONAL COMMITTEE, INC.

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statement of Financial Position, as of December 31, 2012, with Summarized Financial Information for 2011	4
EXHIBIT B - Statement of Activities and Change in Net Assets, for the Year Ended December 31, 2012, with Summarized Financial Information for 2011	5
EXHIBIT C - Statement of Cash Flows, for the Year Ended December 31, 2012, with Summarized Financial Information for 2011	6
NOTES TO FINANCIAL STATEMENTS	7 - 15



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Libertarian National Committee, Inc.
Washington, D.C.

We have audited the accompanying financial statements of the Libertarian National Committee, Inc., also known as the Libertarian Party (the Committee), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and change in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Committee as of December 31, 2012, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the Committee's 2011 financial statements, which were audited by other auditors and, in their report dated April 25, 2012, they expressed an unmodified opinion on those statements.

Gelman Rosenberg & Friedman

February 6, 2014

LIBERTARIAN NATIONAL COMMITTEE, INC.

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2012
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2011

ASSETS

	<u>2012</u>	<u>2011</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 193,784	\$ 311,790
Accounts receivable from employees	4,341	-
Bequests receivable, current (Note 6)	30,800	30,800
Inventory	2,000	2,000
Prepaid expenses	<u>26,745</u>	<u>39,402</u>
Total current assets	<u>257,670</u>	<u>383,992</u>
FIXED ASSETS		
Equipment	3,160	3,160
Furniture	37,618	37,618
Computer equipment and computer software	167,448	170,592
Capital lease asset (Note 2)	<u>6,827</u>	<u>6,827</u>
	215,053	218,197
Less: Accumulated depreciation and amortization	<u>(204,595)</u>	<u>(201,440)</u>
Net fixed assets	<u>10,458</u>	<u>16,757</u>
OTHER ASSETS		
Deposits	7,020	7,020
Bequest receivable, non-current (Note 6)	<u>15,721</u>	<u>46,380</u>
Total other assets	<u>22,741</u>	<u>53,400</u>
TOTAL ASSETS	<u>\$ 290,869</u>	<u>\$ 454,149</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ 9,387
Accrued salaries and related benefits	<u>34,220</u>	<u>31,636</u>
Total current liabilities	<u>34,220</u>	<u>41,023</u>
LONG-TERM LIABILITIES		
Capital lease liability (Note 2)	299	1,975
Deferred rent (Note 4)	<u>2,995</u>	<u>-</u>
Total long-term liabilities	<u>3,294</u>	<u>1,975</u>
Total liabilities	<u>37,514</u>	<u>42,998</u>
NET ASSETS		
Unrestricted	126,764	273,879
Temporarily restricted (Note 3)	<u>126,591</u>	<u>137,272</u>
Total net assets	<u>253,355</u>	<u>411,151</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 290,869</u>	<u>\$ 454,149</u>

See accompanying notes to financial statements.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2011**

	2012			2011
	Unrestricted	Temporarily Restricted	Total	Total
REVENUE				
Contributions and memberships	\$ 1,281,486	\$ 2,756	\$ 1,284,242	\$ 1,346,887
Interest/dividend income	142	-	142	1,523
Sponsorships and classifieds	2,335	-	2,335	7,900
Conventions	185,226	-	185,226	-
Other events	12,720	-	12,720	2,600
Other revenue	185	-	185	-
Net assets released from donor restrictions (Note 3)	<u>13,437</u>	<u>(13,437)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>1,495,531</u>	<u>(10,681)</u>	<u>1,484,850</u>	<u>1,358,910</u>
EXPENSES				
Program Services:				
Affiliate Support	32,700	-	32,700	48,848
Ballot Access	433,490	-	433,490	90,089
Brand Development	42,672	-	42,672	65,280
Campaign Support	34,650	-	34,650	83,613
Campus Outreach	1,788	-	1,788	2,310
Litigation Support	13,364	-	13,364	34,020
Media Relations	23,799	-	23,799	32,219
Member Communications	206,510	-	206,510	198,613
Outreach	<u>67,545</u>	<u>-</u>	<u>67,545</u>	<u>109,839</u>
Total program services	<u>856,518</u>	<u>-</u>	<u>856,518</u>	<u>664,831</u>
Supporting Services:				
Conventions	255,853	-	255,853	-
Management and General	139,710	-	139,710	148,187
Fundraising and Donor Acquisition	<u>390,565</u>	<u>-</u>	<u>390,565</u>	<u>477,465</u>
Total supporting services	<u>786,128</u>	<u>-</u>	<u>786,128</u>	<u>625,652</u>
Total expenses	<u>1,642,646</u>	<u>-</u>	<u>1,642,646</u>	<u>1,290,483</u>
Change in net assets	(147,115)	(10,681)	(157,796)	68,427
Net assets at beginning of year	<u>273,879</u>	<u>137,272</u>	<u>411,151</u>	<u>342,724</u>
NET ASSETS AT END OF YEAR	\$ <u>126,764</u>	\$ <u>126,591</u>	\$ <u>253,355</u>	\$ <u>411,151</u>

See accompanying notes to financial statements.

LIBERTARIAN NATIONAL COMMITTEE, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (157,796)	\$ 68,427
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	6,299	6,963
Loss on disposition of assets	-	108
Deferred rent abatement	2,995	-
(Increase) decrease in:		
Accounts receivable from employees	(4,341)	-
Bequests receivable	30,659	36,277
Prepaid expenses	12,657	(15,114)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(9,387)	(6,419)
Accrued salaries and related benefits	2,584	(11,879)
Deferred rent	<u>-</u>	<u>(16,304)</u>
Net cash (used) provided by operating activities	<u>(116,330)</u>	<u>62,059</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	(7,740)
Proceeds from sale of property and equipment	<u>-</u>	<u>1,151</u>
Net cash used by investing activities	<u>-</u>	<u>(6,589)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease liability	<u>(1,676)</u>	<u>(1,487)</u>
Net cash used by financing activities	<u>(1,676)</u>	<u>(1,487)</u>
Net (decrease) increase in cash and cash equivalents	(118,006)	53,983
Cash and cash equivalents at beginning of year	<u>311,790</u>	<u>257,807</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 193,784</u>	<u>\$ 311,790</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	<u>\$ 147</u>	<u>\$ 335</u>
Taxes Paid	<u>\$ -</u>	<u>\$ 1,099</u>

See accompanying notes to financial statements.

LIBERTARIAN NATIONAL COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Libertarian National Committee, Inc. (the Committee) was founded in 1971 as a national, tax-exempt political organization, which is the operational arm of the Libertarian Party, a grassroots political organization. The Committee was incorporated in February 1995 and its affairs are directed by its National Board of Directors, who are elected by delegates biannually at the national convention. The Committee, with the consent of the delegates, also establishes the platform of the Libertarian Party, which is based upon the basic premises of civil liberties and personal freedom, a free-market economy, free trade and a foreign policy of non-intervention and peace. The Committee has approximately 13,000 contributing members.

The Committee's program activities consist of the following:

- Affiliate support – developing or supporting state and county affiliate parties.
- Ballot access – getting candidates on ballots, including corresponding lawsuits.
- Brand development – developing an image in the minds of voters.
- Campaign support – efforts to support or oppose ballot initiatives.
- Campus outreach – on-campus recruiting and support groups.
- Candidate support – recruiting and supporting candidates with their electoral ambitions.
- Litigation support – proactive lawsuits to change public policy, other than ballot access.
- Lobbying – persuading legislators to change laws, including ballot access laws.
- Media relations – direct communication with the media.
- Member communications – Libertarian Party News periodical and other member communications.
- Outreach – initiatives to reach the general public and outside groups.
- Voter registration – voter registration drives.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Committee's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Cash and cash equivalents -

The Committee considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Through December 31, 2012, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") provided temporary unlimited deposit insurance coverage for non-interest bearing transaction accounts at all Federal Deposit Insurance Corporation (FDIC) insured depository institutions (the "Dodd-Frank Deposit Insurance Provision").

The Committee maintained a portion of its cash balance at a financial institution in a non-interest bearing account; thereby, all of this cash balance was protected by the FDIC under this Act. Beginning January 1, 2013, funds deposited in non-interest bearing accounts will no longer receive unlimited deposit insurance coverage. Bank deposit accounts at one institution will be insured by the FDIC up to a limit of \$250,000. Management believes the risk in these situations to be minimal.

Bequest receivable -

The Committee's bequest receivable consists of amounts due from decedent members' last wills and testaments. The most significant bequest pertains to a deceased member's unconditional promise-to-give the Committee 25% of his estate after specific bequests and payments of debts and expenses. The Committee's proportionate share of the estate was approximately \$217,700. Given the annual contribution limits allowable under Federal Election Commission (FEC) guidelines, the executor of the estate directed the remaining principal of the Committee's portion to be held by a trustee and escrow agent and to annually release the amount allowable under FEC guidelines to the Committee. The remaining funds resulting from the liquidating distribution from the decedent's estate is being held in trust at a federally insured financial institution in various money market and certificates of deposit accounts for the benefit of the Committee. The Committee received \$30,800 during the year ended December 31, 2012, with the remaining bequest reflected at its net realizable value, which was determined by the Committee by initially discounting the initial bequest by an allowance for doubtful accounts and present value discount.

Given the nature of the bequest and that the funds are being held in interest bearing accounts for the benefit of the Committee, the Committee determined that the present value discount and discount for collectibility were unnecessary. The Committee expects to receive approximately \$30,800 annually from the trustee, which will be adjusted annually based upon FEC regulations, until the funds held in trust are fully liquidated to the Committee. In January 2013, the FEC announced the new annual contribution limit is \$32,400. As such, the Committee expects to receive approximately \$32,400 annually from the trustee beginning January 2013 until such time the FEC adjusts the limit.

Fixed assets -

Fixed assets in excess of \$1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2012 totaled \$6,299.

LIBERTARIAN NATIONAL COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Income taxes -

The Committee is recognized as a tax-exempt political organization under Section 527 of the Internal Revenue Code (IRC). Under IRC Section 527, the Committee's exempt functions includes all activities that relate to and support the process of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to a public or political office. Certain activities unrelated to the exempt purpose, such as net investment income, are subject to applicable income taxes. During the year ended December 31, 2012, the Committee did not incur any income tax expense on its net investment income.

Uncertain tax positions -

For the year ended December 31, 2012, the Committee has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 1120-POL, *Return for Certain Political Organizations*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Inventory -

Inventory consists of promotional supplies.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Committee and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Committee and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Change in Net Assets as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in perpetuity by the Committee. The Committee reported no permanently restricted assets at December 31, 2012.

Contributions and donations -

Contributions and donations are recognized at their fair value in the period in which an unconditional promise-to-give is known or when a contribution is received, at the earliest point the contribution is both determinable and measurable by the Committee. Contributions are recognized as unrestricted or temporarily restricted revenue and support based upon the existence or lack of donor-imposed restrictions.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Contributions and donations (continued) -

Contributions and donations with donor-imposed restrictions in which the Committee has met the donor's stipulations are reflected as net assets released from restriction.

Temporarily restricted contributions and donations in which the Committee met the donor-imposed restriction during the same fiscal year as the contribution are reflected as unrestricted revenue and support.

Revenue recognition -

The Committee treats membership dues as contributions and donations in the accompanying financial statements, given that members receive de minimis benefits in exchange for their dues. Revenue from contributions and donations are recognized at the earliest point an unconditional promise-to-give is both determinable and measurable. Revenue from any program service activities and conventions and events are recognized when earned.

Intentions-to-give -

The Committee receives commitment cards from members who many times provide their credit card information for future contribution purposes. The members are generally making recurring contributions to the Committee and do not commit to a specific number of payments or period of time for which the Committee may charge the monthly contributions.

The members may also decline the charges or request that the Committee cease making charges against their credit card at any time and complete at their discretion. The Committee treats these reoccurring contributions as intentions-to-give or conditional promises to give, and as such, revenue is not recognized until the contribution is both determinable and measurable, which generally occurs when the credit card is processed and receipt received by the Committee.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

2. CAPITAL LEASE OBLIGATION

In 2008, the Committee acquired a postage machine under a non-cancelable capital lease agreement. The lease is 60 months, beginning February 2008, and included a bargain purchase option of \$1 at the end of the lease. The lease requires monthly installments of approximately \$200.

The Committee is also responsible for the copier operating costs, including property taxes, repairs and maintenance. The Committee estimated the fair value of the leased equipment to be approximately \$6,800 at lease inception.

Depreciation expense was approximately \$1,400 on the capital lease asset during the year ended December 31, 2012, resulting in a zero net book value as of December 31, 2012.

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2012:

Building Acquisition Fund	\$ 116,717
College Campus Programs	9,288
Radio Ad Project	<u>586</u>
	<u>\$ 126,591</u>

The following temporarily restricted net assets were released from donor restrictions by either refunding individuals' contributions or by permission from the donors to re-allocate the funds to be used for general operations:

Building Acquisition Fund	<u>\$ 13,437</u>
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4. LEASE COMMITMENTS

The Committee extended its lease agreement for its principal office space in January 2012, which expires April 30, 2013, with one month of rent abatement. The lease agreement requires annual rent escalations and the Committee is also responsible for its proportionate share of the building operating costs and real estate taxes. The extension executed by the Committee allows an early termination with 180 days' notice.

In April 2013, the Committee extended its lease agreement through April 30, 2016. In June 2013, the Executive Committee authorized management to provide notice to the landlord that the Committee intends to end the lease early (Reference Note 10).

The following is a schedule of the future minimum lease payments:

<u>Year Ending December 31,</u>	
2013	\$ 131,060
2014	135,923
2015	139,331
2016	<u>46,826</u>
	<u>\$ 453,140</u>

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

4. LEASE COMMITMENTS (Continued)

Rent expense for the year ended December 31, 2012 was \$123,551.

The Committee also leases storage space and office equipment under several non-cancelable operating leases, expiring at various times through the years ending December 31, 2015. The total future minimum payments under equipment leases through December 31, 2015 is \$21,000.

5. RETIREMENT PLAN

The Committee maintains a 401(k) defined contribution retirement plan that covers employees who meet certain minimum age and length of service requirements. As a qualified retirement plan, employees may contribute a portion of their salaries on a tax-deferred basis up to statutory limits.

The Committee has elected to make matching contributions to the plan based upon 50% of employee contributions, up to 6% of the participant's qualified salary. Contributions to the plan during the year ended December 31, 2012 were \$6,242.

6. CONTINGENCY

Federal Regulation - The Committee is subject to Federal and state election laws and oversight by the Federal Election Commission (FEC). The Committee is subject to the Federal Election Campaign Act of 1971, the Bipartisan Campaign Reform Act of 2002 (BCRA), and various FEC and IRS regulations. As such, the Committee is required to file monthly and annual reports with the FEC regarding contributions and expenditures of its funds. Additionally, the Committee is precluded from receiving contributions from corporations, labor unions and certain other third parties, and contributions received from individuals are limited to annual amounts as determined by the FEC, which was \$30,800 for the year ended December 31, 2012. This amount was increased to \$32,400 in January 2013.

Furthermore, the Committee's books and records are subject to examination by regulatory bodies and such examinations can result in fines, penalties, or sanctions. Although the results of such examinations have not had a material impact upon the Committee to date, no assurance can be given regarding the uncertainty of any future compliance examinations.

Litigation and Disputes - The Committee is currently involved in several lawsuits stemming primarily from state ballot access and presidential candidacy issues. These suits involve various legal actions, claims and disputes with affiliates that arise from the normal course of business and that, in the opinion of management, will not have a significant impact upon the Committee.

7. COMMITMENTS

The Committee has hotel contracts for future conventions and meetings. The total commitments under the agreements are not determinable as it depends upon attendance and other unknown factors. There are cancellation penalties that would be due if the agreements were cancelled prior to the event date. The amount of the cancellation penalties increase through the date of the event.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

7. COMMITMENTS (Continued)

Membership Commitment - The Committee provides nominal or token promotional items to contributors and members, such as a periodic newsletter designed to keep members informed of current developments, encourage participation in the political processes, and promote the interests of the Committee and its candidates.

Although there is no contractual or legal requirements for the Committee to provide such services, as a part of its purpose and out of courtesy to its contributors, the Committee is committed to providing timely information and promotional items to its members.

The Committee recognizes expenses on these programs and items as incurred, and as such, no liability is accrued for any implied member commitment.

Employment Contract - In December 2011, the Committee entered into an employment contract with a new Executive Director. The term of the contract is scheduled to end on June 30, 2013. The employment contract provides for a base monthly salary and performance incentives upon financial and other performance indicators. The employment agreement also allows for a three-month severance, moving costs and assumption of the unexpired rental lease terms of 12 months or less for termination for any other reason than serious cause with a 3/4 vote of the Board of Directors. The Committee may terminate the employment contract immediately for serious cause with no further compensation.

8. ALLOCATION OF EXPENSES

The Committee allocates payroll and overhead expenses to programs based on management estimates.

During the year ended December 31, 2012, payroll and overhead were allocated as follows:

	<u>Payroll</u>	<u>Overhead</u>	<u>Direct</u>	<u>Total</u>
Program Services:				
Affiliate Support	\$ 10,636	\$ 17,248	\$ 4,816	\$ 32,700
Ballot Access	12,630	20,481	400,379	433,490
Brand Development	15,229	24,696	2,747	42,672
Campaign Support	11,514	18,672	4,464	34,650
Campus Outreach	682	1,106	-	1,788
Litigation Support	3,061	4,962	5,341	13,364
Media Relations	9,078	14,721	-	23,799
Member Communications	64,104	103,954	38,452	206,510
Outreach	24,118	39,111	4,316	67,545
Conventions	35,833	58,109	161,911	255,853
Management and General	53,291	86,419	-	139,710
Fundraising and Donor Acquisition	<u>52,433</u>	<u>85,027</u>	<u>253,105</u>	<u>390,565</u>
TOTAL	\$ <u>292,609</u>	\$ <u>474,506</u>	\$ <u>875,531</u>	\$ <u>1,642,646</u>

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

9. RELATED PARTY

During the year ended December 31, 2012, the Committee received \$20,648 from Board members and \$415 from staff.

The Committee incurred \$80,280 of expenses paid to Board members or vendors that employed Board members as follows:

<u>Title</u>	<u>Service</u>	<u>Amount</u>
Alabama limited liability company owned by Board member	Ballot access petitioning services - gathering 7,590 signatures in Alabama, Maryland, North Dakota and West Virginia	\$ 30,523
Board member	Ballot access petitioning services - gathering 2,461 signatures in Illinois	5,903
Texas corporation owned by Board member	Booth supplies and shirts	3,551
Nevada corporation owned by two Board members	Fundraising commission - thirty percent (30%) of donations from new donors	1,000
Board member	Convention speaking fee	503
Board member	Services performed from May through December -- editing and co-authoring with the Executive Director approximately 22,500 words for fundraising appeals and news releases at a cost of about \$1.72 per word.	<u>38,800</u>
TOTAL		<u>\$ 80,280</u>

10. SUBSEQUENT EVENTS

In preparing these financial statements, the Committee has evaluated events and transactions for potential recognition or disclosure through February 6, 2014, the date the financial statements were issued.

Effective June 12, 2013, the Executive Committee authorized the purchase of 1101 King Street in Alexandria, Virginia. This authorization also included obtaining a mortgage to finance the purchase of the building and submitting a letter of intent to the landlord to give notice of termination of the existing lease (See Note 4). On July 29, 2013, a letter of intent to terminate the lease effective January 31, 2014 was submitted to the landlord. The negotiations did not result in a purchase and the letter of intent to terminate the lease was rescinded on August 29, 2013.

Effective October 29, 2013, the Executive Committee authorized the purchase of 1428 Duke Street (or an equivalent property in the complex) in Alexandria, Virginia along with obtaining a mortgage to finance its purchase. On January 24, 2014, the Committee executed a purchase agreement for 1444 Duke Street in Alexandria, Virginia for \$825,000 with the anticipation that the transaction shall be consummated within ninety days.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012**

10. SUBSEQUENT EVENTS (Continued)

The Committee has the right to terminate the agreement within sixty days of execution and the agreement is subject to the Committee obtaining acceptable fixed rate financing in the sum of \$590,000 or such lesser amount desired by the Committee. The Committee intends to delay resubmitting a letter of intent to the landlord to terminate the lease until after the loan approval.

The employment contract with the Executive Director expired June 30, 2013 and was not renewed.

On July 14, 2013, the Committee entered into an employment agreement with the now former Executive Director to assume the role of Political Director. The term of the contract commenced August 1, 2013 and ends on June 30, 2015. The employment contract provides for a base monthly salary, vacation accrued at the rate of three weeks annually during 2013 (and four weeks thereafter) and performance incentives upon achievement of financial targets. The employment agreement allows for a three-month severance for termination for any other reason than serious cause with a $\frac{3}{4}$ vote of the Board of Directors. The employment agreement allows for a two-month severance if the Committee gives less than three months' notice of any intention to not renew or extend the contract.

On July 14, 2013, the Committee entered into an employment contract with a new Executive Director. The term of the contract commenced August 1, 2013 and ends on June 30, 2016. The employment contract provides for a base monthly salary, vacation accrued at the rate of four weeks annually and performance incentives upon achievement of financial targets. The agreement allows either party to terminate employment with one month written notice.

FINANCIAL STATEMENTS

**LIBERTARIAN NATIONAL COMMITTEE, INC.
(THE LIBERTARIAN PARTY)**

**FOR THE YEARS ENDED
DECEMBER 31, 2013 AND 2012**

LIBERTARIAN NATIONAL COMMITTEE, INC.

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2
EXHIBIT A - Statements of Financial Position, as of December 31, 2013 and 2012	3
EXHIBIT B - Statements of Activities and Changes in Net Assets, for the Years Ended December 31, 2013 and 2012	4
EXHIBIT C - Statements of Cash Flows, for the Years Ended December 31, 2013 and 2012	5
NOTES TO FINANCIAL STATEMENTS	6 - 15



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Libertarian National Committee, Inc.
Washington, D.C.

We have audited the accompanying financial statements of the Libertarian National Committee, Inc., also known as the Libertarian Party (the Committee), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Committee as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

June 23, 2014

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

LIBERTARIAN NATIONAL COMMITTEE, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 392,984	\$ 193,784
Accounts receivable from an employee	-	4,341
Bequest receivable, current	15,744	30,800
Inventory	-	2,000
Prepaid expenses	<u>24,311</u>	<u>26,745</u>
Total current assets	<u>433,039</u>	<u>257,670</u>
FIXED ASSETS		
Equipment	3,160	3,160
Furniture	16,818	37,618
Computer equipment and computer software	107,446	167,448
Capital lease asset (Note 2)	<u>6,827</u>	<u>6,827</u>
	134,251	215,053
Less: Accumulated depreciation and amortization	<u>(127,716)</u>	<u>(204,595)</u>
Net fixed assets	<u>6,535</u>	<u>10,458</u>
OTHER ASSETS		
Deposits	7,020	7,020
Bequest receivable, non-current	<u>-</u>	<u>15,721</u>
Total other assets	<u>7,020</u>	<u>22,741</u>
TOTAL ASSETS	<u>\$ 446,594</u>	<u>\$ 290,869</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 5,010	\$ -
Accrued salaries and related benefits	47,186	34,220
Deferred rent, current (Note 4)	<u>7,921</u>	<u>-</u>
Total current liabilities	<u>60,117</u>	<u>34,220</u>
LONG-TERM LIABILITIES		
Capital lease liability (Note 2)	-	299
Deferred rent, non-current (Note 4)	<u>-</u>	<u>2,995</u>
Total long-term liabilities	<u>-</u>	<u>3,294</u>
Total liabilities	<u>60,117</u>	<u>37,514</u>
NET ASSETS		
Unrestricted	53,594	126,764
Temporarily restricted (Note 3)	<u>332,883</u>	<u>126,591</u>
Total net assets	<u>386,477</u>	<u>253,355</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 446,594</u>	<u>\$ 290,869</u>

See accompanying notes to financial statements.

LIBERTARIAN NATIONAL COMMITTEE, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE						
Contributions and memberships	\$ 1,045,436	\$ 244,009	\$ 1,289,445	\$ 1,281,486	\$ 2,756	\$ 1,284,242
Interest income	23	-	23	142	-	142
Sponsorships and classifieds	1,000	-	1,000	2,335	-	2,335
Conventions	-	-	-	185,226	-	185,226
Other events	705	-	705	12,720	-	12,720
Other revenue	-	-	-	185	-	185
Net assets released from donor restrictions (Note 3)	<u>37,717</u>	<u>(37,717)</u>	<u>-</u>	<u>13,437</u>	<u>(13,437)</u>	<u>-</u>
Total revenue	<u>1,084,881</u>	<u>206,292</u>	<u>1,291,173</u>	<u>1,495,531</u>	<u>(10,681)</u>	<u>1,484,850</u>
EXPENSES (Note 8)						
Program Services:						
Affiliate Support	30,886	-	30,886	32,700	-	32,700
Ballot Access	31,643	-	31,643	433,490	-	433,490
Brand Development	25,274	-	25,274	42,672	-	42,672
Campaign Support	31,845	-	31,845	34,650	-	34,650
Campus Outreach	2,308	-	2,308	1,788	-	1,788
Litigation Support	8,421	-	8,421	13,364	-	13,364
Media Relations	24,734	-	24,734	23,799	-	23,799
Member Communications	239,159	-	239,159	206,510	-	206,510
Outreach	<u>93,933</u>	<u>-</u>	<u>93,933</u>	<u>67,545</u>	<u>-</u>	<u>67,545</u>
Total program services	<u>488,203</u>	<u>-</u>	<u>488,203</u>	<u>856,518</u>	<u>-</u>	<u>856,518</u>
Supporting Services:						
Conventions	-	-	-	255,853	-	255,853
Management and General	178,930	-	178,930	139,710	-	139,710
Fundraising and Donor Acquisition	<u>488,918</u>	<u>-</u>	<u>488,918</u>	<u>390,565</u>	<u>-</u>	<u>390,565</u>
Total supporting services	<u>667,848</u>	<u>-</u>	<u>667,848</u>	<u>786,128</u>	<u>-</u>	<u>786,128</u>
Total expenses	<u>1,156,051</u>	<u>-</u>	<u>1,156,051</u>	<u>1,642,646</u>	<u>-</u>	<u>1,642,646</u>
Change in net assets before other item	(71,170)	206,292	135,122	(147,115)	(10,681)	(157,796)
OTHER ITEM:						
Loss on disposal of inventory	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	(73,170)	206,292	133,122	(147,115)	(10,681)	(157,796)
Net assets at beginning of year	<u>126,764</u>	<u>126,591</u>	<u>253,355</u>	<u>273,879</u>	<u>137,272</u>	<u>411,151</u>
NET ASSETS AT END OF YEAR	<u>\$ 53,594</u>	<u>\$ 332,883</u>	<u>\$ 386,477</u>	<u>\$ 126,764</u>	<u>\$ 126,591</u>	<u>\$ 253,355</u>

See accompanying notes to financial statements.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 133,122	\$ (157,796)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	3,923	6,299
Deferred rent abatement	4,926	2,995
Loss on disposal of inventory	2,000	-
(Increase) decrease in:		
Accounts receivable from an employee	4,341	(4,341)
Bequests receivable	30,777	30,659
Prepaid expenses	2,434	12,657
Increase (decrease) in:		
Accounts payable and accrued liabilities	5,010	(9,387)
Accrued salaries and related benefits	<u>12,966</u>	<u>2,584</u>
Net cash provided (used) by operating activities	<u>199,499</u>	<u>(116,330)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease liability	<u>(299)</u>	<u>(1,676)</u>
Net cash used by financing activities	<u>(299)</u>	<u>(1,676)</u>
Net increase (decrease) in cash and cash equivalents	199,200	(118,006)
Cash and cash equivalents at beginning of year	<u>193,784</u>	<u>311,790</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 392,984</u>	<u>\$ 193,784</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	<u>\$ -</u>	<u>\$ 147</u>

LIBERTARIAN NATIONAL COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Libertarian National Committee, Inc. (the Committee) was founded in 1971 as a national, tax-exempt political organization, which is the operational arm of the Libertarian Party, a grassroots political organization. The Committee was incorporated in February 1995 and its affairs are directed by its National Board of Directors, who are elected by delegates biannually at the national convention. The Committee, with the consent of the delegates, also establishes the platform of the Libertarian Party, which is based upon the basic premises of civil liberties and personal freedom, a free-market economy, free trade and a foreign policy of non-intervention and peace. The Committee has approximately 13,000 contributing members.

The Committee's program activities consist of the following:

- Affiliate support – developing or supporting state and county affiliate parties.
- Ballot access – getting candidates on ballots, including corresponding lawsuits.
- Brand development – developing an image in the minds of voters.
- Campaign support – efforts to support or oppose ballot initiatives.
- Campus outreach – on-campus recruiting and support groups.
- Candidate support – recruiting and supporting candidates with their electoral ambitions.
- Litigation support – proactive lawsuits to change public policy, other than ballot access.
- Lobbying – persuading legislators to change laws, including ballot access laws.
- Media relations – direct communication with the media.
- Member communications – Libertarian Party News periodical and other member communications.
- Outreach – initiatives to reach the general public and outside groups.
- Voter registration – voter registration drives.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Cash and cash equivalents -

The Committee considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Cash and cash equivalents (continued) -

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Committee maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Bequest receivable -

The Committee's bequest receivable consists of amounts due from decedent members' last wills and testaments. The most significant bequest pertains to a deceased member's unconditional promise-to-give the Committee 25% of his estate after specific bequests and payments of debts and expenses. The Committee's proportionate share of the estate was approximately \$217,700. Given the annual contribution limits allowable under Federal Election Commission (FEC) guidelines, the executor of the estate directed the remaining principal of the Committee's portion to be held by a trustee and escrow agent and to annually release the amount allowable under FEC guidelines to the Committee. The remaining funds resulting from the liquidating distribution from the decedent's estate is being held in trust at a federally insured financial institution in various money market and certificates of deposit accounts for the benefit of the Committee. The Committee received \$30,800 during the year ended December 31, 2013, with the remaining bequest reflected at its net realizable value, which was determined by the Committee by initially discounting the initial bequest by an allowance for doubtful accounts and present value discount.

Given the nature of the bequest and that the funds are being held in interest bearing accounts for the benefit of the Committee, the Committee determined that the present value discount and discount for collectibility were unnecessary. The Committee expected to receive approximately \$30,800 annually from the trustee, which will be adjusted annually based upon FEC regulations, until the funds held in trust are fully liquidated to the Committee.

In January 2013, FEC announced the new annual contribution limit is \$32,400. The remaining bequest receivable is less than the contribution limit, as such, the Committee expects to receive the full amount of the bequest outstanding as of December 31, 2013.

Fixed assets -

Fixed assets in excess of \$1,000 are capitalized and stated at cost. Fixed assets are depreciated or amortized on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended December 31, 2013 and 2012 totaled \$3,923 and \$6,299, respectively.

Income taxes -

The Committee is recognized as a tax-exempt political organization under Section 527 of the Internal Revenue Code (IRC). Under IRC Section 527, the Committee's exempt functions includes all activities that relate to and support the process of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to a public or political office. Certain activities unrelated to the exempt purpose, such as net investment income, are subject to applicable income taxes. For the years ended December 31, 2013 and 2012, the Committee did not incur any income tax expense on its net investment income.

LIBERTARIAN NATIONAL COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Uncertain tax positions -

For the years ended December 31, 2013 and 2012, the Committee has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 1120-POL, *Return for Certain Political Organizations*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Inventory -

Inventory previously consisted of promotional supplies. During the year ended December 31, 2013, the Committee has written-off its inventories.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Committee and include undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Committee and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in perpetuity by the Committee. The Committee reported no permanently restricted assets at December 31, 2013 and 2012.

Contributions and donations -

Contributions and donations are recognized at their fair value in the period in which an unconditional promise-to-give is known or when a contribution is received, at the earliest point the contribution is both determinable and measurable by the Committee. Contributions are recognized as unrestricted or temporarily restricted revenue and support based upon the existence or lack of donor-imposed restrictions.

Contributions and donations with donor-imposed restrictions in which the Committee has met the donor's stipulations are reflected as net assets released from restriction.

Temporarily restricted contributions and donations in which the Committee met the donor-imposed restriction during the same fiscal year as the contribution are reflected as unrestricted revenue and support.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Revenue recognition -

The Committee treats membership dues as contributions and donations in the accompanying financial statements, given that members receive de minimis benefits in exchange for their dues. Revenue from contributions and donations are recognized at the earliest point an unconditional promise-to-give is both determinable and measurable. Revenue from any program service activities and conventions and events are recognized when earned.

Intentions-to-give -

The Committee receives commitment cards from members who many times provide their credit card information for future contribution purposes. The members are generally making recurring contributions to the Committee and do not commit to a specific number of payments or period of time for which the Committee may charge the monthly contributions.

The members may also decline the charges or request that the Committee cease making charges against their credit card at any time and complete at their discretion. The Committee treats these reoccurring contributions as intentions-to-give or conditional promises to give, and as such, revenue is not recognized until the contribution is both determinable and measurable, which generally occurs when the credit card is processed and receipt received by the Committee.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. CAPITAL LEASE OBLIGATION

In 2008, the Committee acquired a postage machine under a non-cancelable capital lease agreement. The lease is 60 months, beginning February 2008, and included a bargain purchase option of \$1 at the end of the lease. The lease requires monthly installments of approximately \$200. In 2013, the Committee exercised its option to purchase the postage machine.

The Committee is also responsible for the copier operating costs, including property taxes, repairs and maintenance. The Committee estimated the fair value of the leased equipment to be approximately \$6,800 at lease inception.

As of December 31, 2013, the capital lease asset has been fully depreciated and was still in use.

In 2014, the Committee acquired a new postage machine and a new copier under non-cancelable capital lease agreements (see Note 10).

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Building Acquisition Fund	\$ 322,434	\$ 116,717
College Campus Programs	8,288	9,288
Legal Offense Fund	2,050	-
Radio Ad Project	<u>111</u>	<u>586</u>
	<u>\$ 332,883</u>	<u>\$ 126,591</u>

The following temporarily restricted net assets were released from donor restrictions by either incurring expenses which satisfied the restricted purposes specified by the donors, refunding individuals' contributions or by permission from the donors to re-allocate the funds to be used for general operations:

	<u>2013</u>	<u>2012</u>
Building Acquisition Fund	\$ 30,527	\$ 13,437
College Campus Programs	1,000	-
Legal Offense Fund	3,500	-
Radio Ad Project	<u>2,690</u>	<u>-</u>
	<u>\$ 37,717</u>	<u>\$ 13,437</u>

4. LEASE COMMITMENTS

The Committee extended its lease agreement for its principal office space in January 2012, which expires April 30, 2013, with one month of rent abatement. The lease agreement requires annual rent escalations and the Committee is also responsible for its proportionate share of the building operating costs and real estate taxes. The extension executed by the Committee allows an early termination with 180 days' notice.

In April 2013, the Committee extended its lease agreement through April 30, 2016. In June 2013, the Executive Committee authorized management to provide notice to the landlord that the Committee intends to end the lease early, and in April 2014, the Committee executed an agreement to terminate the lease prior to the scheduled expiration date. The lease is set to terminate on June 9, 2014 (see Notes 7 and 10).

The Committee also leases storage space under a non-cancelable operating lease, expiring at December 31, 2014.

The following is a schedule of the future minimum lease payments:

Year Ending December 31, 2014	<u>\$ 57,263</u>
--------------------------------------	-------------------------

Rent expense for the years ended December 31, 2013 and 2012 were \$130,098 and \$123,551, respectively.

The Committee also leases office equipment under non-cancelable operating lease, expiring at December 31, 2015. In 2014, the office equipment lease was terminated when it was replaced with new office equipment under a non-cancelable capital lease agreement (see Notes 2 and 10). As of December 31, 2013, future minimum payments under the old office equipment lease through 2014 is \$1,868.

LIBERTARIAN NATIONAL COMMITTEE, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013 AND 2012

5. RETIREMENT PLAN

The Committee maintains a 401(k) defined contribution retirement plan that covers employees who meet certain minimum age and length of service requirements. As a qualified retirement plan, employees may contribute a portion of their salaries on a tax-deferred basis up to statutory limits.

The Committee has elected to make matching contributions to the plan based upon 50% of employee contributions, up to 6% of the participant's qualified salary. Contributions to the plan for the years ended December 31, 2013 and 2012 were \$9,426 and \$6,242, respectively.

6. CONTINGENCY

Federal Regulation - The Committee is subject to Federal and state election laws and oversight by the FEC. The Committee is subject to the Federal Election Campaign Act of 1971, the Bipartisan Campaign Reform Act of 2002 (BCRA), and various FEC and IRS regulations. As such, the Committee is required to file monthly and annual reports with the FEC regarding contributions and expenditures of its funds. Additionally, the Committee is precluded from receiving contributions from corporations, labor unions and certain other third parties, and contributions received from individuals are limited to annual amounts as determined by the FEC, which was \$32,400 for the years ended December 31, 2013 and 2012.

Furthermore, the Committee's books and records are subject to examination by regulatory bodies and such examinations can result in fines, penalties, or sanctions. Although the results of such examinations have not had a material impact upon the Committee to date, no assurance can be given regarding the uncertainty of any future compliance examinations.

Litigation and Disputes - The Committee is currently involved in several lawsuits stemming primarily from state ballot access and presidential candidacy issues. These suits involve various legal actions, claims and disputes with affiliates that arise from the normal course of business and that, in the opinion of management, will not have a significant impact upon the Committee.

7. COMMITMENTS

The Committee has hotel contracts for future conventions and meetings. The total commitments under the agreements are not determinable as it depends upon attendance and other unknown factors. There are cancellation penalties that would be due if the agreements were cancelled prior to the event date. The amount of the cancellation penalties increase through the date of the event.

Membership Commitment

The Committee provides nominal or token promotional items to contributors and members, such as a periodic newsletter designed to keep members informed of current developments, encourage participation in the political processes, and promote the interests of the Committee and its candidates.

Although there is no contractual or legal requirements for the Committee to provide such services, as a part of its purpose and out of courtesy to its contributors, the Committee is committed to providing timely information and promotional items to its members.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

7. COMMITMENTS (Continued)

Membership Commitment (continued)

The Committee recognizes expenses on these programs and items as incurred, and as such, no liability is accrued for any implied member commitment.

Employment Contracts

On July 14, 2013, the Committee entered into an employment contract with a new Executive Director. The term of the contract commenced August 1, 2013 and ends on June 30, 2016. The employment contract provides for a base monthly salary, vacation accrued at the rate of four weeks annually and performance incentives upon achievement of financial targets. The agreement allows either party to terminate employment with one month written notice.

In December 2011, the Committee entered into an employment contract with the former Executive Director. The term of the contract is scheduled to end on June 30, 2013. The employment contract provides for a base monthly salary and performance incentives upon financial and other performance indicators. The employment agreement also allows for a three-month severance, moving costs and assumption of the unexpired rental lease terms of 12 months or less for termination for any other reason than serious cause with a 3/4 vote of the Board of Directors. The Committee may terminate the employment contract immediately for serious cause with no further compensation. The employment contract with the former Executive Director expired June 30, 2013 and was not renewed.

On July 14, 2013, the Committee entered into an employment agreement with the former Executive Director to assume the role of Political Director. The term of the contract commenced August 1, 2013 and ends June 30, 2015. The employment contract provides for a base monthly salary, vacation accrued at the rate of three weeks annually during 2013 (and four weeks thereafter) and performance incentives upon achievement of financial targets. The employment agreement allows for a three-month severance for termination for any other reason than serious cause with a 3/4 vote of the Board of Directors. The employment agreement allows for a two-month severance if the Committee gives less than three months' notice of any intention to not renew or extend the contract.

Building

Effective June 12, 2013, the Executive Committee authorized the purchase of 1101 King Street in Alexandria, Virginia. This authorization also included obtaining a mortgage to finance the purchase of the building and submitting a letter of intent to the landlord to give notice of termination of the existing lease (see Notes 4 and 10). On July 29, 2013, a letter of intent to terminate the lease effective January 31, 2014 was submitted to the landlord. The negotiations did not result in a purchase and the letter of intent to terminate the lease was rescinded on August 29, 2013.

Effective October 29, 2013, the Executive Committee authorized the purchase of 1428 Duke Street (or an equivalent property in the complex) in Alexandria, Virginia along with obtaining a mortgage to finance its purchase.

On January 24, 2014, the Committee executed a purchase agreement for 1444 Duke Street in Alexandria, Virginia for \$825,000, with anticipation that the transaction shall be consummated within ninety days. On April 25, 2014, the purchase was finalized (see Note 10).

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

8. ALLOCATION OF EXPENSES

The Committee allocates payroll and overhead expenses to programs based on management estimates.

During the year ended December 31, 2013, payroll and overhead were allocated as follows:

	<u>Payroll</u>	<u>Overhead</u>	<u>Direct</u>	<u>Total</u>
Program Services:				
Affiliate Support	\$ 11,562	\$ 14,106	\$ 5,218	\$ 30,886
Ballot Access	5,697	5,998	19,948	31,643
Brand Development	10,079	12,787	2,408	25,274
Campaign Support	14,687	17,158	-	31,845
Campus Outreach	560	748	1,000	2,308
Litigation Support	1,075	1,442	5,904	8,421
Media Relations	11,310	13,394	30	24,734
Member Communications	97,420	117,069	24,670	239,159
Outreach	38,114	45,554	10,265	93,933
Conventions	-	-	-	-
Management and General	83,398	95,532	-	178,930
Fundraising and Donor Acquisition	<u>95,816</u>	<u>119,444</u>	<u>273,658</u>	<u>488,918</u>
TOTAL	<u>\$ 369,718</u>	<u>\$ 443,232</u>	<u>\$ 343,101</u>	<u>\$ 1,156,051</u>

During the year ended December 31, 2012, payroll and overhead were allocated as follows:

	<u>Payroll</u>	<u>Overhead</u>	<u>Direct</u>	<u>Total</u>
Program Services:				
Affiliate Support	\$ 10,636	\$ 17,248	\$ 4,816	\$ 32,700
Ballot Access	12,630	20,481	400,379	433,490
Brand Development	15,229	24,696	2,747	42,672
Campaign Support	11,514	18,672	4,464	34,650
Campus Outreach	682	1,106	-	1,788
Litigation Support	3,061	4,962	5,341	13,364
Media Relations	9,078	14,721	-	23,799
Member Communications	64,104	103,954	38,452	206,510
Outreach	24,118	39,111	4,316	67,545
Conventions	35,833	58,109	161,911	255,853
Management and General	53,291	86,419	-	139,710
Fundraising and Donor Acquisition	<u>52,433</u>	<u>85,027</u>	<u>253,105</u>	<u>390,565</u>
TOTAL	<u>\$ 292,609</u>	<u>\$ 474,506</u>	<u>\$ 875,531</u>	<u>\$ 1,642,646</u>

9. RELATED PARTY

During the years ended December 31, 2013 and 2012, the Committee received \$30,614 and \$20,648, respectively, from Board members and \$1,671 and \$415, respectively, from staff.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

9. RELATED PARTY (Continued)

For the years ended December 31, 2013 and 2012, the Committee incurred \$1,478 and \$80,280 of expenses, respectively, paid to Board members or vendors that employed Board members as follows:

<u>Title</u>	<u>Service</u>	<u>Total December 31, 2013</u>	<u>Total December 31, 2012</u>
Alabama limited liability company with one Board Member as executive employee	Ballot access petitioning services - gathering an undocumented number of signatures in North Dakota in 2013 and 7,590 signatures in Alabama, Maryland, North Dakota and West Virginia in 2012	\$ 1,197	\$ 30,523
Nevada corporation owned by one Board member in 2013 and two Board members in 2012	Fundraising commission - thirty percent (30%) of donations from new donors	281	1,000
Board member	Ballot access petitioning services-gathering 2,461 signatures in Illinois	-	5,903
Texas corporation owned by Board member	Booth supplies and shirts	-	3,551
Board member	Convention speaking fee	-	503
Board member	Services performed from May through December 2012 - editing and co-authoring with the Executive Director approximately 22,500 words for fundraising appeals and news releases at a cost of about \$1.72 per word.	-	38,800
TOTAL		\$ 1,478	\$ 80,280

10. SUBSEQUENT EVENTS

In preparing these financial statements, the Committee has evaluated events and transactions for potential recognition or disclosure through June 23, 2014, the date the financial statements were issued.

On April 25, 2014, concurrent with the purchase of the building (see Note 7), the Committee entered into a \$500,000 note payable to a financial institution. The interest rate is 4.85% per annum.

LIBERTARIAN NATIONAL COMMITTEE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

10. SUBSEQUENT EVENTS (Continued)

Commencing May 25, 2014, accrued interest on the note is payable on a monthly basis through July 25, 2014. Commencing August 25, 2014, the note is payable in consecutive monthly installments of principal and interest in 119 equal payments of \$2,900. On July 25, 2024, the maturity date, a balloon payment amounting to \$371,554 will become due. The note is collateralized by the Committee's building and a security interest in all depository accounts with and investment property held by the financial institution.

In April 2014, the Committee acquired a copier and postage machine under non-cancelable capital lease agreements (see Note 2). The copier lease is for 60 months, beginning April 29, 2014. The lease requires monthly installments of approximately \$508. The postage machine lease is for 63 months, beginning April 23, 2014. The lease required monthly installments of approximately \$79.

Future minimum lease payments related to the capital lease are as follows:

Year Ending December 31,

2014	\$ 5,635
2015	8,247
2016	8,247
2017	8,247
2018	8,247
Thereafter	<u>3,149</u>
	41,772
Less: Interest	<u>(2,981)</u>
	38,791
Less: Current portion	<u>(5,635)</u>
LONG-TERM PORTION	<u>\$ 33,156</u>



END OF MONTH FINANCIAL REPORTS

Page 1 – EOM Membership and Revenue Charts and Graphs

Page 3 – EOM Financial Summary Reports

Page 4 - 2014 v. 2012 Comparisons Statement of Operations

Page 5 - Statement of Operations Budget vs. Actual

Page 6 - P&L Detail (w-Functional Allocation of Expenses) for 2014 by Month

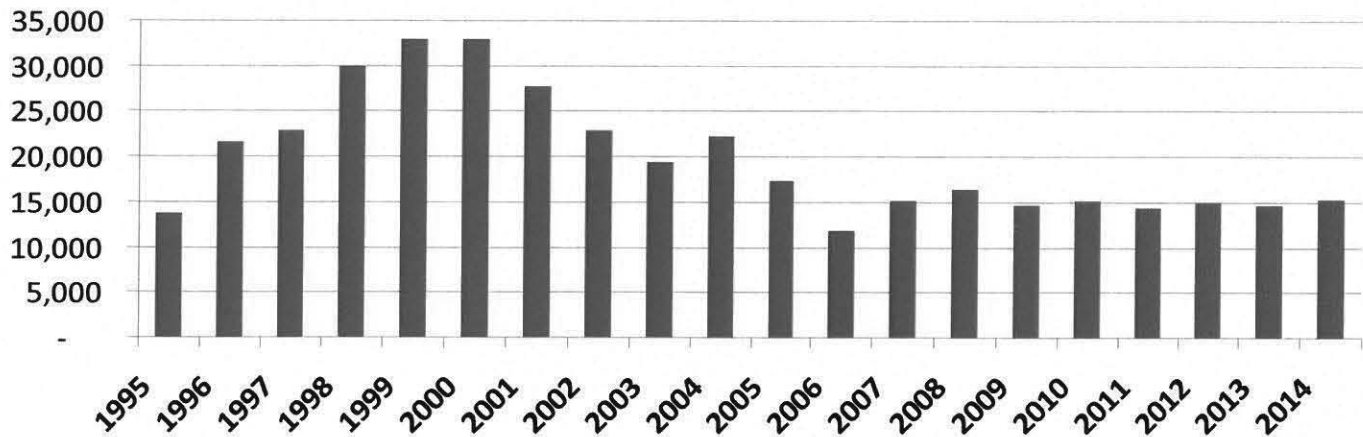
Page 9 – Balance Sheet Curr v. Prior Month Comparison

Page 11 - GAAP Cash Flow Report

Page 12 – Related Party Contributions and Disbursements

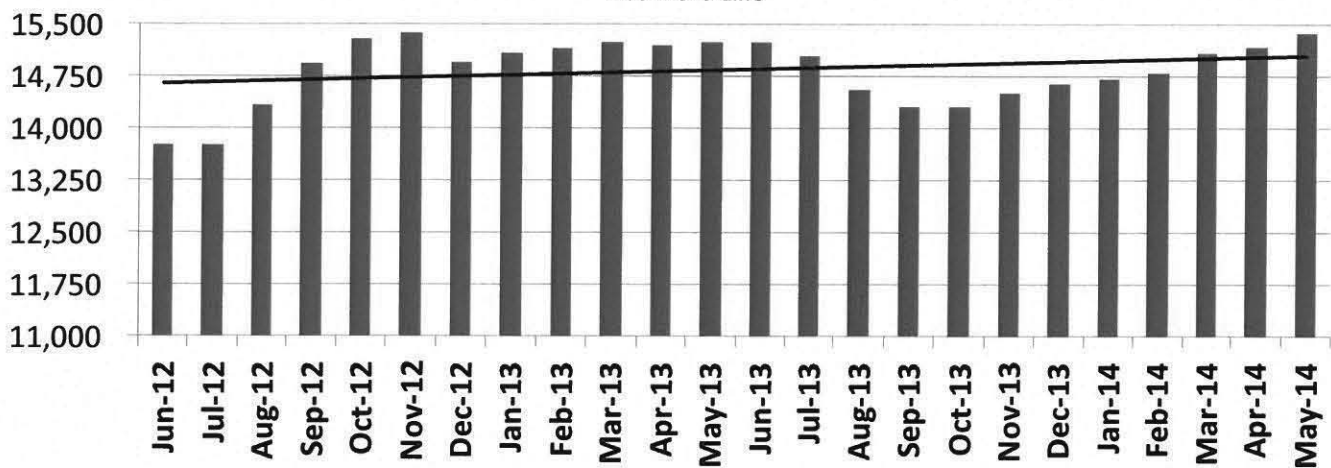
End of Month Reports - Charts

Active Donors Past 20 Years



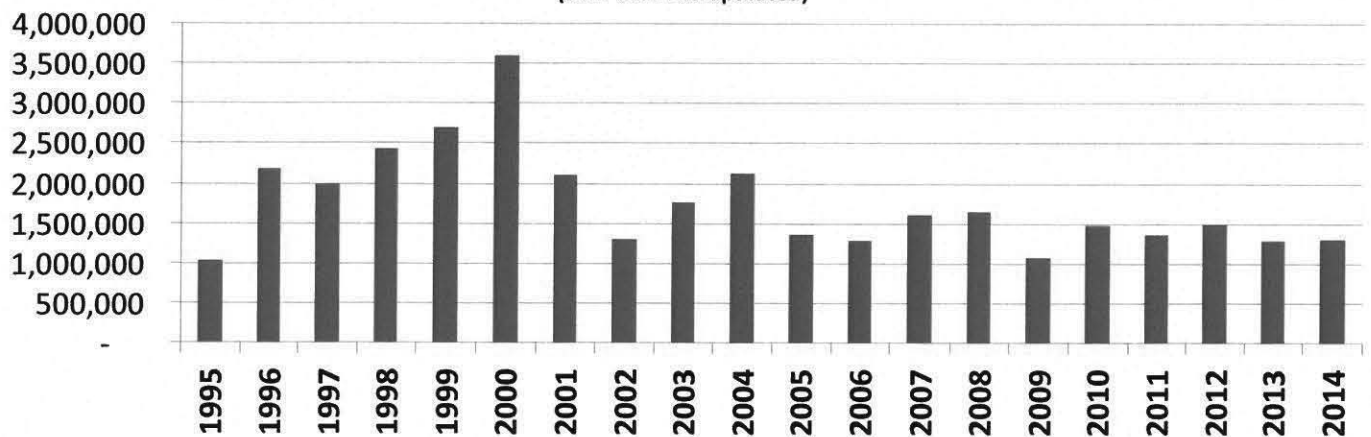
Active Donors (Past 24 Months)

Plus Trend Line

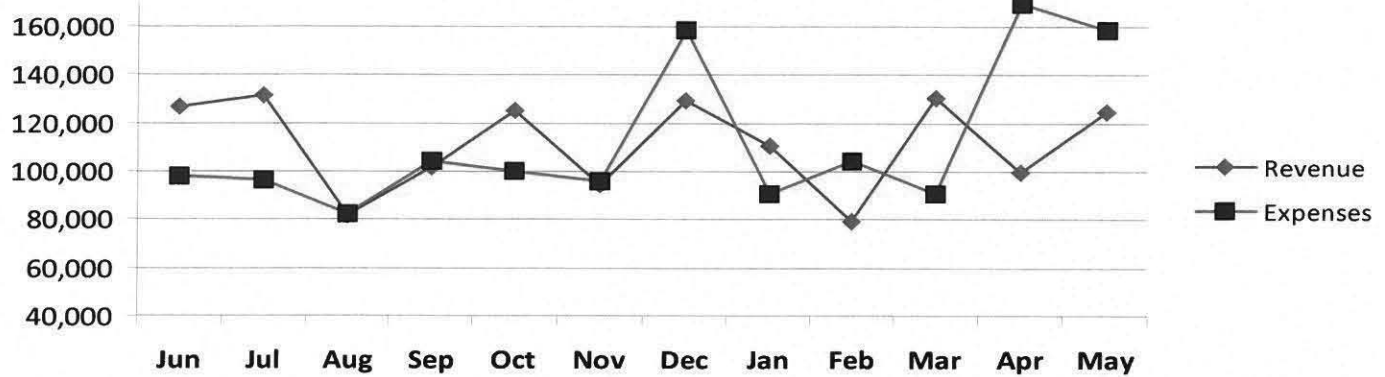


Revenue 20 years

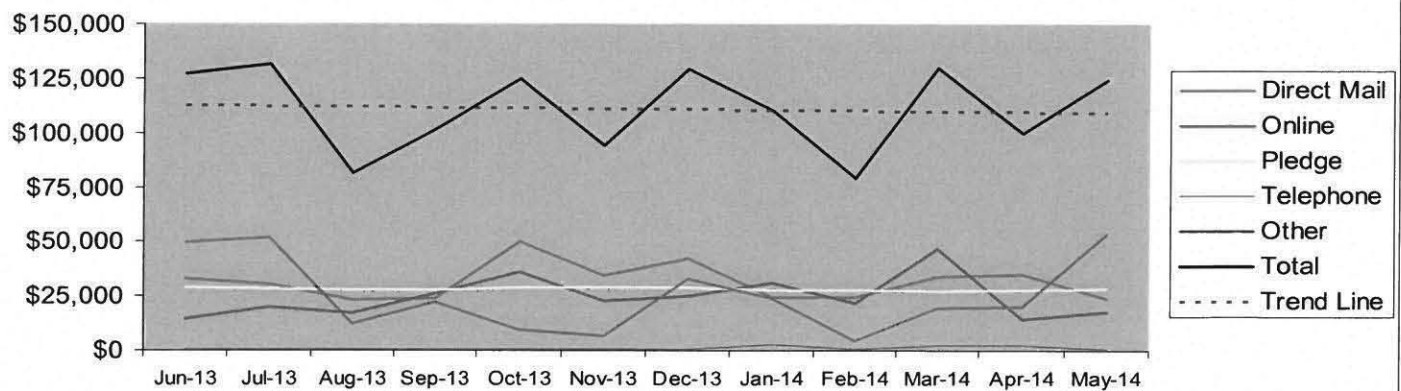
(Curr Year Extrapolated)



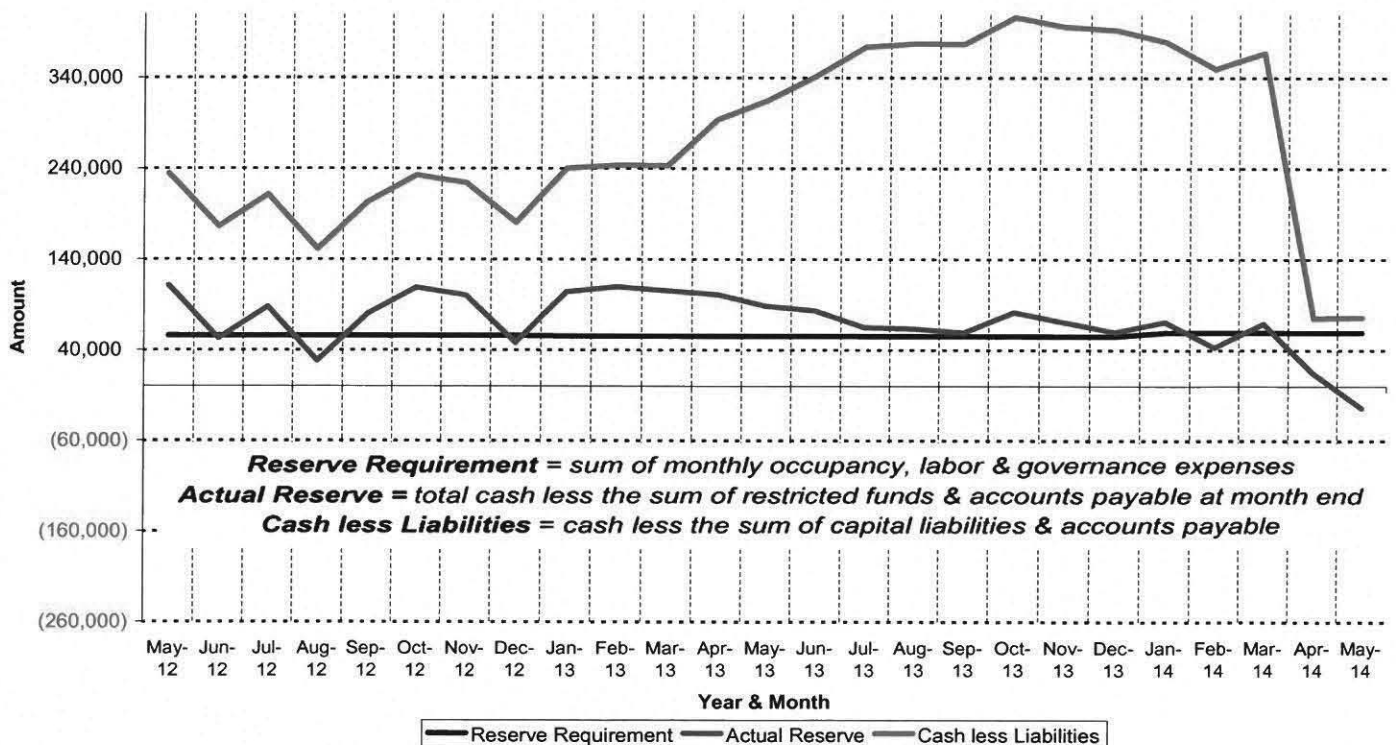
Monthly Revenue and Expenses - Past 12 Months



Monthly Revenue by Source (12 Mo)



Reserve Adequacy Trend & Cash Less Liabilities (24 Months)



End of Month Reports – Financial Summary

Statement of Operations Summary

Last Month & YTD

	May 14	2014 YTD	2014 Budget Year to Date	Actual vs. Budget YTD	Total Annual Budget 2014	2014 Budget Remaining
Support and Revenue	124,391	543,588	539,500	4,088	1,404,800	861,212
Cost of Support and Revenue	18,397	119,790	106,300	13,490	359,100	129,310
Net Support Available for Programs	105,994	423,798	433,200	(9,402)	1,045,700	731,902
Program Expense	140,259	491,728	437,792	53,936	1,050,700	558,972
Net Operating Surplus (or Deficit)	(34,265)	(67,930)	(4,592)	(63,338)	(5,000)	172,930

Acct Summary w-Funct Allocation of Exp By Month Plus YTD

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	TOTAL
Ordinary Income/Expense						
Income						
4000 · General Fundraising	104,913	76,478	111,932	80,738	112,670	486,731
4100 · Project Revenue	4,512	2,447	12,070	14,660	11,175	44,864
4300 · Program Revenue	831	275	6,069	4,340	547	12,062
4600 · Refunds of Contributions	0	(70)	0	0	0	(70)
4700 · Other Receipts	1	0	0	0	0	1
Total Income	110,257	79,130	130,071	99,738	124,392	543,588
Gross Profit	110,257	79,130	130,071	99,738	124,392	543,588
Expense						
7000 · General Fundraising Expense	26,229	33,547	19,221	48,909	24,662	152,568
7100 · Project-Related Expenses	90	249	36	58	48	481
7200 · Events and Conventions Exp	224	415	435	986	1,243	3,303
7300 · Program-Related Expenses	25,492	24,795	26,430	62,484	69,880	209,081
8000 · Salary & Related Expense	15,615	17,270	16,578	18,831	21,846	90,140
8100 · Admin & Overhead Expense	18,238	20,282	22,937	32,378	26,781	120,616
8200 · Professional Services	4,500	5,091	4,536	5,414	13,799	33,340
8300 · Depreciation Expense	398	398	398	398	398	1,990
Total Expense	90,786	102,047	90,571	169,458	158,657	611,519
Net Ordinary Income	19,471	(22,917)	39,500	(69,720)	(34,265)	(67,931)
Net Income	19,471	(22,917)	39,500	(69,720)	(34,265)	(67,931)

Balance Sheet Summary - Current vs Prior Month

	May 31, 14	Apr 30, 14	\$ Change	% Change
ASSETS				
Current Assets				
Total Checking/Savings	85,004.28	75,458.42	9,545.86	12.65%
Total Other Current Assets	17,039.45	22,178.32	(5,138.87)	-23.17%
Total Current Assets	102,043.73	97,636.74	4,406.99	4.51%
Total Fixed Assets	853,450.35	844,787.23	8,663.12	1.03%
Total Other Assets	7,020.00	7,020.00	0.00	0.00%
TOTAL ASSETS	962,514.08	949,443.97	13,070.11	1.38%
LIABILITIES & EQUITY				
Liabilities				
Total Current Liabilities	143,966.74	96,631.50	47,335.24	48.99%
Total Long Term Liabilities	500,000.00	500,000.00	0.00	0.00%
Total Liabilities	643,966.74	596,631.50	47,335.24	7.93%
Total Equity	318,547.34	352,812.47	(34,265.13)	-9.71%
TOTAL LIABILITIES & EQUITY	962,514.08	949,443.97	13,070.11	1.38%

Statement of Operations - 2014 v. 2012 Comparison

Statement of Ops YTD 14 v 12				Statement of Ops Last Month 14 v 12			
				Support and Revenue			
Jan - Dec 14	Jan - Dec 12	Diff 14 v 12		May 14	May-12	Diff 14 v 12	
Support and Revenue							
20-Membership Dues	183,142	156,756	26,386	33,261	24,213	9,048	
21-Donations	99,307	115,802	-16,495	9,275	13,910	-4,635	
22-Recurring Gifts	140,057	142,087	-2,030	28,562	26,758	1,804	
23-BoardSolicitation MajorGifts	32,400	0	32,400	32,400	0	32,400	
24-Convention Revenue	0	185,226	-185,226	0	185,226	-185,226	
25-Project Program Revenue	44,864	-7,827	52,691	11,175	425	10,750	
26-Brand Dev / Promotional Materials Rev	4,488	170	4,318	547	170	377	
27-BallotAccess Donations	31,755	52,468	-20,713	9,172	48,158	-38,986	
28-Publications Materials Other	7,575	1,020	6,555	0	250	-250	
29-Other Revenue	1	0	1	0	0	0	
Total Support and Revenue	543,588	645,702	-102,114	124,391	299,110	-174,719	
Cost of Support and Revenue							
32-Fundraising Costs	59,914	52,291	7,623	5,969	17,232	-11,263	
33-Membership Fundraising Costs	52,685	25,059	27,626	12,037	2,517	9,520	
35-Convention	0	161,162	-161,162	0	161,162	-161,162	
36-Ballot Access Fundraising Exp	2,984	0	2,984	0	0	0	
37-Building Fundraising Exp	4,207	0	4,207	392	0	392	
Total Cost of Support and Revenue	119,790	238,512	-118,722	18,397	180,911	-162,514	
Net Support Available for Programs	423,798	407,190	16,608	105,994	118,199	-12,205	
Program Expense							
40-Administrative Costs	155,540	150,250	5,290	40,882	29,640	11,242	
45-Compensation	212,971	188,778	24,193	45,086	34,187	10,899	
50-Affiliate Support	2,472	33,943	-31,471	0	0	0	
55-Brand Dev / Promotional Materials	3,053	1,649	1,404	273	593	-321	
58-Campus Outreach	0	0	0	0	0	0	
60-Candidate, Campaign & Initiatives	119	1,000	-881	119	0	119	
70-BallotAccess Petitioning Related Exp	77,141	172,465	-95,324	45,329	85,318	-39,989	
75-Litigation	5,073	5,340	-267	0	0	0	
80-Media	40	0	40	10	0	10	
85-Member Communication	34,385	7,634	26,751	8,561	0	8,561	
88-Outreach	934	3,578	-2,644	0	2,309	-2,309	
90-Project Program Other	0	0	0	0	0	0	
Total Program Expense	491,728	544,637	-52,909	140,259	152,047	-11,788	
Net Operating Surplus (or Deficit)	-67,930	-137,447	69,517	-34,265	-33,848	-417	

Libertarian National Committee, Inc.
Standard Statement of Operations - Jan-Dec 2014
 Budget vs. Actual

	Unrestricted Apr-14	Temp. Restricted	May 14	Jan - May 14	2014 Budget Year to Date	Actual vs. Budget YTD	Total Annual Budget 2014	2014 Budget Remaining
Support and Revenue								
20-Membership Dues	33,260.61		33,260.61	183,141.80	210,750.00	(27,608.20)	505,800.00	322,658.20
21-Donations	9,275.14		9,275.14	99,306.63	122,875.00	(23,568.37)	294,900.00	195,593.37
22-Recurring Gifts	28,561.74		28,561.74	140,057.48	142,208.33	(2,150.85)	341,300.00	201,242.52
23-Board Solicitation Major Gifts	32,400.00		32,400.00	32,400.00	45,833.33	(13,433.33)	110,000.00	77,600.00
24-Convention Revenue	0.00		0.00	0.00	0.00	0.00	110,000.00	110,000.00
25-Project Program Revenue	0.00	11,174.52	11,174.52	44,863.52	0.00	44,863.52	0.00	(44,863.52)
26-Brand Dev / Promotional Materials Rev	547.25		547.25	4,487.75	1,166.67	3,321.08	2,800.00	(1,687.75)
27-Ballot Access Donations	9,172.13		9,172.13	31,755.27	13,375.00	18,380.27	32,100.00	344.73
28-Publications Materials Other	0.00		0.00	7,575.00	3,291.67	4,283.33	7,900.00	325.00
29-Other Revenue	0.00		0.00	0.65	0.00	0.65	0.00	(0.65)
Total Support and Revenue	113,216.87	11,174.52	124,391.39	543,588.10	539,500.00	4,088.10	1,404,800.00	861,211.90
Cost of Support and Revenue								
32-Fundraising Costs	5,968.83		5,968.83	59,914.27	59,000.00	914.27	141,600.00	81,685.73
33-Membership Fundraising Costs	12,036.65		12,036.65	52,684.69	43,000.00	9,684.69	103,200.00	50,515.31
35-Convention	0.00		0.00	0.00	0.00	0.00	110,000.00	0.00
36-Ballot Access Fundraising Exp	0.00		0.00	2,984.26	4,300.00	(1,315.74)	4,300.00	1,315.74
37-Building Fundraising Exp	0.00	392.00	392.00	4,206.63	0.00	4,206.63	0.00	(4,206.63)
Total Cost of Support and Revenue	18,005.48	392.00	18,397.48	119,789.85	106,300.00	13,489.85	359,100.00	129,310.15
Net Support Available for Programs	95,211.39	10,782.52	105,993.91	423,798.25	433,200.00	(9,401.75)	1,045,700.00	731,901.75
Program Expense								
40-Administrative Costs	28,602.95		40,881.71	155,540.31	139,000.00	16,540.31	333,600.00	178,059.69
45-Compensation	45,086.18	12,278.76	45,086.18	212,971.18	215,291.67	(2,320.49)	516,700.00	303,728.82
50-Affiliate Support	0.00		0.00	2,471.95	2,708.33	(236.38)	6,500.00	4,028.05
55-Brand Dev / Promotional Materials	272.50		272.50	3,052.96	1,208.33	1,844.63	2,900.00	(152.96)
58-Campus Outreach	0.00		0.00	0.00	0.00	0.00	0.00	0.00
60-Candidate, Campaign & Initiatives	119.14		119.14	119.14	0.00	119.14	0.00	(119.14)
70-Ballot Access Petitioning Related Exp	45,329.00		45,329.00	77,141.00	50,375.00	26,766.00	120,900.00	43,759.00
75-Litigation	0.00		0.00	5,073.38	5,041.67	31.71	12,100.00	7,026.62
80-Media	9.95		9.95	39.80	0.00	39.80	0.00	(39.80)
85-Member Communication	8,560.56		8,560.56	34,384.65	20,000.00	14,384.65	48,000.00	13,615.35
88-Outreach	0.00		0.00	933.64	4,166.67	(3,233.03)	10,000.00	9,066.36
90-Project Program Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Program Expense	127,980.28	12,278.76	140,259.04	491,728.01	437,791.67	53,936.34	1,050,700.00	558,971.99
Total Net Operating Surplus (or Deficit)	(32,768.89)	(1,496.24)	(34,265.13)	(67,929.76)	(4,591.67)	(63,338.09)	(5,000.00)	172,929.76
Unrestricted Net Operating Surplus (or Deficit)			(32,768.89)	(103,185.23)				

Libertarian National Committee, Inc.

P&L Acct Detail w-Funct Allocation of Exps By Month Plus YTD

January through May 2014

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	TOTAL
Ordinary Income/Expense						
Income						
4000 · General Fundraising						
4010 · Direct Mail Fundraising						
4010-10 · DM - House Fundraising General	5,625.76	12,410.06	15,516.60	19,805.91	5,702.14	59,060.47
4010-11 · DM - House Fundraising Renewal	322.00	1,281.02	4,377.50	1,275.40	150.00	7,405.92
4010-12 · DM - House Fundraising NewDonor	0.00	25.00	100.00	25.00	3,193.00	3,343.00
4010-20 · DM - Donor Renewal	15,076.00	9,723.00	13,274.99	10,571.00	15,099.00	63,743.99
4010-30 · DM - New Donor Prospecting	3,253.00	1,000.00	835.00	3,643.95	0.00	8,731.95
Total 4010 · Direct Mail Fundraising	24,276.76	24,439.08	34,104.09	35,321.26	24,144.14	142,285.33
4020 · Direct Solicitation Major Donor						
4020-10 · Board Soliicitation	0.00	0.00	0.00	0.00	32,400.00	32,400.00
Total 4020 · Direct Solicitation Major Donor	0.00	0.00	0.00	0.00	32,400.00	32,400.00
4030 · Online Contributions - Web						
4030-10 · Online Cont - General	9,518.21	5,263.25	19,761.63	1,840.00	3,573.00	39,956.09
4030-20 · Online Cont - Donor Renewal	12,230.30	9,045.00	18,180.00	7,335.00	10,594.86	57,385.16
4030-30 · Online Cont - New Donor Prosp	9,312.50	7,417.53	8,963.00	5,075.00	3,873.75	34,641.78
Total 4030 · Online Contributions - Web	31,061.01	21,725.78	46,904.63	14,250.00	18,041.61	131,983.03
4040 · Tele Fundraising - Phone Bank						
4040-10 · Tele Fund - General	85.00	50.00	25.00	200.00	0.00	360.00
4040-20 · Tele Fund - Donor Renewal	2,675.00	675.00	2,290.00	1,875.00	350.00	7,865.00
4040-30 · Tele Fund - New Donor Prosp	25.00	0.00	0.00	0.00	0.00	25.00
Total 4040 · Tele Fundraising - Phone Bank	2,785.00	725.00	2,315.00	2,075.00	350.00	8,250.00
4080 · Recurring Contrib - Pledge	28,148.00	27,973.50	27,482.50	27,891.74	28,561.74	140,057.48
4090 · Ballot Access	18,642.15	1,615.00	1,125.99	1,200.00	9,172.13	31,755.27
Total 4000 · General Fundraising	104,912.92	76,478.36	111,932.21	80,738.00	112,669.62	486,731.11
4100 · Project Revenue						
4108 · Building Fund	4,512.00	2,447.00	12,070.00	14,660.00	11,174.52	44,863.52
Total 4100 · Project Revenue	4,512.00	2,447.00	12,070.00	14,660.00	11,174.52	44,863.52
4300 · Program Revenue						
4340 · LP News	600.00	0.00	5,903.00	1,072.00	0.00	7,575.00
4375 · Brand / Promotional Materials	231.00	275.00	166.10	3,268.40	547.25	4,487.75
Total 4300 · Program Revenue	831.00	275.00	6,069.10	4,340.40	547.25	12,062.75
4600 · Refunds of Contributions	0.00	(69.93)	0.00	0.00	0.00	(69.93)
4700 · Other Receipts						
4710 · Interest & Dividends	0.65	0.00	0.00	0.00	0.00	0.65
Total 4700 · Other Receipts	0.65	0.00	0.00	0.00	0.00	0.65
Total Income	110,256.57	79,130.43	130,071.31	99,738.40	124,391.39	543,588.10
Gross Profit	110,256.57	79,130.43	130,071.31	99,738.40	124,391.39	543,588.10
Expense						
7000 · General Fundraising Expense						
7010 · Direct Mail Fundraising Exp						
7010-10 · DM - House General Expense	212.50	11,597.47	1,120.59	20,257.87	638.75	33,827.18
7010-20 · DM - Donor Renewal Expense	3,299.06	1,959.59	3,093.70	3,206.38	1,690.06	13,248.79
7010-30 · DM - New Donor Prospecting Exp	845.70	5,615.68	3,411.70	10,265.73	8,321.59	28,460.40
Total 7010 · Direct Mail Fundraising Exp	4,357.26	19,172.74	7,625.99	33,729.98	10,650.40	75,536.37

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	TOTAL
7030 · Online Contributions Exp - Web						
7030-10 · Online Cont Exp - General	2,992.45	1,090.22	0.00	0.00	0.00	4,082.67
Total 7030 · Online Contributions Exp - Web	2,992.45	1,090.22	0.00	0.00	0.00	4,082.67
7040 · Tele Fundraising Expense						
7040-20 · Tele Fund Exp - Donor Renewal	2,079.00	2,295.00	2,295.00	2,281.50	2,025.00	10,975.50
Total 7040 · Tele Fundraising Expense	2,079.00	2,295.00	2,295.00	2,281.50	2,025.00	10,975.50
7080 · Recurring Contrib - Pledge	1,107.22	611.86	1,212.63	2,831.61	1,114.51	6,877.83
7085 · Building Fund Fundraising Exp	3,814.63	0.00	0.00	0.00	392.00	4,206.63
7090 · Ballot Access Fundraising Exp	2,845.82	138.44	0.00	0.00	0.00	2,984.26
7095 · Credit Card Prc Fees	2,795.01	3,191.07	2,687.72	2,237.22	4,215.57	15,126.59
7099 · Gen Fundraising Staff Salary	6,237.69	7,047.24	5,399.86	7,828.75	6,264.43	32,777.97
Total 7000 · General Fundraising Expense	26,229.08	33,546.57	19,221.20	48,909.06	24,661.91	152,567.82
7100 · Project-Related Expenses						
7106 · Campus Outreach Project						
7106-20 · Campus Outreach Staff Salary	89.75	248.73	36.24	57.99	47.82	480.53
Total 7106 · Campus Outreach Project	89.75	248.73	36.24	57.99	47.82	480.53
Total 7100 · Project-Related Expenses	89.75	248.73	36.24	57.99	47.82	480.53
7200 · Events and Conventions Exp						
7200-40 · Events & Conv Staff Salary	224.38	414.54	434.89	985.84	1,243.32	3,302.97
Total 7200 · Events and Conventions Exp	224.38	414.54	434.89	985.84	1,243.32	3,302.97
7300 · Program-Related Expenses						
7310 · Affiliate Support						
7310-10 · Affiliate Development & Support	459.40	(28.04)	1,044.60	995.99	0.00	2,471.95
7310-20 · Affiliate Support Staff Salary	1,391.14	829.09	507.37	4,059.35	908.58	7,695.53
Total 7310 · Affiliate Support	1,850.54	801.05	1,551.97	5,055.34	908.58	10,167.48
7320 · Outreach - PR & Marketing						
7320-10 · Outreach PR & Marketing General	127.84	505.80	300.00	0.00	0.00	933.64
7320-20 · Outreach PR Mrktng Staff Salary	2,782.28	2,487.26	2,065.72	2,029.68	1,625.88	10,990.82
Total 7320 · Outreach - PR & Marketing	2,910.12	2,993.06	2,365.72	2,029.68	1,625.88	11,924.46
7330 · Media Relations						
7330-10 · Media Relations General	9.95	0.00	9.95	9.95	9.95	39.80
7330-20 · Media Relations Staff Salary	942.38	746.18	579.85	985.84	765.12	4,019.37
Total 7330 · Media Relations	952.33	746.18	589.80	995.79	775.07	4,059.17
7340 · Membership Communications						
7340-10 · LP News	6,265.59	9,434.81	1,501.36	8,622.33	8,560.56	34,384.65
7340-20 · Mem Comm & Support Staff Salary	9,154.60	8,042.14	8,480.32	11,482.17	9,133.63	46,292.86
Total 7340 · Membership Communications	15,420.19	17,476.95	9,981.68	20,104.50	17,694.19	80,677.51
7360 · Campaign Support & Initiatives						
7360-40 · Campaign Support Other	0.00	0.00	0.00	0.00	119.14	119.14
7360-60 · Camp/Cand Support -Staff Salary	1,884.77	1,948.35	1,993.24	2,841.55	2,008.44	10,676.35
Total 7360 · Campaign Support & Initiatives	1,884.77	1,948.35	1,993.24	2,841.55	2,127.58	10,795.49
7375 · Brand Development						
7375-10 · Brand / Promotional Materials	500.00	0.00	572.00	1,708.46	272.50	3,052.96
7375-20 · Brand Development Staff Salary	1,077.01	456.00	289.93	753.88	573.84	3,150.66
Total 7375 · Brand Development	1,577.01	456.00	861.93	2,462.34	846.34	6,203.62
7380 · Ballot Access - Other						
7380-10 · Ballot Access Petitioning Exp.	0.00	0.00	3,687.00	28,125.00	45,329.00	77,141.00
7380-30 · Ballot Access Legal	0.00	0.00	5,000.00	0.00	0.00	5,000.00
7380-50 · B/A & Petitioning Staff Salary	897.51	373.09	398.65	869.86	573.84	3,112.95
Total 7380 · Ballot Access - Other	897.51	373.09	9,085.65	28,994.86	45,902.84	85,253.95
Total 7300 · Program-Related Expenses	25,492.47	24,794.68	26,429.99	62,484.06	69,880.48	209,081.68

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	TOTAL
8000 · Salary & Related Expense						
8005 · Salary Bonus Sick & Vac (Admn)	6,524.96	6,097.80	4,918.15	8,378.26	9,928.54	35,847.71
8010 · Hourly Wages (Admin Portion)	206.36	244.71	228.03	204.37	304.95	1,188.42
8015 · Contract & Paid Internships	2,126.25	4,959.00	4,371.00	4,506.00	4,519.50	20,481.75
8020 · Employer Cont to P/R Tax	4,178.22	2,166.44	2,205.05	2,193.00	2,157.13	12,899.84
8030 · Employer Cont to 401K & Adm	1,563.48	769.86	957.93	784.86	1,969.86	6,045.99
8040 · Fed & State Unemployment	714.90	294.98	147.87	50.07	21.94	1,229.76
8050 · Fed & State Rev & Admn Tax	67.17	28.29	15.35	5.53	2.00	118.34
8060 · Health Insurance	0.00	2,559.96	2,559.96	2,559.96	2,559.96	10,239.84
8065 · Workers Comp Insurance	0.00	0.00	1,026.00	0.00	0.00	1,026.00
8080 · Payroll Service Fees	233.70	149.09	149.09	149.12	381.76	1,062.76
Total 8000 · Salary & Related Expense	15,615.04	17,270.13	16,578.43	18,831.17	21,845.64	90,140.41
8100 · Admin & Overhead Expense						
8110 · Ofc Supplies & Non Cap Equipt	202.79	1,795.82	133.72	1,666.96	778.66	4,577.95
8120 · Telephone & Data Services	103.71	1,281.40	1,280.09	1,322.53	1,271.63	5,259.36
8125 · Equipment Leases & Maint.	545.20	493.95	913.35	493.95	598.80	3,045.25
8130 · Postage & Shipping	1,352.91	297.84	301.29	256.30	1,456.00	3,664.34
8140 · Travel, Meeting, & Meals Exp	0.00	35.88	2,932.15	(374.48)	708.18	3,301.73
8160 · Insurance	0.00	0.00	0.00	6,687.00	0.00	6,687.00
8170 · Occupancy Expenses						
8170-10 · Mortgage Interest Expense	0.00	0.00	0.00	0.00	2,020.62	2,020.62
8170-20 · Utilities Expense	0.00	0.00	0.00	714.95	0.00	714.95
8170-30 · Property Taxes, Fees & Permits	0.00	0.00	0.00	1,628.66	0.00	1,628.66
8170-40 · Maintenance, Cleaning & Repairs	0.00	0.00	0.00	0.00	375.00	375.00
8170-50 · Property Insurance	0.00	0.00	0.00	3,756.00	0.00	3,756.00
8170-60 · Office Rent Parking & Storage	11,243.25	11,243.25	11,243.25	11,243.25	11,521.78	56,494.78
8170-70 · Office Move Related Expenses	0.00	0.00	0.00	0.00	2,826.00	2,826.00
Total 8170 · Occupancy Expenses	11,243.25	11,243.25	11,243.25	17,342.86	16,743.40	67,816.01
8180 · Printing & Copying	131.97	177.62	1,683.25	112.39	658.48	2,763.71
8190 · Software, Hardware & Other IT	4,378.22	4,596.77	4,221.20	4,607.12	4,121.46	21,924.77
8195 · Other Expenses & Bank Fees	279.71	359.23	228.67	263.42	444.39	1,575.42
Total 8100 · Admin & Overhead Expense	18,237.76	20,281.76	22,936.97	32,378.05	26,781.00	120,615.54
8200 · Professional Services						
8210 · Legal						
8210-10 · Legal - General	3,000.00	3,000.00	3,000.00	3,000.00	3,605.30	15,605.30
8210-20 · Legal - Proactive	0.00	0.00	0.00	73.38	0.00	73.38
8210-30 · Litigation-Lobbing Staff Salary	0.00	82.91	36.23	115.98	95.64	330.76
Total 8210 · Legal	3,000.00	3,082.91	3,036.23	3,189.36	3,700.94	16,009.44
8220 · Accounting	0.00	508.50	0.00	725.00	8,597.77	9,831.27
8230 · FEC Filing & Consulting	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	7,500.00
Total 8200 · Professional Services	4,500.00	5,091.41	4,536.23	5,414.36	13,798.71	33,340.71
8300 · Depreciation Expense	397.64	397.64	397.64	397.64	397.64	1,988.20
Total Expense	90,786.12	102,045.46	90,571.59	169,458.17	158,656.52	611,517.86
Net Ordinary Income	19,470.45	(22,915.03)	39,499.72	(69,719.77)	(34,265.13)	(67,929.76)
Net Income	19,470.45	(22,915.03)	39,499.72	(69,719.77)	(34,265.13)	(67,929.76)

Libertarian National Committee, Inc.
Balance Sheet Current vs Prior Month
 As of May 31, 2014

	May 31, 14	Apr 30, 14	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
11 · Cash				
111 · PNC Check Acct 1 (Unrestricted)	59,504.07	14,778.93	44,725.14	302.63%
112 · BBT Check Acct 1 (Unrestricted)	5,439.95	90.08	5,349.87	5,939.02%
113 · PNC Check Acct 2 (Restricted)	19,396.02	60,489.41	(41,093.39)	(67.94%)
114 · BBT Check Acct 2 (Restricted)	664.24	100.00	564.24	564.24%
Total 11 · Cash	85,004.28	75,458.42	9,545.86	12.65%
Total Checking/Savings	85,004.28	75,458.42	9,545.86	12.65%
Other Current Assets				
16 · Prepaid Expenses				
161 · Bulk Mail Account	968.25	800.90	167.35	20.9%
165 · Prepaid Licenses	5,903.22	6,887.09	(983.87)	(14.29%)
166 · Prepaid Insurance	1,046.46	1,046.46	0.00	0.0%
167 · Prepaid Convention				
167-10 · Prepaid Convention General Exp	2,022.25	397.25	1,625.00	409.06%
167-20 · Prepaid Convention Travel/Other	3,571.34	1,524.84	2,046.50	134.21%
Total 167 · Prepaid Convention	5,593.59	1,922.09	3,671.50	191.02%
168 · Prepaid Rent	3,527.93	11,521.78	(7,993.85)	(69.38%)
Total 16 · Prepaid Expenses	17,039.45	22,178.32	(5,138.87)	(23.17%)
Total Other Current Assets	17,039.45	22,178.32	(5,138.87)	(23.17%)
Total Current Assets	102,043.73	97,636.74	4,406.99	4.51%
Fixed Assets				
17 · Fixed Assets				
172 · Furniture & Fixtures	46,678.73	37,617.97	9,060.76	24.09%
173 · Office Equipment	3,159.99	3,159.99	0.00	0.0%
174 · Computer Hardware	77,987.24	77,987.24	0.00	0.0%
175 · Computer Software	89,460.30	89,460.30	0.00	0.0%
176 · Capital Lease Assets	6,827.37	6,827.37	0.00	0.0%
177 · Office Building	825,000.00	825,000.00	0.00	0.0%
178 · Ofc Imprmnt Acq & Capt Expense	14,841.95	14,841.95	0.00	0.0%
179 · Accumulated Depreciation	(210,505.23)	(210,107.59)	(397.64)	(0.19%)
Total 17 · Fixed Assets	853,450.35	844,787.23	8,663.12	1.03%
Total Fixed Assets	853,450.35	844,787.23	8,663.12	1.03%
Other Assets				
19 · Security Deposits				
191 · Rent Deposit	7,020.00	7,020.00	0.00	0.0%
Total 19 · Security Deposits	7,020.00	7,020.00	0.00	0.0%
Total Other Assets	7,020.00	7,020.00	0.00	0.0%
TOTAL ASSETS	962,514.08	949,443.97	13,070.11	1.38%

	May 31, 14	Apr 30, 14	\$ Change	% Change
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
21 · Accounts Payable	8,597.77	0.00	8,597.77	100.0%
Total Accounts Payable	8,597.77	0.00	8,597.77	100.0%
Other Current Liabilities				
24 · Accrued Expenses				
241 · Accrued Payroll	16,196.84	12,774.60	3,422.24	26.79%
242 · Accrued Vacation	22,231.00	20,376.71	1,854.29	9.1%
244 · Other Accrued Expenses	4,500.00	11,714.12	(7,214.12)	(61.59%)
Total 24 · Accrued Expenses	42,927.84	44,865.43	(1,937.59)	(4.32%)
25 · Accrued Payroll Taxes				
251 · Payroll Tax Liabilities	0.06	0.00	0.06	100.0%
252 · 401(k) Liability	2,453.54	2,498.54	(45.00)	(1.8%)
Total 25 · Accrued Payroll Taxes	2,453.60	2,498.54	(44.94)	(1.8%)
27 · Deferred Liabilities				
272 · Deferred Convention Revenue	82,067.00	41,347.00	40,720.00	98.48%
273 · Deferred Rent Liability	7,920.53	7,920.53	0.00	0.0%
Total 27 · Deferred Liabilities	89,987.53	49,267.53	40,720.00	82.65%
Total Other Current Liabilities	135,368.97	96,631.50	38,737.47	40.09%
Total Current Liabilities	143,966.74	96,631.50	47,335.24	48.99%
Long Term Liabilities				
29 · Loans & Mortgages (Principle)	500,000.00	500,000.00	0.00	0.0%
Total Long Term Liabilities	500,000.00	500,000.00	0.00	0.0%
Total Liabilities	643,966.74	596,631.50	47,335.24	7.93%
Equity				
31 · General Operating	366,416.84	365,312.60	1,104.24	0.3%
32 · Temp. Restricted Balances				
3204 · Fund - Campus	8,287.60	8,287.60	0.00	0.0%
3210 · Fund - Building	9,374.23	10,478.47	(1,104.24)	(10.54%)
3211 · Fund - Radio Ad Project	348.55	348.55	0.00	0.0%
3213 · Fund - Legal Offense Fund	2,049.88	2,049.88	0.00	0.0%
Total 32 · Temp. Restricted Balances	20,060.26	21,164.50	(1,104.24)	(5.22%)
Net Income	(67,929.76)	(33,664.63)	(34,265.13)	(101.78%)
Total Equity	318,547.34	352,812.47	(34,265.13)	(9.71%)
TOTAL LIABILITIES & EQUITY	962,514.08	949,443.97	13,070.11	1.38%

Libertarian National Committee, Inc.

Statement of Cash Flows

January through May 2014

	May 14	Jan - May 14
OPERATING ACTIVITIES		
Net Income	(34,265.13)	(67,929.76)
Adjustments to reconcile Net Income		
to net cash provided by operations:		
13 · Other Current Collectables:130 · Bequests Expected - Current	0.00	15,744.10
16 · Prepaid Expenses:161 · Bulk Mail Account	(167.35)	210.89
16 · Prepaid Expenses:163 · Metro Passes	0.00	20.00
16 · Prepaid Expenses:165 · Prepaid Licenses	983.87	4,919.35
16 · Prepaid Expenses:167 · Prepaid Convention:167-10 · Prepaid Convention General Exp	(1,625.00)	(2,022.25)
16 · Prepaid Expenses:167 · Prepaid Convention:167-20 · Prepaid Convention Travel/Other	(2,046.50)	(3,571.34)
16 · Prepaid Expenses:168 · Prepaid Rent	7,993.85	7,715.32
21 · Accounts Payable	8,597.77	8,597.77
24 · Accrued Expenses:241 · Accrued Payroll	3,422.24	(13,978.40)
24 · Accrued Expenses:242 · Accrued Vacation	1,854.29	5,220.29
24 · Accrued Expenses:244 · Other Accrued Expenses	(7,214.12)	1,345.00
25 · Accrued Payroll Taxes:251 · Payroll Tax Liabilities	0.06	0.06
25 · Accrued Payroll Taxes:252 · 401(k) Liability	(45.00)	596.77
27 · Deferred Liabilities:272 · Deferred Convention Revenue	40,720.00	82,067.00
Net cash provided by Operating Activities	18,208.98	38,934.80
INVESTING ACTIVITIES		
17 · Fixed Assets:172 · Furniture & Fixtures	(9,060.76)	(9,060.76)
17 · Fixed Assets:177 · Office Building	0.00	(825,000.00)
17 · Fixed Assets:178 · Ofc Imprmnt Acq & Capt Expense	0.00	(14,841.95)
17 · Fixed Assets:179 · Accumulated Depreciation	397.64	1,988.20
Net cash provided by Investing Activities	(8,663.12)	(846,914.51)
FINANCING ACTIVITIES		
29 · Loans & Mortgages (Principle)	0.00	500,000.00
31 · General Operating	1,104.24	313,060.48
32 · Temp. Restricted Balances:3210 · Fund - Building	(1,104.24)	(313,060.48)
Net cash provided by Financing Activities	0.00	500,000.00
Net cash increase for period	9,545.86	(307,979.71)
Cash at beginning of period	75,458.42	392,983.99
Cash at end of period	85,004.28	85,004.28

RELATED PARTY TRANSACTIONS AS OF:05/31/14

Related Pasrty	Expire Date	MTD Contributions	YTD Contributions	Lifetime Giving (Since 1990)	Building Fund Commitment	Liberty Pledge Club
Starchild	08/01/14	\$ 395.00	\$ 395.00	\$ 2,791.00	\$ -	
Mr. David Blau	Life Member	\$ -	\$ -	\$ 3,184.00	\$ 5,000.00	
Ms. Audrey Capozzi	Life Member	\$ -	\$ -	\$ 2,414.00	\$ -	
Mr. Michael Cloud	Life Member	\$ -	\$ -	\$ 3,233.00	\$ 5,000.00	
Mr. Doug Craig	07/26/14	\$ 325.00	\$ 325.00	\$ 1,914.00	\$ 1,000.00	
Mr. Paul Frankel	Life Member	\$ 445.00	\$ 470.00	\$ 2,841.00	\$ -	
Mr. Sam Goldstein	01/30/15	\$ 155.00	\$ 155.00	\$ 3,463.97	\$ -	
Mr. Timothy Hagan	08/09/14	\$ 395.00	\$ 495.00	\$ 6,537.82	\$ -	
Mr. Kevin Hagan *	11/07/08	\$ -	\$ -	\$ 283.00	\$ -	
Ms. Marina Henley (Neale) *	07/23/06	\$ -	\$ -	\$ 200.00	\$ -	
Ms. Linda Hinkle *	Life Member	\$ -	\$ -	\$ 2,578.76	\$ -	
Mr. Logan Hinkle *	06/14/14	\$ -	\$ -	\$ 526.21	\$ -	
Mr. Albert Hinkle *	12/31/14	\$ 300.00	\$ 560.00	\$ 6,787.50	\$ -	Yes
Mr. Mark Hinkle	Life Member	\$ 20.00	\$ 100.00	\$ 8,016.00	\$ -	Yes
Mr. Gary Johnson	Life Member	\$ 10.00	\$ 445.00	\$ 27,870.00	\$ -	Yes
Ms. Vicki Kirkland	Life Member	\$ 10.00	\$ 50.00	\$ 2,807.00	\$ -	Yes
Mr. Michael Knebel	05/16/15	\$ 25.00	\$ 25.00	\$ 545.00	\$ -	
Dr. James Lark	Life Member	\$ 325.00	\$ 325.00	\$ 76,209.30	\$ -	
Dr. Scott Lieberman	Life Member	\$ -	\$ 84.00	\$ 11,155.38	\$ -	
Mr. Steven Linnabary	Life Member	\$ 200.00	\$ 200.00	\$ 1,568.50	\$ -	
Ms. Melinda Moore (Redpath) *	07/08/10	\$ -	\$ -	\$ 288.00	\$ -	
Ms. Nancy Neale *	Life Member	\$ -	\$ 5,000.00	\$ 12,497.61	\$ -	
Mr. Geoffrey Neale	Life Member	\$ -	\$ 5,400.00	\$ 11,284.03	\$ -	Yes
Ms. Kieman Nevitt (Pojunis) *	11/23/12	\$ -	\$ -	\$ 25.00	\$ -	
Mr. Norman Olsen	Life Member	\$ 50.00	\$ 800.00	\$ 5,404.50	\$ -	
Mr. Brett Pojunis	10/16/14	\$ -	\$ -	\$ 200.00	\$ -	
Mr. Bill Pojunis *	10/12/13	\$ -	\$ -	\$ 144.00	\$ -	
Mr. William Redpath	Life Member	\$ -	\$ 395.00	\$ 95,647.74	\$ -	Yes
Ms. Bette Rose Ryan *	Life Member	\$ 15.00	\$ 75.00	\$ 8,157.00	\$ -	Yes
Mr. Tony Ryan	Life Member	\$ -	\$ -	\$ 5,196.00	\$ -	
Mr. Scott Spencer	Life Member	\$ 480.00	\$ 820.00	\$ 8,195.00	\$ -	Yes
Mr. Richard Tomasso	05/23/15	\$ -	\$ 420.00	\$ 2,757.00	\$ -	
Ms. Dianna Visek	05/20/15	\$ -	\$ 75.00	\$ 855.76	\$ -	
Mr. Arvin Vohra	07/29/14	\$ 395.00	\$ 395.00	\$ 644.00	\$ -	
Mr. Daniel Wiener	12/31/14	\$ 10.00	\$ 445.00	\$ 3,656.84	\$ -	Yes
Mr. R. Lee Wrights	Life Member	\$ -	\$ -	\$ 1,883.00	\$ -	
Total Contributions:		\$ 3,555.00	\$ 17,454.00	\$ 321,760.92	\$ 11,000.00	

* Non LNC Member disclosed related party

Related Pasrty	Memo	MTD Disbursements	YTD Disbrsements
Mr. Robert (Ross) Lowe (Paul Frankel)	AL Ballot Access Petitioning Expense	\$ 4,896.00	\$ 12,498.00
Libertarian Party of Illinois	IL Ballot Access Petitioning Expense	\$ 40,433.00	\$ 64,643.00
Total Disbursements:		\$ 45,329.00	\$ 77,141.00

Libertarian National Committee - Membership Report

"Donor" Totals - May-14

4 Year & 12 Month Comparison

	Dec-10	Dec-11	Dec-12	Dec-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
Active w-MEM	14077	13468	13749	13670	14149	14158	13986	13580	13429	13485	13682	13670	13615	13693	13978	14075	14212
Active w/out MEM	991	859	1194	967	1077	1070	1054	978	884	831	826	967	1084	1095	1113	1101	1154
Total Active Donors	15068	14327	14943	14637	15226	15228	15040	14558	14313	14316	14508	14637	14699	14788	15091	15176	15366
Percent Change	2.76%	-4.92%	4.30%	0.89%	0.24%	0.01%	-1.23%	-3.20%	-1.68%	0.02%	1.34%	0.89%	0.42%	0.61%	2.05%	0.56%	1.25%

Lapsed/Drop MEM	845	1379	1381	1245	614	624	948	1241	1106	1445	1132	1245	870	637	758	663	634
Lapses w/out MEM	33	74	76	82	66	36	43	89	157	201	54	82	58	24	41	39	26
Lapsed/Drop Total	878	1453	1457	1327	680	660	991	1330	1263	1646	1186	1327	928	661	799	702	660
Percent Change	19.46%	65.49%	0.28%	11.89%	-13.04%	-2.94%	50.15%	34.21%	-5.04%	30.32%	-27.95%	11.89%	-30.07%	-28.77%	20.88%	-12.14%	-5.98%

New Donors w-MEM	143	256	240	267	219	206	219	196	254	362	293	267	234	199	321	270	219
New w/out MEM	13	26	38	168	9	10	8	1	39	24	17	168	128	18	25	8	37
New Total	156	282	278	435	228	216	227	197	293	386	310	435	362	217	346	278	256
Percent Change	-25.36%	80.77%	-1.42%	40.32%	11.22%	-5.26%	5.09%	-13.22%	48.73%	31.74%	-19.69%	40.32%	-16.78%	-40.06%	59.45%	-19.65%	-7.91%

Renewed w-MEM	921	900	708	966	467	427	557	639	701	1139	1036	966	581	516	722	490	552
Renewed w/out MEM	71	61	57	55	22	19	19	12	24	124	32	55	47	17	34	19	42
Total Renewals	992	961	765	1021	489	446	576	651	725	1263	1068	1021	628	533	756	509	594
Percent Change	52.38%	-3.13%	-20.40%	-4.40%	-7.74%	-8.79%	29.15%	13.02%	11.37%	74.21%	-15.44%	-4.40%	-38.49%	-15.13%	41.84%	-32.67%	16.70%

Total "MEM"	119731	121850	126900	130507	128415	128673	128929	129200	129455	129833	130187	130507	130841	131091	131396	131735	131994
Percent Change	2.14%	1.77%	4.14%	0.25%	0.22%	0.20%	0.20%	0.21%	0.20%	0.00%	0.27%	0.25%	0.26%	0.19%	0.23%	0.26%	0.20%
Total "LIFETIME"	2096	2142	2208	2295	2264	2266	2269	2271	2274	2276	2290	2295	2304	2308	2309	2312	2319
Total "BSM"	14309	13589	13824	13869	14149	14088	13944	13586	13251	13363	13402	13869	13836	13764	13919	14027	14189

Last Year vs. This Year

	May-13	May-14	Change
Active w-MEM	14149	14212	0.45%
Active w/out MEM	1077	1154	7.15%
Total Active Donors	15226	15366	0.92%

Lapsed/Dropped	680	660	-2.94%
New Donors	228	256	12.28%
Renewals	489	594	21.47%

NEW-RENEW BREAKDOWN BY TYPE

New Members				Renewals			
Source	Number	\$ Total	Ave Gift	Source	Number	\$ Total	Ave Gift
House Mailing to Inq	0	\$ -	\$ -	Renew via House Mailing	6	\$ 150.00	\$ 25.00
Dir Mail Prospecting	74	\$ 3,193.00	\$ 43.15	Dir Mail Renewals	312	\$ 15,099.00	\$ 48.39
Tele-New	0	\$ -	\$ -	Tele-Renewals	10	\$ 350.00	\$ 35.00
Web New Members	128	\$ 3,873.75	\$ 30.26	Web Renewals	214	\$ 10,594.86	\$ 49.51
* Manual Adjustments	54	n/a	n/a	* Manual Adjustments	52	n/a	n/a
Total	256	\$ 7,066.75	\$ 34.98	Total	594	\$ 26,193.86	\$ 48.33

* Includes Pledge Extensions, New Pledges & New/Renew Mem via BA & BF

May-14 MEMBERSHIP BY STATE --- ACTIVE AND NON ACTIVE

<u>STATE</u>	<u>TOTAL "MEM"</u>	<u>ACTIVE "MEM"</u>	<u>ACTIVE "SUB"</u>	<u>TOTAL "ACTIVE"</u>	<u>TOTAL "BSM"</u>
AK	659	68	4	72	68
AL	1676	174	11	185	170
AR	865	111	6	117	107
AZ	3099	304	35	339	307
CA	19184	1792	147	1939	1778
CO	3604	406	36	442	402
CT	1477	182	14	196	178
DC	351	32	7	39	32
DE	376	38	5	43	40
FL	7754	768	90	858	757
GA	5831	424	37	461	433
HI	522	66	7	73	68
IA	997	118	8	126	119
ID	740	58	2	60	58
IL	4417	472	47	519	468
IN	3087	422	19	441	425
KS	1212	165	11	176	165
KY	1137	122	9	131	123
LA	1046	139	16	155	134
MA	2795	232	17	249	230
MD	2381	274	26	300	273
ME	795	63	5	68	62
MI	5085	463	33	496	468
MN	1988	196	17	213	195
MO	2297	250	25	275	252
MS	677	103	9	112	103

<u>STATE</u>	<u>TOTAL "MEM"</u>	<u>ACTIVE "MEM"</u>	<u>ACTIVE "SUB"</u>	<u>TOTAL "ACTIVE"</u>	<u>TOTAL "BSM"</u>
MT	492	50	3	53	51
NC	3265	343	30	373	336
ND	209	34	1	35	33
NE	639	84	4	88	85
NH	1334	139	12	151	139
NJ	3028	313	24	337	311
NM	1108	106	19	125	111
NV	1880	260	12	272	256
NY	4872	575	67	642	574
OH	5117	1062	16	1078	1067
OK	1002	103	7	110	104
OR	2176	173	23	196	171
PA	5777	538	52	590	541
RI	311	35	1	36	35
SC	1646	167	13	180	162
SD	246	42	1	43	42
TN	2340	232	13	245	240
TX	8756	979	99	1078	979
UT	1125	89	16	105	89
VA	4552	682	39	721	686
VT	393	32	6	38	33
WA	4245	375	25	400	374
WI	1891	197	15	212	196
WV	583	59	2	61	59
WY	313	30	1	31	29
XX	642	71	10	81	71

	<u>TOTAL "MEM"</u>	<u>ACTIVE "MEM"</u>	<u>ACTIVE "SUB"</u>	<u>TOTAL "ACTIVE"</u>	<u>TOTAL "BSM"</u>
TOTALS	131994	14212	1154	15366	14189

DEFINITIONS: MEM = Member Signed Certificate

Total MEM = Total # Constituents Per State w-Member Signed Certificate

ACTIVE MEM = Current Dues Paying or Lifetime Donor w-Signed Certificate

ACTIVE SUB (ACTIVE NON MEM) = Current Dues Paying or Lifetime Donors Who Have NOT Signed the Certificate (Formerly Called "Subscriber")

TOTAL ACTIVE = Current Dues Paying or Lifetime Donor

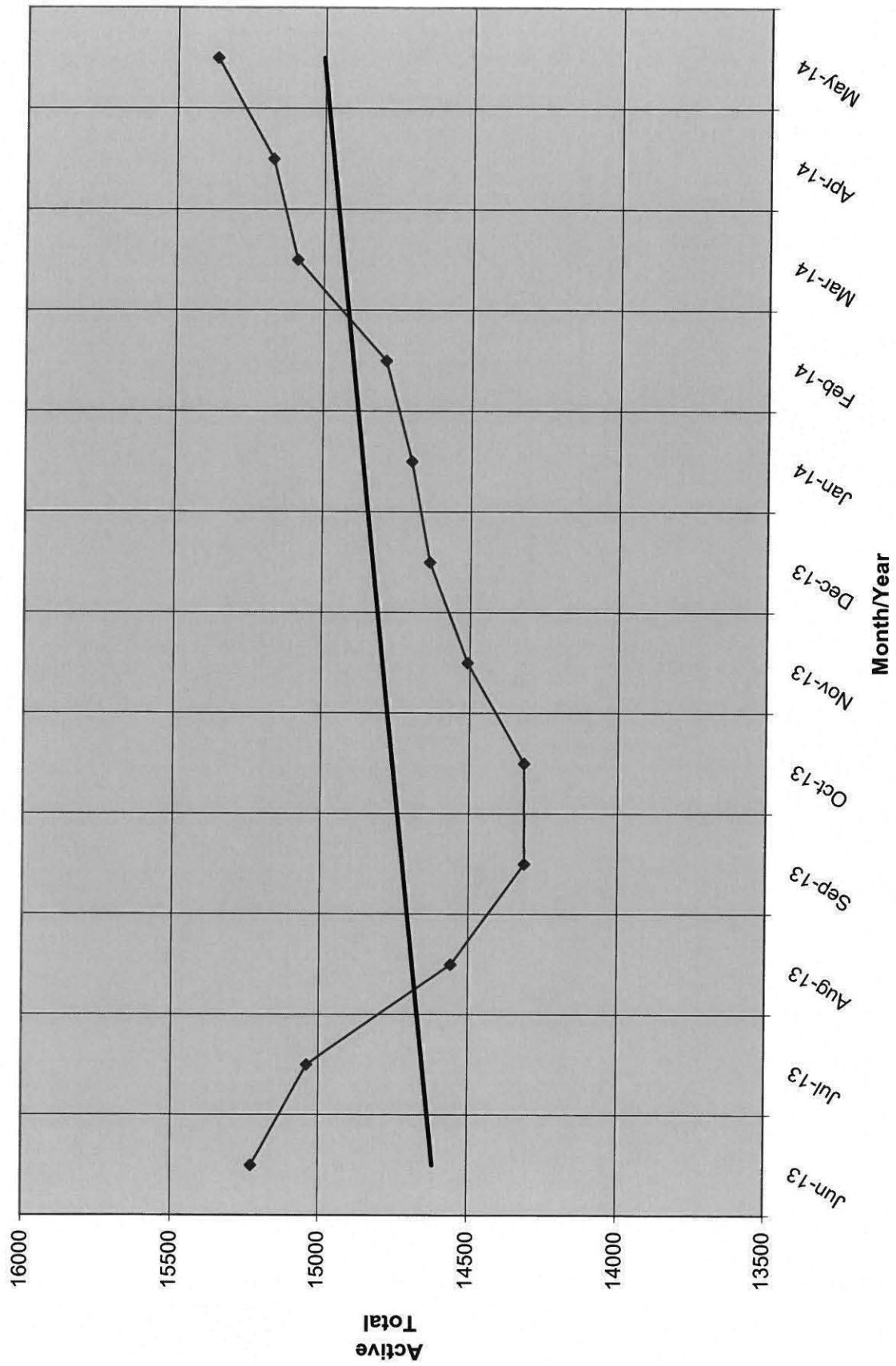
BSM = By Law Definition of "Sustaining Member" and number used for delegate count

(Art 5-3: "Sustaining member" is any Party member who has given at least \$25 to the Party in the prior twelve months, or who is a life member.)

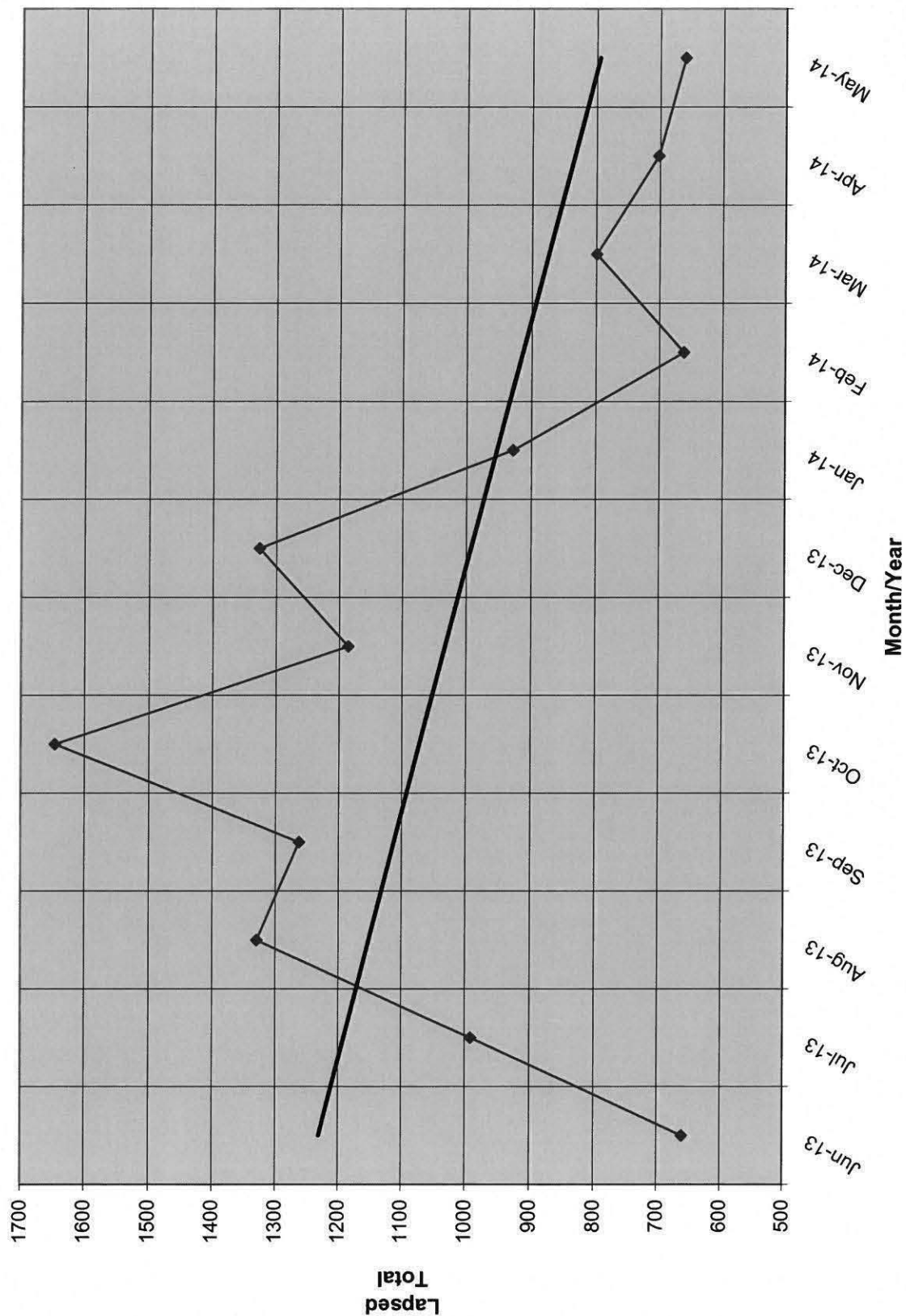
SUSTAINING MEMBERSHIP STATE RANKINGS - "BSM"

<u>State</u>	<u>Total BSM</u>	<u>Rank</u>	<u>State</u>	<u>Total BSM</u>	<u>Rank</u>
CA	1778	1	KS	165	27
OH	1067	2	SC	162	28
TX	979	3	NH	139	29
FL	757	4	LA	134	30
VA	686	5	KY	123	31
NY	574	6	IA	119	32
PA	541	7	NM	111	33
IL	468	8	AR	107	34
MI	468	9	OK	104	35
GA	433	10	MS	103	36
IN	425	11	UT	89	37
CO	402	12	NE	85	38
WA	374	13	XX	71	39
NC	336	14	AK	68	40
NJ	311	15	HI	68	41
AZ	307	16	ME	62	42
MD	273	17	WV	59	43
NV	256	18	ID	58	44
MO	252	19	MT	51	45
TN	240	20	SD	42	46
MA	230	21	DE	40	47
WI	196	22	RI	35	48
MN	195	23	ND	33	49
CT	178	24	VT	33	50
OR	171	25	DC	32	51
AL	170	26	WY	29	52

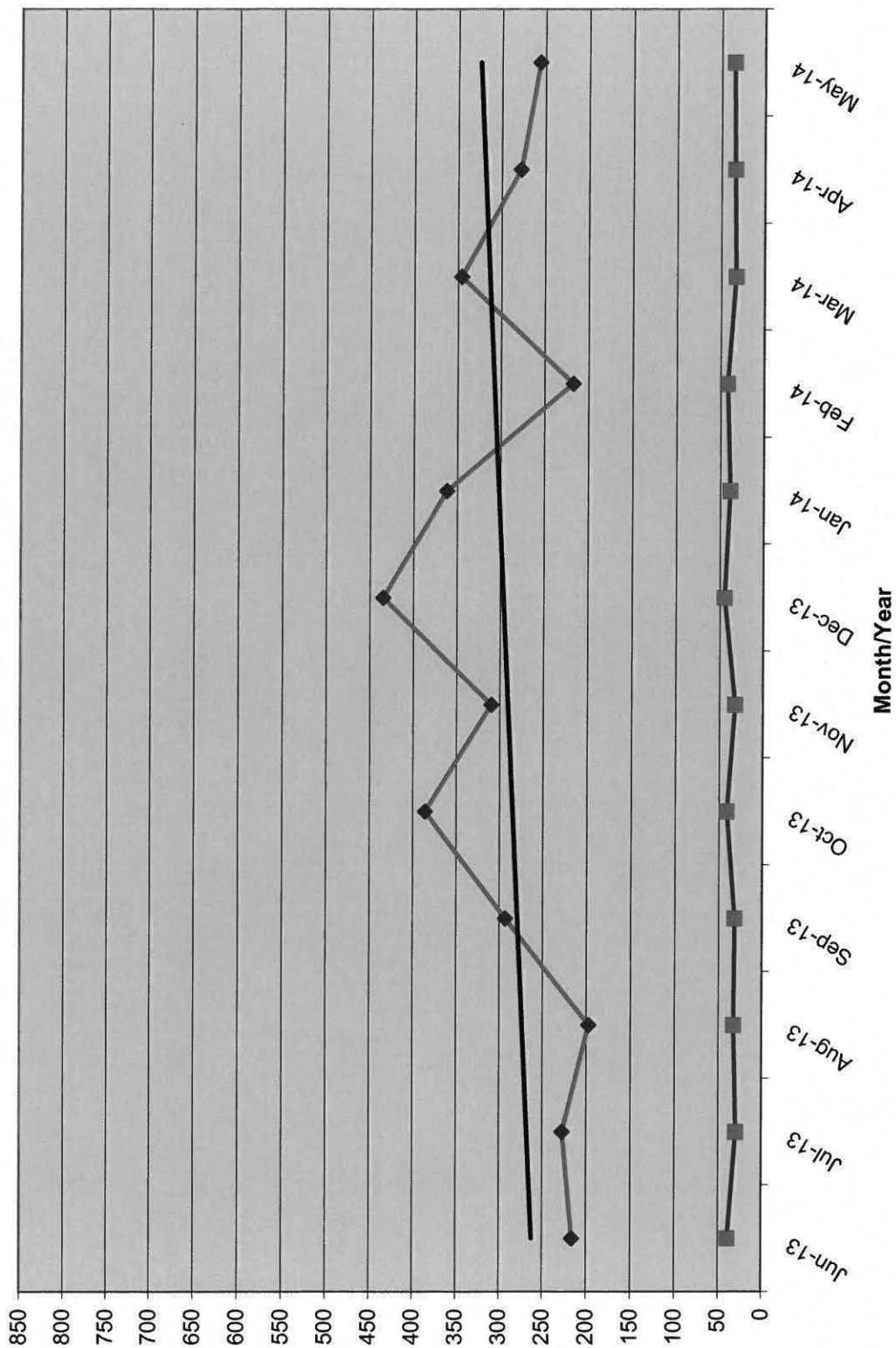
Active Donors - Past 12 Months



Lapsed - Dropped - Donors - Past 12 Months

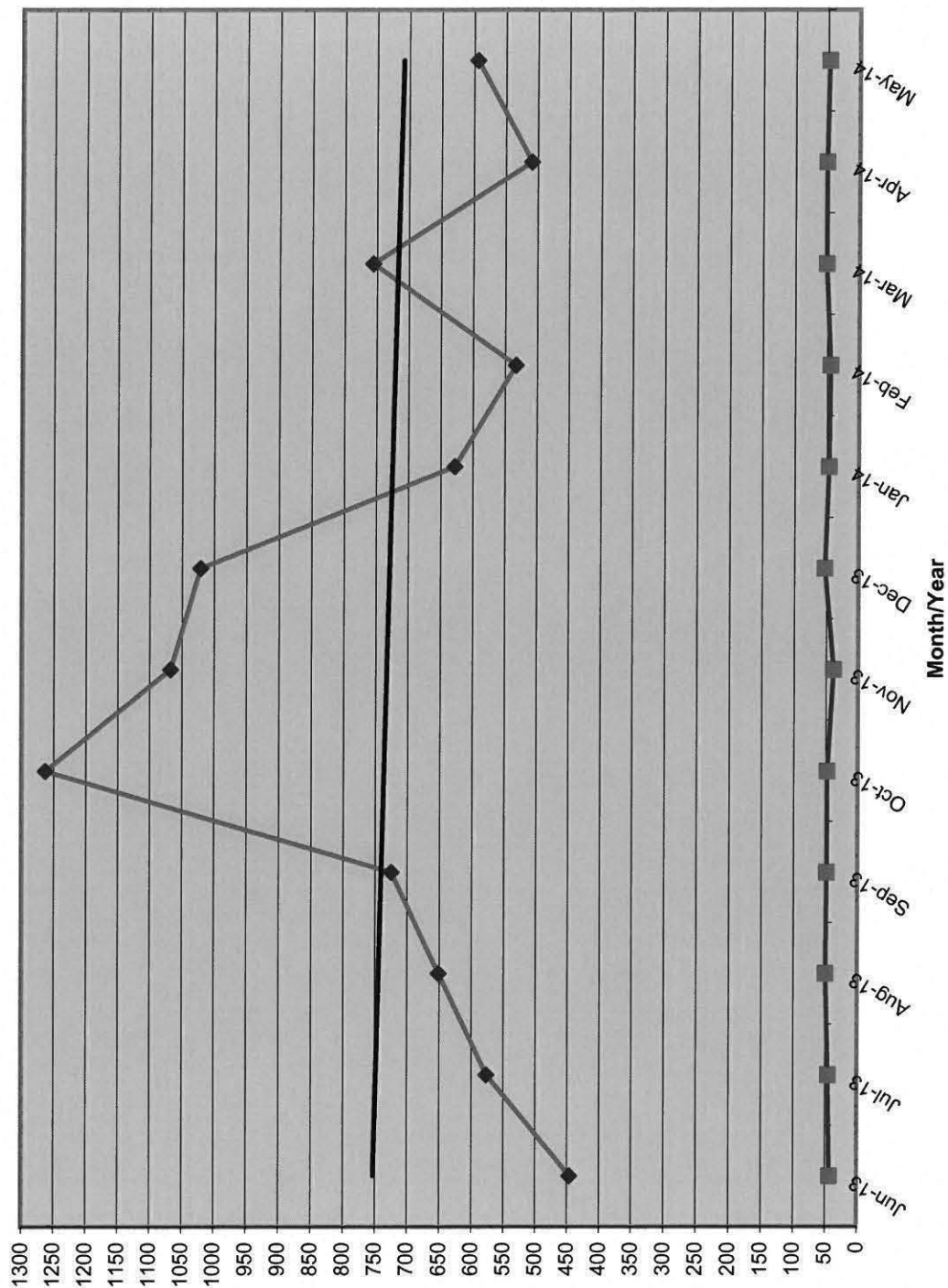


New Donors / Ave Gift - Past 12 Months



	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
New Donors	216	227	197	293	386	310	435	362	217	346	278	256
Ave Gift	\$ 39.18	\$ 29.68	\$ 32.45	\$ 31.53	\$ 40.98	\$ 31.85	\$ 44.54	\$ 38.47	\$ 42.21	\$ 32.88	\$ 34.16	\$ 34.98

Renew Donors - Past 12 Months



	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
Renew Total	446	576	651	725	1263	1068	1021	628	533	756	509	594
Ave Gift	\$ 43.81	\$ 46.05	\$ 49.76	\$ 48.76	\$ 47.94	\$ 38.42	\$ 52.59	\$ 46.73	\$ 45.05	\$ 51.87	\$ 51.11	\$ 48.33