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Sent: Saturday, September 6, 2025 8:45:33 PM (UTC+00:00) Monrovia, Reykjavik

To: LNC Board <lncb...@lp.org>; LNC Public <lnc-p...@lp.org>; Inc-public_forward <lnc-publi...@lp.org>

Subject: LNC Financial Statements-July 2025

Attached please find the Libertarian National Committee, Inc. financial statements, as of July 31, 2025. I apologize for the delay in getting these issued. The delay is partly my fault, but my initial review of the document led to some changes that are reflected on these financial statements.

Due to Joint Fundraising Committee (JFC) impacts on the financial statements on Pages 5, 9 & 10 (because of Cash that is included that will be expended on liabilities of the Kennedy Victory Fund), it is best to focus on the balance sheet data at the bottom of Page 3. Once all JFC-raised funds have been expended by the LNC, there will be no difference between the Page 3 balance sheet and the more detailed balance sheet.

Total Cash was at \$118,763, which is the \$606,847 Total Bank Accounts Balance on Page 9, minus the two JFA account balances, plus \$1,030 in interest income in August 2025. The July 2025 income statement is summarized on Page 4, with greater income statement detail on Pages 6, 7 & 8. There have been some changes to the January through June 2025 financial statements.

First, Revenue Account 4-4000 for June 2025 was reduced from \$53,296 in the June financial statements to \$45,866 in the July financial statements due to an input error in the CRM database. For one contribution in June, a check number was inputted as the check amount. This error was found in July, and it was corrected.

Changes for January through June were also made to Expense Account 7-7000 (Fundraising & Membership Expense). The following is the explanation from our outside accountant (Cornerstone is a consultant re: use of the Zoho CRM database):

“All Cornerstone bills were paid on time and initially recorded as a prepaid expense, with the expectation that Cornerstone would provide regular updates on usage and remaining credits. However, we didn’t receive any updates until July, when they finally issued a statement showing that they had been recording usage throughout the year — despite not informing us.

“Consequently, we had to recognize that usage for the full year, retroactively applying the expense to each month.”

Total Revenue for July was only \$44,958, the lowest month of the year to date. Total revenue for January through July was \$507,549, well below the budgeted amount of \$695,000.

July Expenses totaled \$92,608, much of which was due to Cornerstone expense recognition, which greatly increased July expenses in Account 7-7000.

Net Income in June was -\$47,650, and YTD Net Income was \$-49,192. Both figures are well below budgeted amounts. A lot of this was due to non-cash expenses. One can see on Page 11 (the Statement of Cash Flows) that Cash from Operating Activities in July was \$-9,655, which is not good, but isn’t nearly as bad as what the Income Statement conveys. July results notwithstanding, I still think that without an increase in LNC revenue, we will continue to run about \$15,000 in the hole per month for the foreseeable future.

The August 2025 month end financial statements will look decidedly different than these financial statements. In August 2025, the closing on the sale of the LNC-owned building in Alexandria, VA occurred, with net proceeds to the LNC of \$633,321.83. Cash will be up substantially, and the building will no longer be a long-term asset on the balance sheet. The credit cards have been paid off, with nearly all of the rest being placed into a money market account. Accrued Real Estate Tax (a liability) should also be zero, as of August 31, 2025.

FEC reports have been filed on a timely basis by Paula Edwards, the LNC's FEC consultant, and all other FEC inquires have been answered on a timely basis.

Bill Redpath, LNC Treasurer