



2020 Annual Report

Central America Poultry Export Quota Inc.



Central America Poultry Export Quota, Inc. c/o DTB Associates, LLP
1101 15th Street, NW, Suite 202
Washington, D.C. 20005
Tel: 202-684-2512 - Fax: 202-384-2234
www.ca-peq.org

CA-PEQ Central America Poultry Export Quota, Inc.

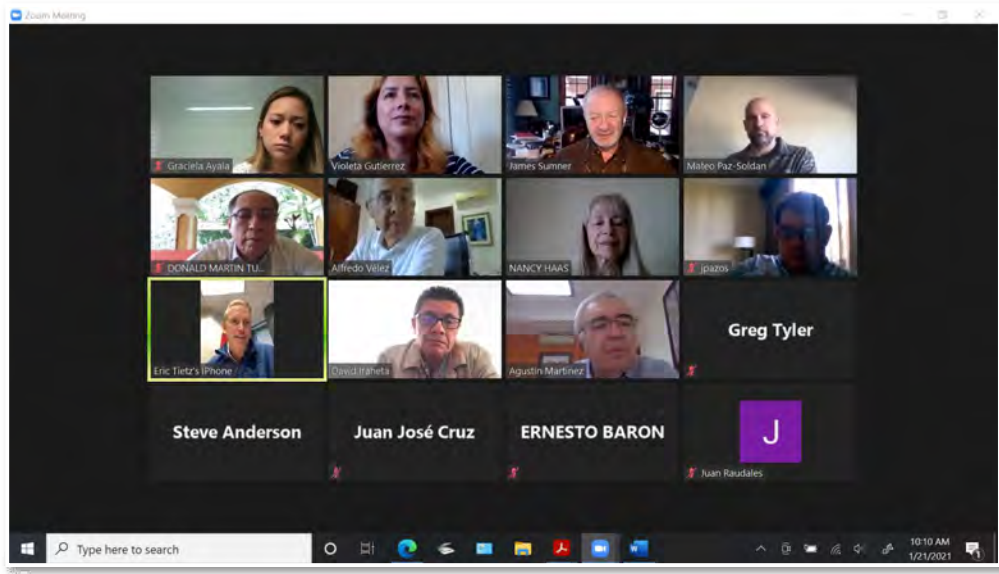
Mission Statement

The Central America Poultry Export Quota, Inc. is a not-for-profit corporation established to manage on an open tender basis the tariff-rate quota (TRQ) for chicken leg quarters (CLQs) granted by El Salvador, Guatemala, Honduras, and Nicaragua to the United States under the terms of the United States-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA). CA-PEQ is also tasked with distributing the proceeds received from the aforementioned tender process for the benefit of the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua, and the United States to fund market development, educational, scientific, and technical projects. In this manner, CA-PEQ fosters the cooperation and integration of the poultry industries of its members.

* CA-PEQ's mission was established under the terms of an Export Trade Certificate of Review, issued by the U.S. Department of Commerce on January 20, 2006, and published in the Federal Register on February 9, 2006/ Vol. 71, No. 27.

Table of Contents

1.	Chairman’s Letter	3
2.	Directors and Officers	4
3.	Open-Tender Process and Results	5
4.	Reporting and Outreach	8
5.	Disposition of Proceeds	8
6.	Audited Financial Statements	18



January 2021 CA-PEQ Annual Board Meeting by Video Conference

1. Chairman's Letter

In 2020, CA-PEQ generated \$537,594 in revenues from open-tenders for the allocation of tariff rate quota (TRQ) for chicken leg quarters (CLOs) granted by El Salvador, Honduras, and Nicaragua to the United States under the Dominican Republic - Central America Free Trade Agreement (DR-CAFTA).

Net proceeds from open tenders are used to fund market development, educational, scientific, and technical projects to benefit the participating poultry associations in Central America and the United States (see Figure A for distribution of funds). Projects in 2020 amounted to \$1,660,513 from accumulated funds strictly saved for these purposes. Some CA-PEQ members used remaining funds from previous projects to continue with their projects, as well as to adapt their strategies and help their communities during the COVID-19 pandemic emergency. The following are highlights of funded projects:

- Technical and financial support for national poultry health programs (Honduras, El Salvador and Nicaragua);
- Support for a meal program aimed at reducing child malnutrition (Guatemala);
- Market promotion to encourage consumption of poultry and egg products (El Salvador).
- Funding for technical staff, participation in technical forums (memberships), and the preparation of a diagnosis of poultry facilities to achieve poultry meat exports to the U.S. (Nicaragua).
- Support for scientific research, communications, and marketing programs (United States).
- Construction of USAPEEC's headquarters, continuation (United States).

Pursuant to its bylaws, CA-PEQ's chairmanship rotates, on an annual basis, among its members: Asociación de Avicultores de El Salvador (AVES), Asociación Nacional de Avicultores de Guatemala (ANAVI), Federación de Avicultores de Honduras (FEDAVIH), Asociación Nacional de Avicultores y Productores de Nicaragua (ANAPA) and USA Poultry & Egg Export Council (USAPEEC). During CA-PEQ's annual and board meetings in January 2020, the Board appointed Mr. Agustin Martinez from AVES as Chairman, and Mr. Reint Huizinga from USAPEEC as Vice-Chairman. Mr. Mateo Paz-Soldan and Ms. Violeta Gutierrez were confirmed as Secretary and Treasurer, respectively. As further stipulated in the bylaws, the member associations appointed eight directors, four from Central America and four from the United States, for the two-year period 2020 - 2021.

As CA-PEQ's Chairwoman during 2021, I look forward to working in collaboration with my fellow board members for the benefit of our poultry industry members.

Sincerely,

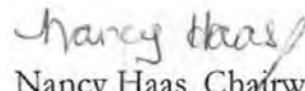
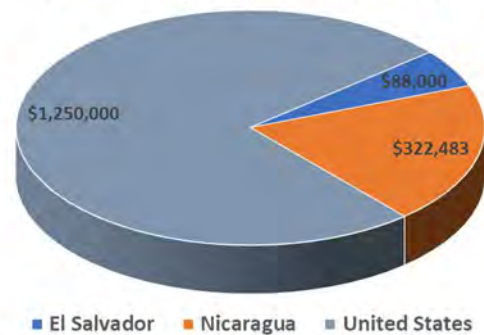

Nancy Haas, Chairwoman 2021

Figure A
CA-PEQ Project Funding for 2020



2. Directors and Officers

Pursuant to CA-PEQ's bylaws and the Export Trade Certificate of Review (ETCR) approved by the U.S. Department of Commerce, the members of CA-PEQ are the national trade associations representing the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua, and the United States. An eight-member Board of Directors appointed by these associations governs CA-PEQ.

Directors for 2020



Agustin Martinez
Chairman
AVES - EL Salvador



Reint Huizinga
Vice-Chairman
USAPEEC - United States



Alfredo Velez
Director
ANAPA - Nicaragua



Juan Carlos Pazos
Director
ANAVI - Guatemala



Rodolfo Mercadal
Director
FEDAVIH - Honduras



James Sumner
Director
USAPEEC - United States



Nancy Haas
Director
USAPEEC - United States



Steve Anderson
Director
USAPEEC - United States

In addition to Mr. Martinez who served as Chairman and Mr. Huizinga who served as Vice-Chairman, Mateo Paz-Soldan and Violeta Gutierrez from the CA-PEQ Administrator, served as Secretary and Treasurer, respectively.

Officers for 2020



Mateo Paz-Soldan
Secretary



Violeta Gutierrez
Treasurer

3. Open Tender Process and Results

Under the terms of the ETCR, CA-PEQ is tasked with managing the TRQ for CLQs established for each participating country on a yearly basis, as stipulated in the DR-CAFTA.¹ CA-PEQ, through an independent Administrator, manages this TRQ through an open-tender process, or auction, in which certificates for duty-free shipments of CLQs are awarded to the highest bidders, pursuant to ETCR requirements. Notice of each open tender process is published in advance both in the United States and in the Central American country whose TRQ tranche is being auctioned. Bid specifications and contents are included in the notice and published on the CA-PEQ website. Once the open tender period closes, results are audited, and bidders are notified of the disposition of their bids. The complete results are sent to the governments and consolidated results are made available to the member poultry associations, and to the public on the CA-PEQ website. Open tender proceeds are then maintained in an interest-bearing bank account until funding requests of participating member associations are approved by the CA-PEQ Board (see Section 5).

In 2020, open tender receipts for the right to import CLQs duty free into El Salvador, Honduras and Nicaragua totaled \$537,594. Total open tender revenues decreased 7.40% from 2019. A combined quota of 9,670 metric tons (MT), or 65.50% of the yearly quota of 14,763 MT, was awarded. A rollover TRQ of 861.24 MT from Honduras and 1,285.24 MT from El Salvador were offered in the corresponding third open tender.

¹ See General Notes and Appendix 1 - Tariff Rate Quotas, Annex 3.3 of the text of the DR-CAFTA.

Table 1
2020 CA-PEQ Open Tender Results

Country/Category	First Tranche	Second Tranche	Third Tranche	Total
Honduras	Jan 13 - 24, 2020	Aug 17 - 28, 2020	Oct 5 - 16, 2020*	
Available Quota for Auction (MT)	1,937.00	1,937.00	2,797.24	6,671.24
Certificates Awarded (MT)	1,937.00	1,075.76	18.14	3,030.90
Average Successful Bid (\$/MT)	\$23.00	\$23.09	\$23.10	\$23.03
Lowest Successful Bid (\$/MT)	\$22.04	\$22.50	\$23.10	\$22.04
Auction Receipts (\$)	\$44,546.33	\$24,834.60	\$419.03	\$69,799.96
El Salvador	Jan 13 - 17, 2020	July 13 - 17, 2020	Oct 12 - 16, 2020*	
Available Quota for Auction (MT)	1,718.00	1,718.00	3,002.24	6,438.24
Certificates Awarded (MT)	1,718.00	432.76	688.40	2,839.16
Average Successful Bid (\$/MT)	\$29.87	\$28.80	\$24.52	\$28.41
Lowest Successful Bid (\$/MT)	\$22.10	\$23.00	\$22.04	\$22.04
Auction Receipts (\$)	\$51,311.42	\$12,462.54	\$16,881.82	\$80,655.78
Nicaragua	Feb 24 - 28, 2020	Oct 5 - 9, 2020		
Available Quota for Auction (MT)	2,280.00	1,520.00		3,800.00
Certificates Awarded (MT)	2,280.00	1,520.00		3,800.00
Average Successful Bid (\$/MT)	\$114.56	\$82.85		\$101.88
Lowest Successful Bid (\$/MT)	\$88.00	\$35.00		\$35.00
Auction Receipts (\$)	\$261,200.60	\$125,937.06		\$387,137.66
YEAR-TO-DATE RECEIPTS				\$537,593.40
YEAR-TO-DATE TRQ AWARDED (MT)				9,670.06
ROLL-OVER QUOTA (MT)				2,146.48
TRQ UNDER CAFTA-DR (MT)				14,763.00
TRQ AWARDED (%)				65.50

Note: The last tranche includes Available Quota for Auction (MT) not allocated in previous 2020 auctions: 1) Honduras: 861.24 MT, and 2) El Salvador: 1,285.24 MT.

***Data compiled from CA-PEQ's audited financial statements and published information at www.ca-peq.org.**

Table 2
2020 CA-PEQ Open-Tender Auction Receipts and Certificates Awarded

Country	Certificates Awarded (MT)		Auction Receipts	
El Salvador	2,839.16	29.36%	\$80,655.78	15.00%
Honduras	3,030.90	31.34%	\$69,799.96	12.98%
Nicaragua	3,800.00	39.30%	\$387,137.66	72.01%
Total	9,670.06	100.00%	\$537,593.40	100.00%

Source: CA-PEQ

On a country-by-country basis, awarded certificates in MT corresponded to: El Salvador (29%); Honduras (31%); and Nicaragua (40%), while their respective open tender revenues amounted to 15%, 13%, and 72% of the total. The highest average successful bid was \$114.56/MT and the lowest successful bid \$22.04/MT. See Table 1 on page 6 and Table 2 above for more information.

The list of winners in the open tenders held for 2020 are published on the CA-PEQ website. These winners were:

- Bassett & Walker Inc. - Wilmington, DE
- Boston Agrex, LLC - Norwell, MA
- Cargill Protein Group - Wichita, KS
- Geaux International, LLC - Miami, FL
- Intertrade Purchasing & Consulting, Inc. - Miami, FL
- Intervision Foods, LLC - Atlanta, GA
- Merinter, Inc. - Miami, FL
- Quirch Foods - Coral Gables, FL
- South Florida Foods International Inc. - Doral, FL
- Ronald A. Chisholm (USA) Inc. - Linden, MI
- USA Poultry - Miami, FL

4. Reporting and Outreach

As established in CA-PEQ's ETCR, an important part of the corporation's responsibilities includes maintaining the governments of Central American countries and the United States informed of open-tender results, the dates selected for open tenders, and other key issues impacting the corporation. CA-PEQ must also comply with annual reporting requirements before the U.S. Department of Commerce and the U.S. Internal Revenue Service, and with requests for information by Central American or U.S. government authorities. In addition, the Administrator meets government authorities from member countries periodically to provide updates and gather feedback with regard to TRQ management.

5. Disposition of Proceeds

One of the main purposes of CA-PEQ under the ETCR is to distribute net proceeds generated by the open tenders to fund projects in export market development, educational, scientific, and technical categories for the benefit of the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua, and the United States. The Administrator distributes these proceeds to fund capacity building projects in the aforementioned categories, after paying operating expenses at the end of each year. As established in the ETCR, proceeds are distributed between USAPEEC (50%) and the poultry industries of El Salvador, Guatemala, Honduras, and Nicaragua (50%), based on the TRQ allocated to each Central American country. The following is a country-by-country overview of how the proceeds were used in 2020.

EL SALVADOR

In 2020, the Poultry Association of El Salvador (AVES) received a total of \$88,000 from CA-PEQ to fund the following project: "Strengthening the Marketing and Communication strategy to increase poultry products consumption; and technical and financial cooperation to improve the National Poultry Health Surveillance Program; and the process of market access of poultry products to other countries in support of the Ministry of Agriculture and Livestock (MAG) (continuation)." Activities funded under this project are included in the following ETCR categories:

Market Development

1. **Continuation of a market promotion and media campaign** under the slogans "Chicken and egg: a thousand ways to say I love you" and "We want you healthy." The campaign continued to emphasize the benefits of poultry products as the best source of protein and for health under AVES' four strategic pillars: 1. Nutrition and Healthy Eating; 2. Sports and Healthy Lifestyle; 3. Culinary Creativity; and 4. Family Economics. The campaign reached a large segment of the Salvadoran population through mass media and social media. See Figure B.

Scientific and Technical

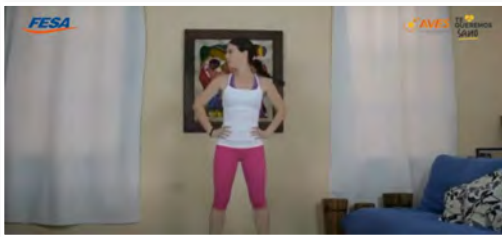
2. **Continued strengthening of the National Poultry Health and Food Safety Program**, in collaboration with the MAG. The project promoted food safety with the issuance of diagnostic tests and poultry health monitoring activities, training for technical personnel in associated areas, and support to MAG activities related to the process of admissibility of poultry products to other markets, which includes the hiring of consultants to develop regulations and the strengthening of food safety laboratories.

Figure B Market Development Activities

Pillar 1: Nutrition and Healthy Eating - "We Want You Healthy"



Pillar 2: Sports and Healthy Lifestyle - Body Conditioning Videos



Pillar 3: Culinary Creativity - Food Preparation with National Celebrity Chefs



Pillar 4: Family Economics

"There is Always a Reason to Give Thanks"
(Thanksgiving Day)

Food Safety Awareness of the Poultry
Industry



Source: AVES Channel in YouTube

GUATEMALA

In 2020, the Poultry Association of Guatemala (ANAVI) continued implementation of a 2019 project entitled: "The use of poultry products to reduce malnutrition in Guatemalan children (continuation)." The following is a summary of its respective activity under the ETCR category of Market Development:

Market Development

1. **The continuation of a project to reduce malnutrition**, within indigenous communities in vulnerable economic situations, to contribute to alleviating child malnutrition in Guatemala. Before the COVID-19 pandemic emergency, this program delivered daily lunches made with chicken and egg products, as well as health services, to 852 children in four public elementary schools in the rural areas of Barberena, San Juan Alotenango, Cuilapa and Escuintla. Said lunches consisted of one egg or chicken sausage and a tortilla prepared in creative ways, to add variety to the menu, by volunteer parents. When schools had to close due to the COVID-19 pandemic, this program switched to provide an egg portion with flour to the families served by the program to complement, and jointly with, the Government's school feeding program "School Family Bag" delivered monthly. Chicken bags were also provided during lockdown. See Figure C.

Figure C
Project to reduce malnutrition in four schools in Guatemala

Los Bijagües Elementary School, Barbarena

Carnival Festival (Pre-COVID 19 Pandemic)



Donation during COVID-19 Pandemic



Source: ANAVI

Figure C

Project to reduce malnutrition in four schools in Guatemala (continuation)

Mario Méndez Montenegro Elementary School, San Juan Alotenango

Daily Lunches (Pre-COVID 19 Pandemic)



Donation during COVID Pandemic Emergency



Los Esclavos Elementary School, Cuilapa

Deworming Day (Pre-COVID19 Pandemic)



Donation during COVID Pandemic Emergency



Masagua Elementary School, Escuintla

Height and Weight Measurements (Pre-COVID 19 Pandemic)



Chicken Donation during COVID-19 Pandemic Lockdown



Source: ANAVI

HONDURAS

In 2020, the Poultry Federation of Honduras (FEDAVIH) continued implementation of a 2019 project entitled: "Keep Honduras free from Newcastle and avian influenza diseases; comply with the U.S. Department of Agriculture (USDA) requirements to export poultry meat to the U.S. and other countries; and educational programs for professionals in related fields" (continuation). Activities under this project are highlighted in the following ETCR categories:

Scientific and Technical

1. **An ongoing collaboration between FEDAVIH and SENASA-SAG**, the Honduran Ministry of Agriculture's sanitary and phytosanitary (SPS) agency, for the National Poultry Program, to keep Honduras free from avian diseases, and to comply with USDA requirements to access the U.S. market. Funds were used to provide equipment for polymerase chain reaction (PCR) testing. See Figure D.

Figure D
Diagnostic Testing



Source: FEDAVIH

NICARAGUA

In 2020, the National Association of Egg, Poultry, and Animal Feed Producers of Nicaragua (ANAPA) received from CA-PEQ a total of \$322,483 to fund the following components of a comprehensive project entitled: “Annual National Surveillance and Food Safety Cooperation Agreement between ANAPA and IPSA; Diagnosis of the Nicaraguan avian health status and Poultry Processing Plants for exporting chicken meat to the United States.; ANAPA’s participation in Regional and International Poultry Association Forums, Technical Regional Meetings, Training Events on Poultry Health and Food Safety and Meetings, to follow up with the agenda of the DR-CAFTA Agriculture Review Commission; Facilitation of technical and legal matters related to poultry regulatory affairs”. The following is a summary of the components funded under this project:

Scientific and Technical

1. **For the twelfth consecutive year, CA-PEQ funds helped finance the National Poultry Health and Surveillance Program**, a joint program between ANAPA and the Animal Health and Protection Agency (IPSA). This program aims to keep Nicaragua free of avian influenza, Newcastle disease, avian infectious Laryngotracheitis, and Salmonella Pullorum-Typhoid in order to strengthen surveillance, food security and improve production in local and export markets. See Figure E.
2. **The continued participation of ANAPA in regional forums**, including funds to cover membership dues, such as Latin American poultry forums and the International Poultry Council (IPC). ANAPA participates in the Avian Health Regional Technical Committee under the Regional and the International and Regional Organization for Plant and Animal Health (OIRSA), and the Central American Economic Integration Consulting Council (CCIE) of the Central American Customs Union. ANAPA is also part of the Avian Technical Committees in Latin American poultry forums, where the regional poultry sector explores relevant avian health and food safety issues.

3. The continued support to the office for technical and legal regulations and standards, by funding two full-time experts that are responsible for organizing the work of the National Avian Health Technical Commission, managing the national poultry program's funds, facilitating communication between government authorities and regional and international organizations, and proposing and reviewing technical and legal recommendations regarding avian health, food safety, environment, trade, among other matters.

Figure E
Signing of IPSA-ANAPA Cooperation Agreement



Source: ANAPA

UNITED STATES

In 2020, the United States Poultry & Egg Export Council (USAPEEC) received a total of \$1,250,000 from CA-PEQ to fund the following projects: 1) "Expansion of USAPEEC Scientific/Technical Programs to Counter Trade Barriers; Expansion of USAPEEC's Communications Services which will allow more of an outreach through web based and social media program; Expansion of Market Development Activities in an effort to maintain, expand and open new markets for U.S. poultry & eggs; and the Upgrade/Maintenance of USAPEEC Website/Accounting/Filing Systems" and 2) "Expansion of Market for U.S. Poultry & Eggs in Cuba." The following activities were funded under these projects:

Marketing and Development

1. **Expansion of the existing office building of the US Poultry and Egg Association (USPEA) (new USAPEEC headquarters).** This expansion started construction in 2019 and was finished in 2020. The new building houses USAPEEC staff and consultants undertaking research on scientific, consumer, market development, and trade issues. See Figure F.
2. **Continued expansion of Market for U.S. Poultry & Eggs in Cuba,** by participating in a food show, scheduling trade visits to explore market opportunities and provide technical assistance with regards to biosecurity measures undertaken by the United States for avian influenza.
3. **Continued support for the USAPEEC Communications Program** that focused on the planning, development, and implementation of internal and external communications efforts alike, with an emphasis on web-based programs and social media. This program aimed to educate targeted audiences worldwide on the safety, reliability, and versatility of U.S. poultry and egg products, as well as the need of being proactive with global media to address issues affecting the exports of U.S. poultry and eggs.
4. **Continued funding for USAPEEC Marketing programs** to maintain, expand, and open new markets throughout the world, including trade development and marketing research. The project included partial funding for USAPEEC's local and international offices and consultants.

Scientific and Technical

5. Sustained funding for the expansion of scientific research, through USAPEEC's Technical Services Program, designed to identify non-tariff trade barriers and to promote educational outreach from foreign governmental officials regarding the U.S. health and inspection system for poultry and eggs and U.S. production systems.
6. Continued upgrade of management systems, through an electronic document management system designed to minimize paperwork and increase efficiencies in the management of multiple programs.

Figure F
New USAPEEC Headquarters



Source: New USAPEEC Office Tour 2021 video in YouTube

6. Audited Financial Statements

Statements of Financial Position December 31, 2020, and 2019

	2020	2019
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,283,524	\$ 4,953,735
Accounts receivable	20,052	20,036
Prepaid expenses	<u>3,750</u>	<u>3,386</u>
Total Current Assets	<u>4,307,326</u>	<u>4,977,157</u>
TOTAL ASSETS	<u>\$ 4,307,326</u>	<u>\$ 4,977,157</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 3,203	\$ 3,112
Accrued expenses	2,122	299
Deferred auction revenue	<u>556,728</u>	<u>-</u>
Total Current Liabilities	<u>562,053</u>	<u>3,411</u>
Net Assets Without Restrictions	<u>3,745,273</u>	<u>4,973,746</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,307,326</u>	<u>\$ 4,977,157</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

**Statement of Activities and Changes in Net Assets
(Including Operating Expenses)
Year ended December 31, 2020**

	Net Assets Without Restrictions						Total
	General Operating Fund	Board Designated Funds					
		El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 80,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,656
Honduras	69,800	-	-	-	-	-	69,800
Nicaragua	387,138	-	-	-	-	-	387,138
Total Auction Revenues	537,594	-	-	-	-	-	537,594
Membership fees	20,000	-	-	-	-	-	20,000
Investment income	13,233	2,184	207	1,529	24,565	16,870	58,588
Total Revenues Collected	<u>570,827</u>	<u>2,184</u>	<u>207</u>	<u>1,529</u>	<u>24,565</u>	<u>16,870</u>	<u>616,182</u>
Expenses Paid							
Accounting and auditing	12,773	-	-	-	-	-	12,773
Advertising	24,008	-	-	-	-	-	24,008
Bank fees	2,468	-	-	-	-	-	2,468
Consulting and management fees	126,000	-	-	-	-	-	126,000
Insurance	6,619	-	-	-	-	-	6,619
Legal fees	161	-	-	-	-	-	161
Licenses and filing fees	401	-	-	-	-	-	401
Postage and delivery	3,580	-	-	-	-	-	3,580
Printing and reproduction	459	-	-	-	-	-	459
Project costs	-	88,030	-	-	322,483	1,250,000	1,660,513
Telephone	134	-	-	-	-	-	134
Website expenses	7,539	-	-	-	-	-	7,539
Total Expenses Paid	<u>184,142</u>	<u>88,030</u>	<u>-</u>	<u>-</u>	<u>322,483</u>	<u>1,250,000</u>	<u>1,844,655</u>
Change in Net Assets Without Restrictions	386,685	(85,846)	207	1,529	(297,918)	(1,233,130)	(1,228,473)
Transfer from general fund to board designated funds	(373,452)	12,909	224	5,625	158,670	196,024	-
Net Change After Transfer	13,233	(72,937)	431	7,154	(139,248)	(1,037,106)	(1,228,473)
Net Assets, Beginning of Year	<u>38,125</u>	<u>313,426</u>	<u>239,404</u>	<u>236,216</u>	<u>2,100,615</u>	<u>2,045,960</u>	<u>4,973,746</u>
Net Assets Without Restrictions, End of Year	<u>\$ 51,358</u>	<u>\$ 240,489</u>	<u>\$ 239,835</u>	<u>\$ 243,370</u>	<u>\$ 1,961,367</u>	<u>\$ 1,008,854</u>	<u>\$ 3,745,273</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

**Statement of Activities and Changes in Net Assets
(Including Operating Expenses)
Year Ended December 31, 2019**

	Net Assets Without Restrictions						Total
	General Operating Fund	Board Designated Funds					
		El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 137,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,036
Honduras	69,992	-	-	-	-	-	69,992
Nicaragua	<u>373,554</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,554</u>
Total Auction Revenues	580,582	-	-	-	-	-	580,582
Membership fees	20,000	-	-	-	-	-	20,000
Investment income	<u>22,223</u>	<u>1,396</u>	<u>246</u>	<u>942</u>	<u>23,246</u>	<u>34,604</u>	<u>82,657</u>
Total Revenues Collected	<u>622,805</u>	<u>1,396</u>	<u>246</u>	<u>942</u>	<u>23,246</u>	<u>34,604</u>	<u>683,239</u>
Expenses Paid							
Accounting and auditing	13,602	-	-	-	-	-	13,602
Advertising	21,043	-	-	-	-	-	21,043
Bank fees	3,078	-	-	-	-	-	3,078
Consulting and management fees	126,000	-	-	-	-	-	126,000
Insurance	6,387	-	-	-	-	-	6,387
Legal fees	310	-	-	-	-	-	310
Licenses and filing fees	90	-	-	-	-	-	90
Meetings	15,000	-	-	-	-	-	15,000
Office expense	80	-	-	-	-	-	80
Postage and delivery	3,161	-	-	-	-	-	3,161
Printing and reproduction	410	-	-	-	-	-	410
Project costs	-	-	50,000	17,000	424,175	2,400,000	2,891,175
Telephone	146	-	-	-	-	-	146
Travel	14,616	-	-	-	-	-	14,616
Website expenses	<u>6,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,593</u>
Total Expenses Paid	<u>210,516</u>	<u>-</u>	<u>50,000</u>	<u>17,000</u>	<u>424,175</u>	<u>2,400,000</u>	<u>3,101,691</u>
Change in Net Assets Without Restrictions	412,289	1,396	(49,754)	(16,058)	(400,929)	(2,365,396)	(2,418,452)
Transfer from general fund to board designated funds	<u>(390,066)</u>	<u>32,614</u>	<u>237</u>	<u>5,265</u>	<u>147,634</u>	<u>204,316</u>	<u>-</u>
Net Change After Transfer	22,223	34,010	(49,517)	(10,793)	(253,295)	(2,161,080)	(2,418,452)
Net Assets, Beginning of Year	<u>15,902</u>	<u>279,416</u>	<u>288,921</u>	<u>247,009</u>	<u>2,353,910</u>	<u>4,207,040</u>	<u>7,392,198</u>
Net Assets Without Restrictions, End of Year	<u>\$ 38,125</u>	<u>\$ 313,426</u>	<u>\$ 239,404</u>	<u>\$ 236,216</u>	<u>\$ 2,100,615</u>	<u>\$ 2,045,960</u>	<u>\$ 4,973,746</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

Statement of Cash Flows

Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows From Operating Activities:		
Net change in net assets	\$ (1,228,473)	\$ (2,418,452)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable	(16)	4,984
Prepaid expenses	(364)	81
Increase (decrease) in:		
Accounts payable	91	(728)
Accrued expenses	1,823	299
Deferred auction income	556,728	(45,781)
Net Cash Provided (Used) by Operating Activities	(670,211)	(2,459,597)
Cash and Cash Equivalents at Beginning of Year	4,953,735	7,413,332
Cash and Cash Equivalents at End of Year	\$ 4,283,524	\$ 4,953,735

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

Central America Poultry Export Quota, Inc. c/o DTB Associates, LLP
1101 15th St., N.W. - Suite 202 Washington, D.C. 20005
Tel: 202-684-2512 Fax: 202-684-2234
www.ca-peq.org