



**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2025 AND 2024

Independent Auditor's Report

Board of Directors
Softwood Lumber Board

Opinion

We have audited the accompanying financial statements of Softwood Lumber Board (SLB) which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Softwood Lumber Board as of December 31, 2025 and 2024, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Softwood Lumber Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Softwood Lumber Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Softwood Lumber Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Softwood Lumber Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The information in the accompanying supplementary schedules on pages 19 - 22 which is the responsibility of management, is presented for purposes of additional analysis as required by U.S. Department of Agriculture, Agricultural Marketing Service, and is not a required part of the financial statements. Such information, except for the budget information marked "unaudited," 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. The budget information marked "unaudited" has not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Board of Directors
Softwood Lumber Board

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2026, on our consideration of Softwood Lumber Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Softwood Lumber Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Softwood Lumber Board's internal control over financial reporting and compliance.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
April 9, 2026

Certified Public Accountants

SOFTWOOD LUMBER BOARD
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
Assets		
Assets		
Cash and Cash Equivalents	\$ 6,638,840	\$ 7,878,036
Assessments Receivable	3,452,121	3,856,889
Grants Receivable	541,281	311,278
Investments	5,659,847	5,408,920
Prepaid Expenses	59,895	48,568
Property and Equipment, Net	15,449	29,237
Total Assets	\$ 16,367,433	\$ 17,532,928
Liabilities and Net Assets		
Liabilities		
Accounts Payable and Accrued Expenses	\$ 1,975,257	\$ 2,032,295
Assessment Refund Liability	1,216,673	1,295,315
Total Liabilities	3,191,930	3,327,610
Net Assets		
Without Donor Restrictions		
Undesignated	11,178,438	12,295,601
Designated	1,997,065	1,909,717
Total Net Assets Without Donor Restrictions	13,175,503	14,205,318
Total Liabilities and Net Assets	\$ 16,367,433	\$ 17,532,928

See accompanying Notes to Financial Statements.

SOFTWOOD LUMBER BOARD
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenue		
Domestic Assessments, Net of Refunds	\$ 11,919,393	\$ 11,916,395
Imported Assessments, Net of Refunds	4,297,689	4,867,745
Previous Year Revenue Increase	454,640	55,185
Net Assessments	16,671,722	16,839,325
USDA Grant Revenue	662,982	1,049,661
Contributions	128,000	190,500
Miscellaneous Income	6,000	2,654
Total Revenue	17,468,704	18,082,140
Expenses		
Program Expenses	17,679,525	18,217,537
Supporting Services		
Administrative Expenses	1,331,996	1,200,015
Total Expenses	19,011,521	19,417,552
Change in Net Assets before Interest and Investment Income	(1,542,817)	(1,335,412)
Interest Income	262,075	383,368
Net Investment Income	250,927	187,272
Change in Net Assets	(1,029,815)	(764,772)
Net Assets at Beginning of Year	14,205,318	14,970,090
Net Assets at End of Year	\$ 13,175,503	\$ 14,205,318

See accompanying Notes to Financial Statements.