



2013 ANNUAL REPORT

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 quotas (TRQs) for chicken leg quarters 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.

TABLE OF CONTENTS

Mission Statement

- 1 Chairman's Letter
- 2 Directors and Officers
- 3 Open-Tender Process and Results
- 4 Disposition of Proceeds
- 5 Audited Financial Statements

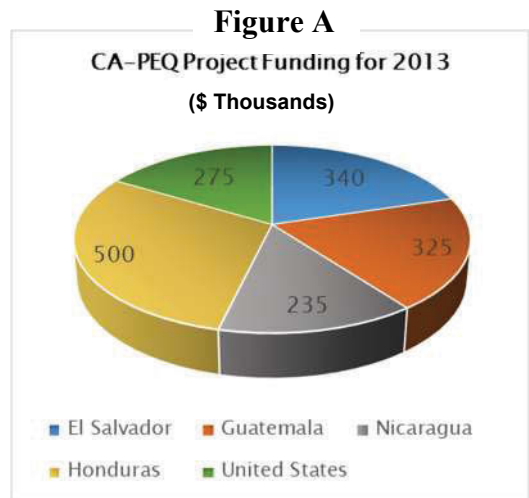
1. CHAIRMAN'S LETTER

The Central America Poultry Export Quota, Inc. (CA-PEQ) was established in 2005 jointly by the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua and the United States to administer the tariff-rate quotas (TRQs) for chicken leg quarters (CLQs) granted by the abovementioned Central American (C.A.) countries to the United States under the Dominican Republic – Central America Free Trade Agreement (DR-CAFTA).

CA-PEQ operates as an Export Trading Company (ETC) and has received an Export Trade Certificate of Review (ETCR) from the U.S. Department of Commerce to manage the TRQs through open-tenders or auctions. CA-PEQ's net income generated from these auctions is distributed on a country-by-country basis to fund market development, educational, scientific, and technical projects that are key to strengthening the participating poultry industries. This unique ETCR approach has also created a collaborative environment and promoted integration between CA-PEQ's member poultry industry associations.

For 2013, projects funded by CA-PEQ amounted to \$1.6 million dollars (see Figure A for distribution of funds) which were used to finance various activities, including:


- ❖ Participation in local and international poultry fora (Nicaragua, Honduras, El Salvador);
 - ❖ Consumer and advertising campaigns (C.A.); and,
 - ❖ Support for technical services, marketing and economic analysis programs (United States).
- ❖ Technical and financial support for Sanitary and Phytosanitary national programs (Central America, hereinafter, "C.A.");
 - ❖ Training for the benefit of the poultry industry in cooperation with local government agencies (C.A.);
 - ❖ Export market development for poultry meat to the US and other markets (Honduras);
 - ❖ Educational and laboratory infrastructure (Nicaragua, Honduras);
 - ❖ Pilot project to fight malnutrition (Guatemala);



In addition to benefiting the participating poultry industries, the funding of these activities has also had positive impacts on local communities and the populations of the participating CA-PEQ countries. Moreover, government efforts to develop enhanced animal health, food security and export programs, while consumers are provided with tools to improve their nutrition, are further strengthened.

I am committed to continuing these efforts under my term as Chair in 2014 and look forward to working with the CA-PEQ board and officers to further strengthen CA-PEQ.

Sincerely,



Francisco Arriaza, Chairman

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 2013:

- Butch Johnson, Chairman
(USAPEEC – United States)
- Francisco Arriaza, Vice-Chairman
(ANAVI - Guatemala)
- Agustin Martinez *(AVES – El Salvador)*
- Alfredo Velez *(ANAPA – Nicaragua)*
- Blanca Villela / Farid Kattum *(FEDAVIH – Honduras)**
- James Sumner *(USAPEEC – United States)*
- James Hoben *(USAPEEC – United States)*
- Nancy Haas *(USAPEEC – United States)*

OFFICERS FOR 2013:

In addition to Mr. Johnson who served as Chairman, and Mr. Arriaza who served as Vice-Chairman, Kevin Brosch/Mateo Paz-Soldan and Kyd Brenner/Paul Drazek** from DTB Associates, LLP, CA-PEQ's Administrator, served as Secretary and Treasurer respectively.

* During the 2013 Annual Meeting held on January 17, 2013 Ms. Villela was designated for service on the Board by FEDAVIH for the 2013 term. In July of 2013 she was replaced by Mr. Farid Kattum as the new Chair of the Honduran Poultry Federation (FEDAVIH). Mr. Adalberto Discua remained FEDAVIH's alternate representative.

** After Messrs. Brosch and Brenner retired in early 2013, Messrs. Paz-Soldan and Drazek from DTB Associates were designated by CA-PEQ's board in April of 2013 as Secretary and Treasurer respectively.

3. OPEN-TENDER PROCESS AND RESULTS

Under the terms of the ETCR, CA-PEQ is tasked with managing the TRQs for the CLQs established for each participating country on a yearly basis, as stipulated in the DR-CAFTA.^[1] CA-PEQ administers these TRQs through an open tender process, or auction, with certificates for duty-free shipments of CLQs awarded to the highest bidders, pursuant to ETCR requirements. Notice of each open tender process is published in advance both in the U.S. and in the Central American country whose TRQ tranche is being auctioned. Bid specifications and contents are included in the notice and also published on the CA-PEQ website. Once the open tender 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 4).

In 2013, total open tender receipts for the right to import CLQs duty free into El Salvador, Guatemala, Honduras and Nicaragua totaled \$3.68 million. Total open tender revenues increased almost 13% from 2012. A combined quota of 21,810 metric tons (MT) was offered for auction, of which 95% was awarded. On a country by country basis, awarded certificates corresponded to: Guatemala (66%); El Salvador (13%); Honduras (12%); and Nicaragua (9%), while their respective open tender revenues amounted to 33%, 29%, 21%, and 16% of the total. The highest average successful bid was \$385.76/MT and the lowest successful bid \$22.04/MT. See Table 1 on page 6 and Table 2 on page 7 for more information.

^[1] General Notes and Appendix 1 - Tariff Rate Quotas, Annex 3.3 of the text of the DR-CAFTA

CA-PEQ Central America Poultry Export Quota, Inc.

Table 1
CA-PEQ Open-Tender Results for 2013

Country/Category	First Tranche	Second Tranche	Third Tranche	Fourth Tranche	Total
Guatemala	Nov 26 - Dec 7	Feb 25 - Mar 8	May 27 - June 7	Aug 26 - Sept 6	
Available Quota for Auction (MT)	3,480.00	3,479.00	3,479.00	3,479.00	13,917.00
Certificates Awarded (MT)	3,480.00	3,479.00	3,479.00	3,273.46	13,711.46
Average Successful Bid (\$/MT)	\$99.10	\$97.11	\$106.03	\$54.38	\$89.68
Lowest Successful Bid (\$/MT)	\$77.16	\$79.50	\$93.72	\$22.04	\$22.04
Auction Receipts	\$344,877.19	\$337,836.39	\$368,878.57	\$178,006.80	\$1,229,598.95
Honduras	Nov 26 - Dec 7	Feb 25 - Mar 8	July 22 - Aug 2		
Available Quota for Auction (MT)	1,069.00	1,069.00	1,068.00		3,206.00
Certificates Awarded (MT)	1,069.00	1,069.00	300		2,438.00
Average Successful Bid (\$/MT)	\$397.08	\$330.57	\$36.00		\$323.48
Lowest Successful Bid (\$/MT)	\$326.00	\$150.00	\$36.00		\$36.00
Auction Receipts	\$424,480.75	\$353,374.73	\$10,800.00		\$788,655.48
El Salvador	Feb 4 - 15	May 20 - 31	August 19 - 30		
Available Quota for Auction (MT)	927.00	928.00	928.00		2,783.00
Certificates Awarded (MT)	927.00	928.00	928.00		2,783.00
Average Successful Bid (\$/MT)	\$305.58	\$354.35	\$497.27		\$385.76
Lowest Successful Bid (\$/MT)	\$50.00	\$351.00	\$300.00		\$50.00
Auction Receipts	\$283,270.00	\$328,837.13	\$461,470.07		\$1,073,577.20
Nicaragua	Oct 29 - Nov 9	Feb 25 - Mar 8			
Available Quota for Auction (MT)	952.00	952.00			1,904.00
Certificates Awarded (MT)	952.00	952.00			1,904.00
Average Successful Bid (\$/MT)	\$326.64	\$296.84			\$311.74
Lowest Successful Bid (\$/MT)	\$261.00	\$276.00			\$261.00
Auction Receipts	\$310,965.88	\$282,591.44			\$593,557.32
YEAR-TO-DATE RECEIPTS					\$3,685,388.95
YEAR-TO-DATE TONS AWARDED					20,836.46

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

CA-PEQ Central America Poultry Export Quota, Inc.

Table 2
CA-PEQ Open-Tender Auction Receipts and Certificates Awarded for 2013 (%)

Country	Certificates Awarded		Auction Receipts	
	Quantity	Percentage	Amount	Percentage
Guatemala	13,711.46 MT	65.8%	\$1,229,598.95	33.4%
El Salvador	2,783.00 MT	13.4%	\$1,073,577.20	29.1%
Honduras	2,438.00 MT	11.7%	\$788,655.48	21.4%
Nicaragua	1,904.00 MT	9.1%	\$593,557.32	16.1%
	20,836.46 MT	100.0%	\$3,685,388.95	100.0%

The list of winners in the open tenders held for 2013 are published on the CA-PEQ website. These winners were:

- Bajamar Trading Corp - Village of Pinecrest, FL
- Bassett & Walker - Wilmington, DE
- Cargill Food Distribution, Wichita, KS
- Northwestern Meat, Inc. - Miami, FL
- Hakan USA Inc. - Broadway, VA
- Intertrade Purchasing & Consulting, Inc., Miami, FL
- Interra International, Inc. - Atlanta, GA
- Inversiones Continental USA Corp., Plantation, FL
- Intervision Foods, LLC - Atlanta, GA
- Lamex Foods, Inc., Bloomington, MN
- Merinter, Inc. - Miami, FL
- Quirch Foods - Miami, FL
- Oxford Services, Inc., Miami, FL

4. 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. After paying operating expenses at the end of each year, the Administrator distributes the remaining proceeds to fund capacity building projects in the abovementioned categories. 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 2013.

CA-PEQ Central America Poultry Export Quota, Inc.

EL SALVADOR

In 2013, the Poultry Association of El Salvador (AVES) received from CA-PEQ a total of \$340,000 to fund the following project: “Technical and financial cooperation, poultry and egg health program, and consumer and advertising campaign.”

The activities funded by this project are grouped in the established ETCR categories as follows:

Market Development

1. An integrated media and marketing strategy was developed to strengthen the poultry industry’s image. This activity consisted of a consumer advertising campaign that achieved higher levels of product penetration as well as increased local consumption of poultry products. See Figure B.

Scientific and Technical

2. The project is part of AVES’ efforts to help strengthen the national poultry health program, which is a nationwide system of prevention, control and eradication of poultry diseases, in partnership with the Animal Health Department of the Ministry of Agriculture (MAG). Technical activities included the hiring of sanitary and phytosanitary (SPS) consultants to help develop an SPS system equivalent to that of the United States; the development of a veterinary and laboratory certification program; and the continuation of the update and implementation of a laboratory diagnostics and operations system. See Figure C.

Figure B
AVES Advertisement Campaign



Source: AVES

Figure C
Technical Meetings



Source: AVES

GUATEMALA

In 2013, the Poultry Association of Guatemala (ANAVI) received from CA-PEQ a total of \$325,000 to fund two projects: 1) Pilot project: “The use of poultry products to fight malnutrition in Guatemalan children”; and 2) “Consumer advertising campaign.”

These projects and their respective activities correspond to the following categories under the ETCR:

Market Development and Educational

1. The pilot project: “The use of poultry products to fight malnutrition in Guatemalan children”; consists of developing a program to deliver to low-income children cost-effective school meals of high nutritional value, such as hard-boiled eggs and chicken sausages. Early testing has found increased child attention at school and reduced incidence of anemia. The project included the testing, monitoring, and assessment of improved nutrition in two schools for a six-month period. This project was part of the local poultry sector’s corporate social responsibility efforts and was supportive of the government’s program “Hambre Cero” (Zero Hunger). See Figure D.
2. The “Consumer advertising campaign” project is a yearly media campaign (radio advertisements and point of purchase displays) under the slogan “Coma Sano, Coma Pollo” (Eat Healthy, Eat Chicken) developed to inform consumers that poultry products are an important source of protein and overall nutrition. This campaign has resulted in increased public awareness of poultry as a healthy and affordable food, which in turn has boosted national poultry consumption. See Figure E.

Figure D
Pilot Project to Fight Malnutrition



Source: ANAVI

Figure E
Consumer Advertising Campaign



Source: ANAVI

CA-PEQ Central America Poultry Export Quota, Inc.

HONDURAS

In 2013, the Poultry Federation of Honduras (FEDAVIH) received from CA-PEQ a total of \$499,712 to fund the following project: “Keep Honduras free from Newcastle and Avian Influenza Diseases; comply with USDA requirements to export poultry meat to the U.S. and other countries; educational and technical program and market development for local poultry products.”

The activities developed under this project are grouped into the following ETCR categories:

Market Development

1. The launching of the first industry marketing campaign to enhance the image of Honduran chicken meat and increase the local market through programs and communications highlighting nutritional facts. See Figure F.

Figure F
Marketing Campaign



Source: FEDAVIH

2. The development of a nationwide market study for poultry products, which resulted in important consumer insights to develop demand for the industry's products.

Educational

3. The creation of an educational program in partnership with local universities to offer funding for college scholarships on veterinarian medicine, animal science and food technology aimed to increase the number of professionals in those fields.
4. The organization of the first Honduran National Poultry Summit which was attended by more than 200 veterinary doctors and industry technical staff, and offered lectures by renowned international speakers. See Figure G.

Figure G
Seminars for Continuing Education



Source: FEDAVIH

Scientific and Technical

5. FEDAVIH has signed several agreements with SENASA, the Honduran Ministry of Agriculture's sanitary and phytosanitary (SPS) agency, to keep Honduras free from Newcastle's, Avian Influenza and other avian diseases in order to facilitate the export of poultry products to the U.S. and Central America. This on-going activity has used funds to support buying diagnostic tests, vaccines, and pathogen-free fertile eggs, to carry out laboratory analyses, and to support the national poultry geographic reference program, among others.
6. The National Poultry Program has also achieved effective sanitary surveillance, vaccination programs and quick response mechanisms against regional SPS challenges.
7. The Regional Laboratory for Animal Health was refurbished, thereby improving its technical capabilities to support the industry. See Figure H.

Figure H

Inauguration of Regional Laboratory and Equipment



Source: FEDAVIH

CA-PEQ Central America Poultry Export Quota, Inc.

NICARAGUA

In 2013, the National Association of Egg, Poultry and Animal Feed Producers of Nicaragua (ANAPA) received from CA-PEQ a total of \$234,700 to fund the following project: “ANAPA’s support for enhancing regional trade capabilities, poultry animal health status recognition, educational & technical knowledge, and participation in international poultry organizations.”

The activities funded are grouped into the following ETCR categories:

Market Development

1. Support for a media campaign to increase poultry meat consumption in Nicaragua by informing the public of the importance of available and accessible poultry meat, including posters and newspaper advertisements.

Scientific and Technical

2. CA-PEQ funds helped finance the National Poultry Surveillance Program, a joint program between ANAPA and the Ministry of Agriculture and Forestry (MAG-FOR), which

aims to keep Nicaragua free of Avian Flu, Newcastle, Avian Infectious Laryngotracheitis, Fowl Typhoid and Pullorum diseases. See Figure I.

3. ANAPA has built and equipped two rooms with audio and video systems with a capacity for up to 60 people each, due to the fact that most of the technical conferences and meetings related to the domestic egg and poultry industry are held at ANAPA’s facilities. See Figure J.
4. ANAPA’s participation in the International Poultry Council (IPC) including membership dues.
5. ANAPA technical staff participated in the Regional Technical Committee on Avian Health (linked to the Regional and International Organization for Animal Health – OIRSA) to develop technical regulations within the Central American Customs Union.
6. An international consultant was hired for the National Conference on International Grains, Market Perspectives and Egg and Poultry Trends.

Figure I

Signing of the National Poultry Surveillance Program Between ANAPA and MAG-FOR



Source: ANAPA

Figure J

ANAPA’s Meeting and Conference Room for Scientific and Technical Issues



Source: ANAPA

UNITED STATES

In 2013, the United States Poultry & Egg Export Council (USAPEEC) received from CA-PEQ a total of \$275,000 to fund the following project: “USAPEEC Marketing and Technical Programs Assistance.”

The activities funded are grouped into the following ETCR categories:

Market Development

1. Continued support for USAPEEC’s Marketing Programs by helping fund the oversight of marketing programs in over 70 countries worldwide. Project includes funding for four personnel. See Figure K.

Scientific and Technical

2. Sustained funding for USAPEEC’s Technical Services Program, a program that is key to resolving scientific or technical barriers to trade, and includes one full-time staff position.
3. USAPEEC’s Research and Economic Analysis program was partially funded by CA-PEQ. Use of funds included hiring a full-time expert for economic analysis in target markets worldwide.

Figure K
USAPEEC’s Marketing and Technical Programs



Source: USAPEEC

CA-PEQ Central America Poultry Export Quota, Inc.

5. AUDITED FINANCIAL STATEMENTS

A. Statements of Financial Position / December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets		
Cash in bank	\$ 6,929,557	\$ 5,121,142
Accounts receivable	<u>37,722</u>	<u>38,048</u>
Total Current Assets	<u>6,967,279</u>	<u>5,159,190</u>
TOTAL ASSETS	<u>\$ 6,967,279</u>	<u>\$ 5,159,190</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 2,756	\$ 6,714
Deferred auction revenue	<u>1,072,286</u>	<u>1,080,324</u>
Total Current Liabilities	<u>1,075,042</u>	<u>1,087,038</u>
Net Assets		
Temporarily Restricted Funds		
Project Funds-Central America		
El Salvador	517,530	336,391
Guatemala	659,680	440,536
Honduras	365,996	488,329
Nicaragua	499,305	447,823
Project Funds-United States	<u>3,849,726</u>	<u>2,359,073</u>
Total Net Assets	<u>5,892,237</u>	<u>4,072,152</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,967,279</u>	<u>\$ 5,159,190</u>

*Information in this annual report is compiled from audited financial statements.

CA-PEQ Central America Poultry Export Quota, Inc.

B. Statement of Activities and Changes in Net Assets / Year ended December 31, 2013 and 2012, Including Operating Expenses

2013

	General Operating Fund	Temporarily Restricted Funds					Total
		El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 1,073,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,073,577
Guatemala	1,229,599	-	-	-	-	-	1,229,599
Honduras	788,655	-	-	-	-	-	788,655
Nicaragua	593,557	-	-	-	-	-	593,557
Total Auction Revenues	3,685,388	-	-	-	-	-	3,685,388
Membership fees	37,500	-	-	-	-	-	37,500
Investment income	-	823	1,983	311	1,020	5,815	9,952
Total Revenues Collected	3,722,888	823	1,983	311	1,020	5,815	3,732,840
Expenses Paid							
Accounting and auditing	7,315	-	-	-	-	-	7,315
Advertising	27,949	-	-	-	-	-	27,949
Bank fees	1,625	-	-	-	-	-	1,625
Charitable contributions	10,000	-	-	-	-	-	10,000
Consulting and management fees	157,180	-	-	-	-	-	157,180
Legal fees	15,025	-	-	-	-	-	15,025
Licenses and filing fees	61	-	-	-	-	-	61
Meetings	5,858	-	-	-	-	-	5,858
Office supplies	69	-	-	-	-	-	69
Postage and delivery	5,510	-	-	-	-	-	5,510
Printing and reproduction	2,045	-	-	-	-	-	2,045
Project costs	-	340,000	325,000	499,712	234,700	275,000	1,674,412
Telephone	173	-	-	-	-	-	173
Website expenses	5,533	-	-	-	-	-	5,533
Total Expenses Paid	238,343	340,000	325,000	499,712	234,700	275,000	1,912,755
Change in Net Assets	3,484,545	(339,177)	(323,017)	(499,401)	(233,680)	(269,185)	1,820,085
Transfer from general to temporarily restricted funds	(3,484,545)	520,316	542,161	377,068	285,162	1,759,838	-
Net Change After Transfer	-	181,139	219,144	(122,333)	51,482	1,490,653	1,820,085
Net Assets, Beginning of Year	-	336,391	440,536	488,329	447,823	2,359,073	4,072,152
Net Assets, End of Year	\$ -	\$ 517,530	\$ 659,680	\$ 365,996	\$ 499,305	\$ 3,849,726	\$ 5,892,237

*Information in this annual report is compiled from audited financial statements.

CA-PEQ Central America Poultry Export Quota, Inc.

2012

	General	Temporarily Restricted Funds					Total
	Operating Fund	El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 727,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 727,540
Guatemala	870,744	-	-	-	-	-	870,744
Honduras	1,052,739	-	-	-	-	-	1,052,739
Nicaragua	615,721	-	-	-	-	-	615,721
Total Auction Revenues	3,266,744	-	-	-	-	-	3,266,744
Membership fees	37,500	-	-	-	-	-	37,500
Investment income	-	865	2,516	485	697	6,139	10,702
Total Revenues Collected	3,304,244	865	2,516	485	697	6,139	3,314,946
Expenses Paid							
Accounting and auditing	7,507	-	-	-	-	-	7,507
Advertising	28,047	-	-	-	-	-	28,047
Bank fees	2,672	-	-	-	-	-	2,672
Consulting and management fees	157,516	-	-	-	-	-	157,516
Legal fees	21,178	-	-	-	-	-	21,178
Licenses and filing fees	370	-	-	-	-	-	370
Meetings	5,232	-	-	-	-	-	5,232
Postage and delivery	7,849	-	-	-	-	-	7,849
Printing and reproduction	958	-	-	-	-	-	958
Project costs	-	272,000	425,036	465,000	82,850	500,000	1,744,886
Telephone	338	-	-	-	-	-	338
Travel and entertainment	2,906	-	-	-	-	-	2,906
Website expenses	8,952	-	-	-	-	-	8,952
Total Expenses Paid	243,525	272,000	425,036	465,000	82,850	500,000	1,988,411
Change in Net Assets	3,060,719	(271,135)	(422,520)	(464,515)	(82,153)	(493,861)	1,326,535
Transfer from general to temporarily restricted funds	(3,060,719)	349,866	355,976	508,927	298,003	1,547,947	-
Net Change After Transfer	-	78,731	(66,544)	44,412	215,850	1,054,086	1,326,535
Net Assets, Beginning of Year	-	257,660	507,080	443,917	231,973	1,304,987	2,745,617
Net Assets, End of Year	\$ -	\$ 336,391	\$ 440,536	\$ 488,329	\$ 447,823	\$ 2,359,073	\$ 4,072,152

*Information in this annual report is compiled from audited financial statements.

C. Statements of Cash Flows / Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows From Operating Activities:		
Net change in net assets	\$ 1,820,085	\$ 1,326,535
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable	326	25,003
Prepaid project costs	-	1,036
Increase (decrease) in:		
Accounts payable	(3,958)	6,714
Deferred auction income	(8,038)	71,237
Net Cash Provided (Used) by Operating Activities	<u>1,808,415</u>	<u>1,430,525</u>
Cash and Cash Equivalents at Beginning of Year	<u>5,121,142</u>	<u>3,690,617</u>
Cash and Cash Equivalents at End of Year	<u>\$ 6,929,557</u>	<u>\$ 5,121,142</u>

*Information in this annual report is compiled from audited financial statements.

CA-PEQ Central America Poultry Export Quota, Inc.

Central America Poultry Export Quota, Inc. c/o DTB Associates, LLP
1700 Pennsylvania Ave., N.W. – Suite 200 Washington, D.C. 20006
Tel: 202-684-2512 Fax: 202-684-2233
www.ca-peq.org