

**THE SUPREME COURT OF  
TEXAS**

**ANNUAL FINANCIAL REPORT**

*For The Year Ended August 31, 2025*

**James D. Blacklock  
Chief Justice**

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## The Supreme Court of Texas

CHIEF JUSTICE  
JAMES D. BLACKLOCK

JUSTICES  
DEBRA H. LEHRMANN  
JOHN P. DEVINE  
J. BRETT BUSBY  
JANE N. BLAND  
REBECA A. HUDDLE  
EVAN A. YOUNG  
JAMES P. SULLIVAN

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CLERK  
BLAKE A. HAWTHORNE

GENERAL COUNSEL  
MARTHA NEWTON

EXECUTIVE ASSISTANT  
NADINE SCHNEIDER

October 1, 2025

Honorable Greg Abbott, Governor  
Honorable Kelly Hancock, Texas Comptroller  
Jerry McGinty, Director, Legislative Budget Board  
Lisa Collier, State Auditor

Dear Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of The Supreme Court of Texas for the year ended August 31, 2025, in compliance with TEX. GOV'T CODE ANN Section 2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact me at 512-463-1366.

Sincerely,

A handwritten signature in cursive script that reads "Jan Evans".

Jan Evans  
Director of Finance



UNAUDITED

GOVERNMENTAL FUNDS TOTAL	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	STATEMENT OF NET ASSETS
\$ 764,715.44		\$	\$ 764,715.44
1,069.00			1,069.00
2,009,809.58			2,009,809.58
0.00			0.00
0.00			0.00
<u>2,775,594.02</u>			<u>2,775,594.02</u>
\$		\$	\$
	49,691.08		49,691.08
	(49,691.08)		(49,691.08)
			0.00
			0.00
	<u>49,975.00</u>		<u>49,975.00</u>
<u>0.00</u>	<u>49,975.00</u>	<u>0.00</u>	<u>49,975.00</u>
<u>\$ 2,775,594.02</u>	<u>49,975.00</u>	<u>\$ 0.00</u>	<u>\$ 2,825,569.02</u>
\$ 231,217.38		\$	\$ 231,217.38
1,440,437.04			1,440,437.04
1,069.00			1,069.00
81,067.35			81,067.35
0.00		388,057.60	388,057.60
			0.00
<u>1,753,790.77</u>	<u>0.00</u>	<u>388,057.60</u>	<u>2,141,848.37</u>



UNAUDITED

GOVERNMENTAL FUNDS TOTAL	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	STATEMENT OF NET ASSETS
		280,699.96	280,699.96
			0.00
	0.00	280,699.96	280,699.96
1,753,790.77	0.00	668,757.56	2,422,548.33
\$ 492,512.33		\$	\$ 492,512.33
0.00			0.00
529,290.92	0.00	0.00	529,290.92
1,021,803.25	0.00	0.00	1,021,803.25
\$ 2,775,594.02	0.00	\$ 668,757.56	\$ 3,444,351.58
	49,975.00		49,975.00
			0.00
			0.00
		(668,757.56)	(668,757.56)
	\$ 49,975.00	\$ (668,757.56)	\$ 403,020.69
			\$ 2,825,569.02

UNAUDITED

THE SUPREME COURT OF TEXAS (201)

EXHIBIT II

COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/  
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS

For the Year Ended August 31, 2025

	GOVERNMENTAL FUND TYPES	
	GENERAL FUNDS (Exh A-2)	SPECIAL REVENUE FUND (Exh B-2)
	<u>                    </u>	<u>                    </u>
REVENUES:	\$	\$
Legislative Appropriations		
Original Appropriations	23,932,101.00	0.00
Additional Appropriations	1,615,512.62	0.00
Federal Revenue	1,675,786.96	
Interest, Dividend & Other Income	3,720.00	47,434,329.06
Settlement of Claims		72.30
State Grant Pass-Through Revenue		2,491,250.00
Other Revenue	<u>150,638.50</u>	<u>2,333,479.38</u>
 Total Revenues	 <u>27,377,759.08</u>	 <u>52,259,130.74</u>
 EXPENDITURES:		
Salaries and Wages	8,736,741.36	483,251.00
Payroll Related Costs	2,203,043.28	160,664.03
Professional Fees & Services	5,422.00	3,578.00
Travel	76,500.46	9,877.46
Materials and Supplies	20,396.20	83,803.67
Communication and Utilities	34,737.54	94,995.66
Repairs and Maintenance	1,224.00	72,238.48
Rentals and Leases	(8,096.72)	27,370.42
Printing and Reproduction	21,131.24	50,569.79
Federal Pass-through Expenditure	171,930.16	0.00
State Grant Pass-through Expenditure	13,909.12	0.00
Intergovernmental Payments	104,189.67	636,462.24
Public Assistance Payments	31,236,475.34	17,250,643.00
Other Operating Expenditures	276,081.45	58,385.53
Capital Outlay	0.00	0.00
Depreciation Expense	<u>0.00</u>	<u>0.00</u>
 Total Expenditures	 <u>42,893,685.10</u>	 <u>18,931,839.28</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>(15,515,926.02)</u>	 <u>33,327,291.46</u>
 OTHER FINANCING SOURCES (USES):		
Increase in Net Assets - Capital Outlay		
Legislative Financing Sources - BRP Transfer In	2,895.75	
Operating Transfers In (Note 12)	10,000,000.00	0.00
Operating Transfers Out (Note 12)	<u>(5,003,720.00)</u>	<u>(33,305,222.75)</u>
 Total Other Financing Sources (Uses)	 <u>4,999,175.75</u>	 <u>(33,305,222.75)</u>
 NET CHANGE IN FUND BALANCES/NET ASSETS	 <u>(10,516,750.27)</u>	 <u>22,068.71</u>

UNAUDITED

GOVERNMENTAL FUNDS TOTAL	Capital Asset Adjustments	Long-term Liabilities Adjustments	Statement of Activities
\$			\$
23,932,101.00			23,932,101.00
1,615,512.62			1,615,512.62
1,675,786.96			1,675,786.96
47,438,049.06			47,438,049.06
72.30			72.30
2,491,250.00			2,491,250.00
2,484,117.88			2,484,117.88
79,636,889.82	0.00	0.00	79,636,889.82
9,219,992.36		(67,276.58)	9,152,715.78
2,363,707.31			2,363,707.31
9,000.00			9,000.00
86,377.92			86,377.92
104,199.87			104,199.87
129,733.20			129,733.20
73,462.48			73,462.48
19,273.70			19,273.70
71,701.03			71,701.03
171,930.16			171,930.16
13,909.12			13,909.12
740,651.91			740,651.91
48,487,118.34			48,487,118.34
334,466.98			334,466.98
0.00	0.00		0.00
0.00	0.00		0.00
61,825,524.38	0.00	(67,276.58)	61,758,247.80
17,811,365.44	0.00	67,276.58	17,878,642.02
0.00			0.00
10,000,000.00			2,895.75
(38,308,942.75)			10,000,000.00
			(38,308,942.75)
(28,308,942.75)	0.00	0.00	(28,306,047.00)
(10,494,681.56)	0.00	67,276.58	(10,427,404.98)

UNAUDITED

THE SUPREME COURT OF TEXAS (201)

EXHIBIT II

COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/  
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS

For the Year Ended August 31, 2025

	GOVERNMENTAL FUND TYPES	
	GENERAL FUNDS (Exh A-2)	SPECIAL REVENUE FUND (Exh B-2)
FUND BALANCES - Beginning	11,096,655.22	470,443.62
Restatements	0.00	
FUND BALANCES - Beginning, As Restated	<u>11,096,655.22</u>	<u>470,443.62</u>
Lapsed Appropriations	<u>(50,614.03)</u>	<u>0.00</u>
FUND BALANCES - Ending	<u>\$ 529,290.92</u>	<u>492,512.33</u>

Government-wide Statement - Net Assets

Change in Net Assets

Net Assets Beginning

Adjustments to Beginning Net Assets

Restatements

Net Assets Beginning as Restated and Adjusted

Net Assets Ending

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

UNAUDITED

GOVERNMENTAL FUNDS TOTAL	Capital Asset Adjustments	Long-term Liabilities Adjustments	Statement of Activities
11,567,098.84			\$ 11,567,098.84
0.00			0.00
<u>11,567,098.84</u>			<u>11,567,098.84</u>
<u>(50,614.03)</u>			<u>(50,614.03)</u>
<u><u>1,021,803.25</u></u>			<u><u>\$ 1,089,079.83</u></u>
	<u>0.00</u>	<u>67,276.58</u>	
	49,975.00	\$ (736,034.14)	\$ (686,059.14)
	<u>0.00</u>	<u>(736,034.14)</u>	<u>0.00</u>
	<u>49,975.00</u>	<u>(736,034.14)</u>	<u>(686,059.14)</u>
	<u><u>49,975.00</u></u>	<u><u>(668,757.56)</u></u>	<u><u>\$ 403,020.69</u></u>

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. ENTITY

The Supreme Court of Texas is an appellate court for the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The Supreme Court of Texas, consisting of a Chief Justice and eight (8) Justices, is the highest appellate court of civil cases in Texas. The Justices are elected for six year terms. The Supreme Court is also the administrative head of the judicial branch of Texas government. It promulgates the Rules of Civil Procedure, the Rules of Appellate Procedure and the Rule of Evidence. It appoints the Administrative director of the courts, the Board of Law Examiners, the Texas Court Reporters Certification Board and some members of the State Commission on Judicial Conduct, the Commission for Lawyer Discipline and the Board of Directors of the State Bar of Texas. It must approve the State Bar's annual budget. Under the Texas constitution and the Government Code, all law licenses and court reporter certifications are issued in the name of the Supreme Court. The Supreme Court's authority is found in the Texas Constitution, Article V, Section 3 and 31, and the Texas Government Code Sections 22.001-22.0070, 51.001-51.006, 74.021 and 81.000.

Due to the significant changes related to Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying financial report to be in compliance with generally accepted accounting principles (GAAP). The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units

No component units have been identified which should have been blended into an appropriate fund.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds and account groups, each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPES & GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

General Revenue Fund

The general revenue fund (fund 0001) is used to account for all financial resources of the state except those required to be accounted for in another fund.

Special Revenue Funds

Account for the proceeds of specific revenue sources (other than for private-purpose trusts or for major capital projects) that are legally restricted to use for specified purposes.

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

Capital Asset Adjustment Fund Type

Capital Asset Adjustment Fund Type will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment Fund Type will be used to convert governmental fund types' debt from modified accrual to full accrual.

FIDUCIARY FUND TYPES

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Agency Funds

Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Basis conversion adjustment fund types convert modified accrual basis to full accrual basis of accounting. The following activities are recognized in these fund types:

- \* Capital assets
- \* Accumulated depreciation
- \* Unpaid employee compensable leave
- \* The outstanding debt service principal on long-term liabilities
- \* Capital leases
- \* Long-term claims and judgements
- \* Full accrual revenues and expenses
- \* Pension amounts in governmental activities

Proprietary fund types and fiduciary fund types except agency funds are accounted for on the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

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### THE SUPREME COURT OF TEXAS (201) NOTES TO THE FINANCIAL STATEMENTS

#### D. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

#### E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITIONS

##### ASSETS

###### Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

###### Capital Assets

Assets that meet the reporting threshold and useful life are capitalized. The capitalization threshold and the estimated useful life vary depending on the asset type. These assets are capitalized at cost, if purchased, or at appraised fair value as of the date of acquisition. Purchase of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is depreciated over the estimate of average useful life of a grouping of assets using the composite method. Other depreciable assets are depreciated over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are reported at acquisition value. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

###### Current Receivables

Other Receivables include year-end revenue accruals. This account can appear in governmental and proprietary fund types.

###### Non-Current Receivables - Other

There are no receivables not expected to be collected within one year.

##### LIABILITIES

###### Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

###### Current Payables - Other

Payables are the accrual of year-end expenditure transactions. Payables may be included in either the governmental or proprietary fund types.

UNAUDITED

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

Non-Current Payables - Other

There are no payables not expected to be paid in one year.

Employees' Compensable Leave

Employees' Compensable Leave Balances represent the liability that became "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets.

FUND BALANCES/NET POSITION

"Fund balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

Fund Balance Components

Fund balances for governmental funds are classified as either nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

The Board uses resources in the following order:

\* When both restricted and unrestricted resources are available, use:

1. Restricted Resources
2. Unrestricted Resources (as they are needed)

\*When only unrestricted resources are available for use in governmental funds, use:

1. Committed Resources
2. Assigned Resources
3. Unassigned Resources

Nonspendable fund balance includes amounts not available to be spent because they are either:  
Not in spendable form -OR- Legally or contractually required to be maintained intact.

Restricted fund balance includes those resources that have constraints placed on their use through external parties - such as creditors, grantors, contributors, laws or regulations of other governments - or by law through constitutional provisions or enabling legislation.

Committed fund balance can be used only for specific purposes pursuant to constraints imposed through legislation passed into law by a formal action of the Texas Legislature, the state's highest level decision making authority.

Assigned fund balance includes amount constrained by the state's intent to be used for specific purposes, but the constraints do not meet the requirements to be reported as restricted or committed. Intent is expressed by: The Texas Legislature -OR- A body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

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THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested in Capital Assets, Net of Related Debt

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position

Restricted Net Position results when constraints placed on net resources use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

Unrestricted Net Position consists of net resources, which do not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources, which are imposed by management, but can be removed or modified.

F. INTERFUND TRANSACTIONS AND BALANCES

The agency has the following types of transactions among funds:

- 1) Transfers: Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.
- 2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.
- 3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current."
- 4) Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the agency's Interfund receivables and payables, if any, is presented in Note 12.

UNAUDITED

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 2: CAPITAL ASSETS**

A summary of changes in Capital Assets for the year ended August 31, 2024:

	Balance 9/1/23	Adjustments	Completed CIP	Inc Int'agy Trans
Governmental Activities:				
Non-depreciable Assets				
Other Capital Assets	49,975.00			
Depreciable Assets				
Furniture and				
Equipment	\$ 49,691.08	\$	\$	\$
Intangible: Software	0.00		0.00	0.00
Total non & depreciable/ amortizable assets	99,666.08	0.00	0.00	0.00
Less Accum Deprec for:				
Furniture and Equip	(49,691.08)	0.00		
Less Acc Amort Software	0.00			
Total Accum Deprec/Amort	(49,691.08)	0.00	0.00	0.00
<b>TOTAL</b>	<b>\$ 49,975.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
	Dec Int'agy Trans	Addition	Deletions	Balance 8/31/24
continued				
Governmental Activities:				
Non-depreciable Assets				
Construction in Progress				49,975.00
Depreciable Assets				
Furniture and				
Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 49,691.08
Intangible: Software	0.00	0.00	0.00	0.00
Total non & depreciable/ amortizable assets	0.00	0.00	0.00	99,666.08
Less Accum Deprec for:				
Furniture and Equip	0.00	0.00	0.00	(49,691.08)
Less Acc Amort Software	0.00			0.00
Total Accum Deprec/Amort	0.00	0.00	0.00	(49,691.08)
<b>TOTAL</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 49,975.00</b>

**NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS**

The Supreme Court of Texas is authorized by statute to make investments following the "prudent person rule." There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

As of August 31, 2025, the Attorney License Fee account has \$764,715.44 cash in bank which is the same as the carrying amount on the books.

UNAUDITED

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

CASH IN BANK - CARRYING VALUE	\$	764,715.44
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent		0.00
Cash in Bank per AFR	\$	764,715.44
Governmental Funds Current Assets Cash in Bank	\$	764,715.44
Cash in Bank per AFR	\$	764,715.44

As of August 31, 2025, the total bank balances was as follows:

Governmental Activities Fund Type 02	\$	764,715.44
--------------------------------------	----	------------

Deposit Custodial Credit Risk:

		Bank Balance Uninsured and Uncollateralized
Governmental Activities Fund Type 02	\$	514,715.44
Total Fund Type 02		514,715.44
Total Governmental		514,715.44
Supreme Court of Texas Totals	\$	514,715.44

The agency does not have a deposit policy for custodial credit risk.

**NOTE 4: SHORT TERM DEBT**

Not Applicable

**NOTE 5: SUMMARY OF LONG-TERM LIABILITIES**

Notes and Loans Payable:

The agency did not have any notes or loans payable as of August 31, 2025.

Changes In Long-Term Liabilities

During the year ended August 31, 2025, the following changes occurred in liabilities.

	Balance 9/01/24	Additions	Deductions/Changes	Balance 8/31/25	Amounts Due Within One Yr
Governmental Activities:					
Compensable Leave	\$ 736,034.14	\$ 591,922.21	\$ (659,198.79)	\$ 668,757.56	\$ 388,057.60
Capital Lease Oblig	0.00	0.00	0.00	0.00	0.00
TOTAL	\$ 736,034.14	\$ 591,922.21	\$ (659,198.79)	\$ 668,757.56	\$ 388,057.60

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

**Employees' Compensable Leave**

If a state employee had continuous employment with the state for at least six months, the state employee is entitled to be paid for all unused vacation time accrued in the event of the employee's resignation, dismissal or separation from state employment. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Position. Both an expense and liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding sources(s) from which the employee's salary or wage compensation was paid.

**NOTE 6: BONDED INDEBTEDNESS**

Not applicable

**NOTE 7: DERIVATIVE INSTRUMENTS**

Not applicable

**NOTE 8: LEASES**

Not applicable

**NOTE 9: PENSION PLANS**

Not applicable

**NOTE 10: DEFERRED COMPENSATION**

Not applicable

**NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

Not applicable

**NOTE 12: INTERFUND BALANCES/ACTIVITIES**

As explained in Note 1 on Interfund Transactions and Balances, there are numerous transactions between funds and agencies. At year end, amounts to be received or paid are reported as Interfund Receivables or Interfund Payables, Advances From or Advances To, or Due From or Due To Other Funds. Individual interfund receivable and payable balances at August 31, 2025 were as follows:

The agency experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

The Judicial Fund 0573 is a shared fund with District Courts and with the Comptroller's Office Judiciary Section, agency 241. There were transfers between the Supreme Court and agency 241.



THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 17: RISK MANAGEMENT**

Not applicable

**NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS/MATERIAL CHANGES TO AFR**

Not applicable

**NOTE 19: THE FINANCIAL REPORTING ENTITY: RELATED ORGANIZATIONS**

Not applicable

**NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Not applicable

**NOTE 21: N/A**

**NOTE 22: DONOR-RESTRICTED ENDOWMENTS**

Not applicable

**NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS**

Not applicable

**NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

Not applicable

**NOTE 25: TERMINATION BENEFITS**

Not applicable

**NOTE 26: SEGMENT INFORMATION**

Not applicable

**NOTE 27: SERVICE CONCESSION AGREEMENTS**

Not applicable

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES & DEFERRED INFLOWS OF RESOURCES**

Not applicable

**NOTE 29: TROUBLED DEBT RESTRUCTURING**

Not applicable

THE SUPREME COURT OF TEXAS (201)  
NOTES TO THE FINANCIAL STATEMENTS

**NOTE 30: NON-EXCHANGE FINANCIAL GUARANTERS**

Not applicable

**NOTE 31: TAX ABATEMENTS**

Not applicable

**NOTE 32: FUND BALANCES**

Not applicable

UNAUDITED

THE SUPREME COURT OF TEXAS (201)  
 EXHIBIT A-1  
 COMBINING BALANCE SHEET -  
 ALL GENERAL AND CONSOLIDATED FUNDS  
 For the Year Ended August 31, 2025

	GENERAL FUNDS Fund 0001 U/F (0001)	GENERAL REVENUE Fund 0001 (FD 8070)
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$	\$
Petty Cash on Hand		
Cash In State Treasury		1,069.00
Legislative Appropriations	2,009,809.58	
Federal Receivable		
	<u>                    </u>	<u>                    </u>
Total Current Assets	\$ 2,009,809.58	\$ 1,069.00
Non-Current Assets:		
Loans Receivable	\$	\$
		0.00
	<u>                    </u>	<u>                    </u>
Total Non-Current Assets	0.00	0.00
	<u>                    </u>	<u>                    </u>
<b>TOTAL ASSETS</b>	<b>\$ 2,009,809.58</b>	<b>\$ 1,069.00</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Payables from :		
Accounts Payable	\$ 231,217.38	\$
Payroll Deduction Liability		1,069.00
Due to Other Agencies (Note 12)	81,067.35	
Payroll Payable	1,168,233.93	
	<u>                    </u>	<u>                    </u>
Total Current Liabilities	1,480,518.66	1,069.00
	<u>                    </u>	<u>                    </u>
<b>TOTAL LIABILITIES</b>	<b>\$ 1,480,518.66</b>	<b>\$ 1,069.00</b>
Fund Financial Statements - Fund		
<b>FUND BALANCES (DEFICITS):</b>		
NonSpendable Consumable Inventories	\$ 0.00	\$
Committed		0.00
Unassigned	529,290.92	
	<u>                    </u>	<u>                    </u>
<b>TOTAL FUND BALANCES</b>	<b>529,290.92</b>	<b>0.00</b>
	<u>                    </u>	<u>                    </u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,009,809.58</b>	<b>\$ 1,069.00</b>
	<u>                    </u>	<u>                    </u>

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

TOTALS  
(EXHIBIT I)  
2025

\$ 0.00  
1,069.00  
2,009,809.58  
0.00  
\$ 2,010,878.58

\$ 0.00  
0.00  
\$ 2,010,878.58

\$ 231,217.38  
1,069.00  
81,067.35  
1,168,233.93  
1,481,587.66  
\$ 1,481,587.66

\$ 0.00  
0.00  
529,290.92  
529,290.92  
\$ 2,010,878.58

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THE SUPREME COURT OF TEXAS (201)  
 EXHIBIT B-1  
 COMBINING BALANCE SHEET -  
 SPECIAL REVENUE FUNDS  
 For the Year Ended August 31, 2025

	SPECIAL REVENUE Fund 0573 U/F (0573)	SPECIAL REVENUE Fund 9999 U/F (0999)
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$	\$
Cash in Bank	0.00	764,715.44
Legislative Appropriations	0.00	
Federal Receivable	<u>0.00</u>	
Total Current Assets	<u>\$ 0.00</u>	<u>\$ 764,715.44</u>
Non-Current Assets:		
Loans Receivable	<u>                    </u>	<u>0.00</u>
Total Non-Current Assets	<u>0.00</u>	<u>0.00</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 0.00</u></u>	<u><u>\$ 764,715.44</u></u>
<b>LIABILITIES</b>		
Current Liabilities:		
Payables from :		
Accounts Payable	\$	\$
Payroll Payable	272,203.11	
Due to Other Agencies (Agy 212, Fund 0001)	<u>0.00</u>	<u>0.00</u>
Total Current Liabilities	<u>272,203.11</u>	<u>0.00</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 272,203.11</u></u>	<u><u>\$ 0.00</u></u>
Fund Financial Statements - Fund		
<b>FUND BALANCES (DEFICITS):</b>		
Restricted	\$ (272,203.11)	\$ 764,715.44
Unassigned	<u>                    </u>	<u>                    </u>
<b>TOTAL FUND BALANCES</b>	<u>(272,203.11)</u>	<u>764,715.44</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 0.00</u></u>	<u><u>\$ 764,715.44</u></u>

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

TOTALS  
(EXHIBIT I)  
2,025.00

\$ 764,715.44  
0.00  
0.00

\$ 764,715.44

\$ 0.00  
0.00

\$ 764,715.44

\$ 0.00  
272,203.11  
0.00

272,203.11

\$ 272,203.11

\$ 492,512.33  
0.00

492,512.33

\$ 764,715.44



GENERAL REVENUE FUND 0001 U/F (5157)	<u>TOTALS</u> EXHIBIT II 2025
\$	\$ 23,932,101.00
	1,615,512.62
	1,675,786.96
3,720.00	3,720.00
	<u>150,638.50</u>
<u>3,720.00</u>	<u>27,377,759.08</u>
	8,736,741.36
	2,203,043.28
	5,422.00
	76,500.46
	20,396.20
	34,737.54
	1,224.00
	(8,096.72)
	21,131.24
	171,930.16
	13,909.12
	104,189.67
	31,236,475.34
	276,081.45
	<u>0.00</u>
<u>0.00</u>	<u>42,893,685.10</u>
<u>3,720.00</u>	<u>(15,515,926.02)</u>
	2,895.75
	10,000,000.00
<u>(3,720.00)</u>	<u>(5,003,720.00)</u>
<u>(3,720.00)</u>	<u>4,999,175.75</u>
0.00	(10,516,750.27)
0.00	11,096,655.22
<u>0.00</u>	<u>0.00</u>
	<u>11,096,655.22</u>
	<u>(50,614.03)</u>
\$ <u>0.00</u>	\$ <u>529,290.92</u>

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THE SUPREME COURT OF TEXAS (201)  
 EXHIBIT B-2  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN  
 FUND BALANCES - SPECIAL REVENUE FUNDS  
 For the Year Ended August 31, 2025

	SPECIAL REVENUE FUND 0573 U/F (0469)	SPECIAL REVENUE FUND 0573 U/F (1534)
REVENUES:		
Legislative Appropriations	\$	\$
Additional Appropriations		
Licenses, Fees and Permits		518,178.91
Interest, Dividend & Other Income		
State Grant Pass-Through Revenue	2,491,250.00	
Other Revenue		
Total Revenues	2,491,250.00	518,178.91
EXPENDITURES:		
Salaries and Wages		
Payroll Related Costs		
Professional Fees & Services		
Travel		
Materials and Supplies		
Communication and Utilities		
Repairs and Maintenance		
Rentals and Leases		
Printing and Reproduction		
Federal Pass-through Expenditure		
State Grant Pass-through Expenditure		
Intergovernmental Payments		
Public Assistance Payments		
Other Operating Expenditures		
Capital Outlay		
Total Expenditures	0.00	0.00
EXCESS OF REVENUES OVER EXPENDITURES	2,491,250.00	518,178.91
OTHER FINANCING SOURCES (USES):		
Operating Transfers In (Note 12)		
Operating Transfers Out (Note 12)	(2,491,250.00)	(518,178.91)
Total Other Financing Sources (Uses)	(2,491,250.00)	(518,178.91)
EXCESS OF REVENUE & OTHER FINANCING SOURCES OVER EXPENDITURES & OTHER FINANCING USES	0.00	0.00
FUND BALANCES - Beginning	0.00	
Restatements		0.00
FUND BALANCES - Beginning, As Restated	0.00	0.00
Lapsed Appropriations	0.00	0.00
FUND BALANCES - Ending	\$ 0.00	\$ 0.00

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

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SPECIAL REVENUE FUND 9999 U/F (0999)	SPECIAL REVENUE FUND 0573 U/F (0573)	TOTALS EXHIBIT II 2025
\$	\$	\$
		0.00
		0.00
281,800.00	46,634,350.15	47,434,329.06
72.30		72.30
		2,491,250.00
	2,333,479.38	2,333,479.38
<u>281,872.30</u>	<u>48,967,829.53</u>	<u>52,259,130.74</u>
150,000.00	333,251.00	483,251.00
	160,664.03	160,664.03
	3,578.00	3,578.00
10,922.53	(1,045.07)	9,877.46
13,009.64	70,794.03	83,803.67
492.00	94,503.66	94,995.66
	72,238.48	72,238.48
	27,370.42	27,370.42
49,708.00	861.79	50,569.79
		0.00
		0.00
	636,462.24	636,462.24
	17,250,643.00	17,250,643.00
3,450.00	54,935.53	58,385.53
		0.00
<u>227,582.17</u>	<u>18,704,257.11</u>	<u>18,931,839.28</u>
<u>54,290.13</u>	<u>30,263,572.42</u>	<u>33,327,291.46</u>
		0.00
	<u>(30,295,793.84)</u>	<u>(33,305,222.75)</u>
<u>0.00</u>	<u>(30,295,793.84)</u>	<u>(33,305,222.75)</u>
54,290.13	(32,221.42)	22,068.71
710,425.31	(239,981.69)	470,443.62
0.00	0.00	0.00
<u>710,425.31</u>	<u>(239,981.69)</u>	<u>470,443.62</u>
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>\$ 764,715.44</u>	<u>\$ (272,203.11)</u>	<u>\$ 492,512.33</u>

UNAUDITED

THE SUPREME COURT OF TEXAS (201)  
 SCHEDULE 1A  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended August 31, 2025

Federal Grantor/ Pass-through Grantor Program Title	CFDA Number	NSE Name/ Id. Number	Agy #	Pass-through From		Direct Program Amount
				Agencies Amount	Non-State Entities Amount	
US Department of Health and Human Services						
<u>Direct Programs:</u>						
State Court Improvement Program	93.586					1,503,856.80
State Court Improvement Program	93.586					171,930.16
Pass-through To:						
Office of Court Administration						
Totals - US Dpt of Health & Human Services				0.00	0.00	1,675,786.96
Total Expenditures of Federal Awards				0.00	0.00	1,675,786.96

UNAUDITED

Total PT From & Direct Prog Amt	Agy #	Pass-through To		Expenditures Amount	Total PT To & Direct Exp Amt
		Agencies Amount	Non-State Entities Amount		
1,503,856.80 171,930.16				1,503,856.80	1,503,856.80 171,930.16
<u>                    </u>	212	<u>171,930.16</u>			
<u>1,675,786.96</u>		<u>171,930.16</u>	<u>0.00</u>	<u>1,503,856.80</u>	<u>1,675,786.96</u>
<u><u>1,675,786.96</u></u>		<u><u>171,930.16</u></u>	<u><u>0.00</u></u>	<u><u>1,503,856.80</u></u>	<u><u>1,675,786.96</u></u>

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THE SUPREME COURT OF TEXAS (201)  
SCHEDULE 1B  
SCHEDULE OF STATE GRANT PASS-THROUGHS  
FROM/TO STATE AGENCIES  
For the Year Ended August 31, 2025

Pass-through From	Grant ID	Agency #	Amount
201-Supreme Court of Texas OFFICE OF THE ATTORNEY GENERAL	302.1586	302	<u>2,491,250.00</u>
Total Pass-through From Other Agencies (Exh II):			<u><u>2,491,250.00</u></u>
Pass-through To	Grant ID	Agency #	Amount
JCMH Technology Project/JIR OFFICE OF COURT ADMINISTRATION	201-24-0469	212	<u>13,909.12</u>
Total Pass-through To Other Agencies (Exh II):			<u><u>13,909.12</u></u>