UNITED STATES MEAT EXPORT FEDERATION, INC.

Financial Statements
As Of September 30, 2016 and 2015

Together With Independent Auditors' Report

JDS professional group
certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
United States Meat Export Federation, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of United States Meat Export Federation, Inc ("USMEF"), which comprise the statements of financial position as of September 30, 2016 and 2015, and the related statements of activities 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.

Auditors' 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 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 auditors' 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.

Independent Auditors' Report (Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of USMEF as of September 30, 2016 and 2015, and the change 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.

Other Matters

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of revenue and expenses by source and functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

JDS Professional Group

November 2, 2016

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements Of Financial Position
As Of September 30, 2016 And 2015

ASSETS	2016	2015
Current Assets:		
Cash and cash equivalents	$ 3,534,661	$ 2,512,790
Accounts receivable	14,009,571	13,433,586
Other current assets	636,476	693,593
Total Current Assets	18,180,708	16,639,969
Property and Equipment:		
Furniture, fixtures and equipment	544,343	487,510
Leasehold improvements	29,048	5,010
	573,391	492,520
Less: accumulated depreciation and amortization	(309,896)	(366,916)
Net Property And Equipment	263,495	125,604
Deposits	278,324	245,122
TOTAL ASSETS	$ 18,722,527	$ 17,010,695
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$ 8,876,020	$ 7,506,883
Deferred revenue	863,893	992,300
Other current liabilities	645,786	551,918
Total Current Liabilities	10,385,699	9,051,101
Severance obligations	527,745	637,317
Total Liabilities	10,913,444	9,688,418
Net Assets:		
Unrestricted -		
Undesignated	6,612,024	6,100,172
Board designated	1,197,059	1,222,105
Total Net Assets	7,809,083	7,322,277
TOTAL LIABILITIES AND NET ASSETS	$ 18,722,527	$ 17,010,695

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements Of Activities
For The Years Ended September 30, 2016 and 2015

	Unrestricted 2016	Unrestricted 2015
Revenue:		
USDA programs	$ 17,905,789	$ 16,893,693
Private funding projects	19,886,732	16,502,089
MIISAC program	6,316	
Membership dues and funding	1,424,915	1,406,375
Private funding implementation	4,866,161	4,568,854
Other program funding	599,772	767,921
Board meeting	237,518	205,610
Other revenue	5,401	11,617
Total Revenue	44,932,604	40,356,159
Operating Expenses:		
Project expenses	37,792,523	33,395,781
MIISAC program	6,316	
Salaries and benefits	5,067,954	4,869,608
Rent	253,450	264,114
Travel	283,967	280,229
Professional	82,953	76,039
Contractual	183,463	279,616
Meetings and conferences	352,019	291,787
Other operating expenses	398,107	368,775
Total Operating Expenses	44,420,752	39,825,949
Other expenses	25,046	529
Total Expenses	44,445,798	39,826,478
CHANGE IN NET ASSETS	486,806	529,681
Net Assets, Beginning Of Year	7,322,277	6,792,596
NET ASSETS, END OF YEAR	$ 7,809,083	$ 7,322,277

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements Of Cash Flows
For The Years Ended September 30, 2016 And 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	$ 486,806	$ 529,681
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities -		
Depreciation and amortization	70,144	50,021
Loss on of disposal of property and equipment	604	
Changes in operating assets and liabilities -		
(Increase) in accounts receivable	(575,985)	(1,341,935)
(Increase) decrease in other current assets	57,117	(206,543)
(Increase) in deposits	(33,202)	(593)
Increase in accounts payable	1,369,137	895,999
Increase (decrease) in deferred revenue	(128,407)	80,918
Increase (decrease) in other current liabilities and severance obligations	(15,704)	70,688
Net cash provided by operating activities	1,230,510	78,236
Cash flows from investing activities:		
Acquisitions of property and equipment	(208,639)	(75,518)
Net cash (used in) investing activities	(208,639)	(75,518)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,021,871	2,718
Cash And Cash Equivalents, Beginning Of Year	2,512,790	2,510,072
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 3,534,661	$ 2,512,790

The accompanying notes are an integral part of the financial statements.

(1) Nature Of The Organization

The United States Meat Export Federation, Inc. ("USMEF") is a Washington, D.C. nonprofit corporation chartered in 1975. Its purpose is to support and enhance the worldwide export of red meat products. USMEF solicits funding from several groups, including the U.S. Department of Agriculture through its Foreign Agriculture Service, and national, statewide and industry red meat organizations. USMEF currently operates offices in Tokyo, Hong Kong, Beijing, Seoul, Taipei, Singapore, Shanghai, Europe, Mexico City, Monterrey, Moscow and St. Petersburg. USMEF also maintains a year-round presence in Beirut, the Caribbean, and South and Central America.

USMEF has entered into agreements under the Market Access Program ("MAP"), the Foreign Market Development Program ("FMD"), and Section 108 of the Agriculture Trade Development and Assistance Act of 1954 (Section 108), all administered by the USDA. MAP, FMD, and Section 108 funding in the amount of approximately $17,910,000 and $16,890,000 was earned during fiscal years ended September 30, 2016 and 2015, respectively, by USMEF's international offices for specifically budgeted activities.

In addition, USMEF receives funding under contracts with the National Cattleman's Beef Association ("NCBA"), the National Pork Board ("NPB"), United Soybean Board ("USB"), and various state beef, pork, soybean, and corn boards. These funds (checkoff funds) originate from assessments on beef, pork, soybean, and corn sales in the United States, as established in the Beef Promotion and Research Act of 1985, the Pork Promotion, Research and Consumer Information Act of 1985, the Soybean Promotion, Research and Consumer Information Act, and various state beef and corn check-off programs.

(2) Summary Of Significant Accounting Policies

Method Of Accounting

USMEF's financial statements have been prepared on the accrual basis.

Basis Of Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Codification. Under Financial Accounting Standards Codification, USMEF is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of September 30, 2016 and 2015, USMEF had only unrestricted net assets.

Statement Of Cash Flows

For purposes of the Statements of Cash Flows, USMEF considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Fair Value Measurements

The carrying amount reported in the Statements of Financial Position for cash and cash equivalents, accounts receivable, other current assets, accounts payable and other current liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Accounts Receivable

Accounts receivable are due according to contractual terms and are stated at the amounts due from funding sources. Amounts outstanding longer than the contractual terms are considered past due. USMEF writes-off accounts receivable when they become uncollectible, and payments subsequently received on such receivable are recognized as revenue in the current period. As of September 30, 2016 and 2015, management expects that all receivables are fully collectible. Accordingly, there is no allowance for uncollectible receivables.

Promises to Give

Promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received.

Promises to give are recorded at net realizable value if expected to be collected within one year and at fair value if expected to be collected in more than one year. As of September 30, 2016 and 2015, USMEF did not have any promises to give.

Property And Equipment

All property and equipment is stated at cost, or fair value if donated. Depreciation of office furniture, fixtures and equipment is computed using the straight-line method over the estimated useful lives ranging from two to seven years. Leasehold improvements are amortized on the straight-line method over the lesser of the remaining lease term or the estimated useful life of the asset.

Expenditures for maintenance, repairs, and minor replacements are charged to operations, and expenditures for major replacements and betterments of $350 and greater are capitalized.

Equipment with title vested in the U.S. Government is not recorded in the Statements of Financial Position. Purchases of such equipment are recorded as expenses in the Statement of Activities. The accumulated total as of September 30, 2016 and 2015, was approximately $992,952 and $977,267, respectively. USMEF has the responsibility of maintaining property records and reporting balances to the respective government agency.

Revenue Recognition

Dues are recognized as revenue on a pro rata basis over each member's applicable membership period. Other revenue is recognized when earned. Deferred membership dues represent dues which were received in advance and will be recognized as revenue in the period earned. Deferred revenue also includes revenue received from various sources before expenses related to revenue are incurred.

Contributions

USMEF reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statement of activities as net assets released from restrictions.

Functional Allocation Of Expenses

The costs of providing and supporting various programs and other activities have been summarized on a functional basis in Note 10 and the Supplemental Schedule of Functional Expenses. Accordingly, management has allocated certain costs among the programs and supporting services benefitted.

Use Of Estimates

The preparation of financial statements 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 revenues and expenses during the reported period. Actual results could differ from those estimates.

Reclassification

Certain amounts have been reclassified in the prior year for comparative purposes.

Evaluation of Subsequent Events

USMEF has evaluated subsequent events through November 2, 2016, the date which the financial statements were available to be issued.

(3) **Income Taxes**

USMEF is an organization as described under Internal Revenue Code Section 501(c)(6) and is exempt from income taxes except for amounts representing unrelated business income and proxy taxes as defined in the Internal Revenue Code and regulations. During the years ended September 30, 2016 and 2015, USMEF paid taxes amounting to $7,952 and $10,536, respectively.

USMEF follows *Accounting for Uncertainty in Income Taxes*, which requires USMEF to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement, presuming that the tax position is examined by the appropriate taxing authority that has full knowledge of all relevant information. During the years ended September 30, 2016 and 2015, USMEF's management evaluated its tax position to determine the existence of uncertainties, and did not note any matters that would require recognition or which may have an affect on its tax-exempt status.

USMEF is no longer subject to U.S. federal tax audits on its Form 990 and 990-T by taxing authorities for the fiscal years ending prior to September 30, 2013. USMEF is no longer subject to state tax audits on its Form 112 state tax return by taxing authorities for fiscal years ending prior to September 30, 2012. The years subsequent to these years contain matters that could be subject to differing interpretation of applicable tax laws and regulations as it relates to the amount and/or timing of income, deductions and tax credits. Although the outcome of the tax audits is uncertain, USMEF believes no issues would arise.

(4) **Accounts Receivable**

As of September 30, 2016 and 2015, accounts receivable was composed of billed and unbilled receivables as follows:

2016	Billed	Unbilled	Total
Private funding sources	$ 1,464,182	$ 9,997,325	$ 11,461,507
Government funding sources	1,675,993	541,146	2,217,139
Other	330,925		330,925
	$ 3,471,100	$ 10,538,471	$ 14,009,571
2015			
Private funding sources	$ 1,400,149	$ 7,950,224	$ 9,350,373
Government funding sources	82,582	3,670,513	3,753,095
Other	330,118		330,118
	$ 1,812,849	$ 11,620,737	$ 13,433,586

5) **Deferred Revenue**

Deferred revenue consists of the following as of September 30, 2016 and 2015:

	2016	2015
Grain checkoff	$ 218,860	$ 218,860
FMD advances	239,000	239,000
Membership dues	27,233	35,576
Section 108	42,567	42,567
Other deferred revenue	336,233	456,297
	$ 863,893	$ 992,300

(6) **Severance Obligations**

USMEF has established a reserve for potential future severance obligations that will not be directly reimbursed by USDA's MAP program, and are considered fully funded. As of September 30, 2016 and 2015, the liability for the severance obligation was $527,745 and $637,317, respectively.

(7) **Board Designation Unrestricted Net Assets**

The Board of Directors has designated a portion of the unrestricted net assets to be held as an operating reserve. As of September 30, 2016 and 2015, the Board designation on unrestricted net assets are as follows:

Description	2016	2015
Projects/Implementation Funded by Reserves-Pork	$ 647,504	$ 660,014
Projects/Implementation Funded by Reserves-Beef	547,805	560,341
Eric Choon Memorial Fund	1,750	1,750
Total	$ 1,197,059	$ 1,222,105

(8) **Profit Sharing/401(k) Plan And Trust**

USMEF has adopted a defined contribution 401(k) plan covering all employees meeting length of service and age requirements. Those employees participating in the plan may contribute up to a maximum provided by law ($18,000 for 2016 and 2015). USMEF contributes 7% of compensation to the plan, plus 4% of the excess compensation over the Social Security taxable wage base for 2016 and 2015. Three percent of the employer contribution is not subject to vesting. For the years ended September 30, 2016 and 2015, total employer contributions expense was $284,343 and $267,571, respectively.

(9) **Lease Commitments**

USMEF leases various facilities and equipment under operating leases. Future minimum commitments as of September 30, 2016, were as follows:

Year Ended September 30,	
2017	$ 603,074
2018	464,961
2019	334,295
2020	315,198
2021	304,005
Thereafter	1,790,775
	$ 3,812,308

Rent expense was $1,078,715 and $1,105,049, respectively, for the years ended September 30, 2016 and 2015, which includes USMEF's share of annual operating costs. Rent expense includes the amounts separately identified on the Statements of Activities and the Supplemental Schedule of Functional Expenses with the remainder in project expenses.

(10) **Schedule of Program and Supporting Services**

The following summarizes USMEF's expenses by program and supporting services:

	2016	2015
Program services	$ 41,295,936	$ 36,846,976
Supporting Services:		
General administrative	2,951,996	2,711,883
Fundraising and membership relations	197,866	267,619
Total Supporting Services	3,149,862	2,979,502
Total Expenses	$ 44,445,798	$ 39,826,478

(11) **Concentrations Of Credit Risk**

USMEF's cash demand deposits held at U. S. financial institutions are insured by the FDIC through the FDIC's Transaction Account Guarantee Program. As of September 30, 2016, cash deposits exceeded the FDIC limit by $2,764,921. USMEF also has demand deposit accounts held at financial institutions at various international countries.

USMEF enters into contracts with various segments of the meat industry to fund specific projects aimed at foreign market development. These contracts provide for a stated objective (i.e. product promotion, market research, etc.) and the various approved activities, which result in the achievement of those objectives. USMEF administers the activities and applies for reimbursement under the contracts. The contracts generally call for the reimbursement of USMEF's implementation costs.

The following summarizes revenue earned from significant funding sources under those contracts for the years ended September 30, 2016 and 2015:

	2016		2015	
Funding Source	Revenue Earned	Percent of Total Revenue	Revenue Earned	Percent of Total Revenue
United States Department of Agriculture	$ 17,905,789	40%	$ 16,893,693	42%
Cattlemen's Beef Board and NCBA's Federation of State Beef Councils	$ 10,156,775	23%	$ 9,133,264	23%
National Pork Board	$ 5,986,124	12%	$ 4,907,570	12%

At certain times during the years ended September 30, 2016 and 2015, certain funds received in advance of the related expenditures have been utilized as working capital.

The following summarizes accounts receivable due from significant funding sources as of September 30, 2016 and 2015:

	2016		2015	
Funding Source	Accounts Receivable	Percent of Total Receivables	Accounts Receivable	Percent of of Total Receivables
United States Department of Agriculture	$ 2,217,139	16%	$ 3,753,096	28%
Cattlemen's Beef Board and NCBA's Federation of State Beef Councils	$ 5,424,961	39%	$ 4,747,820	35%
National Pork Board	$ 2,091,250	15%	$ 1,752,584	13%

(12) **Foreign Currency**

A significant portion of USMEF's expenses incurred are denominated in various foreign currencies. To meet these obligations, USMEF routinely purchases foreign currency. Some of these purchases were made through commitments to purchase foreign currency at an agreed-upon rate at a date or period in the future. Any gains or losses attributed to each transaction were allocated directly to the specific expenses funded by the currency purchased in that transaction. As such, any gains or losses on transactions during 2016 and 2015 are included in each year's project expenses. During 2016 and 2015, USMEF had a net gain/(loss) of $162,700 and ($360,962) respectively, on purchases of foreign currency.

As of September 30, 2016, USMEF had outstanding obligations to purchase the following foreign currencies by October 31, 2016:

- 5,000,000 Mexican Peso at the rate of MXN 18.72 per US $1.00

Based on the market rates available for currency on the exercise date of the transaction, USMEF had a net gain of $162,999 on Japanese Yen and Mexican Peso obligations. This gain will be reflected in project expenses for 2017.

(13) **Meat Industry International Stewardship Advisory Council ("MIISAC")**

The MIISAC is an independent organization whose primary role is to provide a forum for industry-wide communication, coordination, and collaboration on issues related to technology and trade. USMEF acts as the administrator for the Council, collecting the funding ("program") revenue received from its members and paying "program" expenses incurred by the Council. All expenses incurred by the Council are paid from the funding received from its participating organizations and companies. As of September 30, 2016 and 2015, the balance of deferred revenue held on behalf of the Council was $43,684 and $0, respectively.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Supplemental Schedule Of Revenue And Expenses By Source
For The Year Ended September 30, 2016

	Total	Indirect Overhead Pool	Multi-Species Funded by USDA	Checkoff Programs			MIISAC	Noncheckoff Program
				Beef	Pork	Lamb		Other
Revenue:								
MAP project revenue*	$ 16,566,638	$	$ 5,374,232	$ 7,000,981	$ 4,145,229	$ 46,196	$	$
FMD project revenue	1,319,723		1,319,723					
Other USDA project revenue	19,428		19,428					
Private project revenue	19,886,732			11,526,670	7,936,313	20,707		403,042
MIISAC	6,316						6,316	
Membership dues	1,424,915			270,441	227,986	10,406		916,082
Other program funding	599,772			294,447	304,158	1,167		
Implementation fees	4,866,161			2,684,999	2,181,162			
Industry funded projects	-							
Board meeting	237,518			113,978	91,686	1,568		30,286
Other	5,401			223	179	3		4,996
Total Revenue	44,932,604		6,713,383	21,891,739	14,886,713	80,047	6,316	1,354,406
Operating Expenses								
Project expenses	37,792,523		6,713,383	18,527,652	12,081,542	66,903		403,043
MIISAC	6,316						6,316	
Implementation and overhead expenses -								
Salaries and benefits	5,067,954	3,729,130		635,886	567,367	11,860		123,711
Rent	253,450	253,450						
Travel	283,967	170,447		30,051	36,970	57		46,442
Contractual	183,463	165,221			2,153	124		15,965
Professional	82,953	82,938						15
Meetings and conferences	352,019	289,588		248	3,973			58,210
Other operating expenses -	-							
Office relocation	23,736	23,736						
Telephone and Internet	45,632	45,528						104
Depreciation and amortization	70,144	70,144						
Equipment rental, maintenance, and repairs	26,974	25,204						1,770
Insurance	26,120	24,933						1,187
Dues and subscriptions	58,790	38,323		1,199				19,268
Office supplies, postage, and shipping	49,272	41,878		267	69			7,058
Printing and publications	28,265	27,908		52	253	52		
Trade shows, promotional items	23,630	11,177		6,304	4,664			1,485
Taxes, interest, bank fees	45,149	27,604						17,545
Other	395	45		350				
Allocation of indirect expenses		(5,027,254)		2,704,160	2,175,293	37,202		110,600
Total implementation and overhead expenses	6,621,913			3,378,517	2,790,742	49,295		403,360
Total Operating Expenses	44,420,752		6,713,383	21,906,169	14,872,284	116,198	-	806,403
Uncollectible accounts	25,046							25,046
Total Expenses	44,445,798		6,713,383	21,906,169	14,872,284	116,198	-	831,449
Changes in Net Assets	$ 486,806	$	$	$	$	$ (36,151)	$	$ 522,955

UNITED STATES MEAT EXPORT FEDERATION, INC.

Supplemental Schedule Of Functional Expenses
For The Year Ended September 30, 2016

			USMEF Program Activities						Supporting Services				
	Total	Functional Pool	Total Program Activities	Program Activities	Stewardship & Issue Management	Packer Services & Government Affairs *	Market Access Support *	Information Reporting	Total Supporting Services	Management and General	Board Activities	Governance Activities *	Fund Raising & Membership Relations
Implementation and overhead expenses-													
Salary and benefits	$ 5,067,954	$	$ 2,842,426	$ 1,701,268	$ 503,151	$ 90,679	$ 6,045	$ 541,283	$ 2,225,528	$ 1,576,825	$ 491,526	$ 13,486	$ 143,691
Rent	253,450	251,958	1,492	1,492									
Travel	283,967	60,231	117,717	76,309	9,023	6,817	3,827	21,741	106,019		77,597	361	28,061
Contractual	183,463	138,431	12,730	230	12,500				32,302	28,602	3,700		
Professional	82,953	72,742	1,797	1,797					8,414	8,414			
Other operating expenses -													
Office relocation	23,736	23,736											
Telephone and Internet	45,632	42,730	649	649					2,253		2,253		
Depreciation and amortization	70,144	70,144											
Equipment rental, maintenance, and repairs	26,974	24,100							2,874		2,874		
Insurance	26,120	6,736							19,384	3,777	15,607		
Meetings and conferences	352,019	57,124	17,664	17,664					277,231		274,507		2,724
Dues and subscriptions	58,790	30,325	19,001	13,851			5,000	150	9,464	9,464			
Office supplies, postage, and shipping	49,272	34,999	8,829	8,829					5,444		5,444		
Printing and publications	28,265	19,799	1,095	1,095					7,371		7,371		
Trade shows, promotional items	23,630	19,352	3,724	3,257				467	554		525		29
Taxes, interest, bank fees	45,149	29,109	7,332	1,880			5,452		8,708	998	7,710		
Other	395	45	350					350					
Allocation of expenses		(881,561)	462,291	236,435	91,418	16,662	705	117,071	419,270	303,786	89,831	2,292	23,361
Total Implementation and Overhead Expenses	6,621,913		3,497,097	2,064,756	616,092	114,158	21,029	681,062	3,124,816	1,931,866	978,945	16,139	197,866
Project Expenses	37,798,839		37,798,839	37,798,839									
Total Operating Expenses	44,420,752		41,295,936	39,863,595	616,092	114,158	21,029	681,062	3,124,816	1,931,866	978,945	16,139	197,866
Uncollectible accounts	25,046								25,046	25,046			
Total Expenses	$ 44,445,798	$	$ 41,295,936	$39,863,595	$ 616,092	$ 114,158	$ 21,029	$ 681,062	$ 3,149,862	$ 1,956,912	$ 978,945	$ 16,139	$ 197,866

* Activity funded by non-checkoff sources

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS REPORT ON COMPLIANCE WITH LOBBYING REGULATIONS

To the Board of Directors of
United States Meat Export Federation, Inc.:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the compliance with lobbying regulations by United States Meat Export Federation, Inc. ("USMEF") as of September 30, 2016, and have issued our report thereon dated November 2, 2016.

Management's Responsibility for Compliance

Management is responsible to ensure the compliance of all lobbying regulations.

Auditors' Responsibility

Our responsibility is to express an opinion on the compliance of lobbying regulations by USMEF 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 USMEF is compliant in accordance with lobbying regulations.

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, during the course of the audit, nothing came to our attention that caused us to believe that USMEF had failed to comply with Section 1230.74 (a) of the Pork Promotion, Research and Consumer Promotion and Research Order; Final Rule, or Section 1260.169(e) of the Beef Promotion and Research Order; Final Rule relating to the use of "checkoff" funds for the purpose of influencing legislation, as that term is defined in Section 4911(d) and (e)(2) of Title 26 of the Internal Revenue Code, or for the purpose of influencing governmental policy or action. However, it should be noted that our audit was not directed primarily toward obtaining knowledge of such noncompliance.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of United States Meat Export Federation as of and for the year ended September 30, 2016, and our report thereon November 2, 2016, expressed as an unmodified opinion on those financial statements

Purpose of Report

This report is intended solely for the information and use of the Board of Directors, Audit Committee and management of the United States Meat Export Federation, Inc., and for use of its various funding sources and is not intended to be and should not be used by anyone other than these specified parties.

JDS Professional Group

November 2, 2016