

**AMERICAN PECAN COUNCIL
COMPILED FINANCIAL STATEMENTS
FOR THE ONE MONTH AND TEN MONTHS ENDED
July 31, 2025**



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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
American Pecan Council
Fort Worth, Texas

Management is responsible for the accompanying basic financial statements of the business-type activities of American Pecan Council (a government), which comprise the statement of net position – enterprise fund as of July 31, 2025, and the related statements of revenues, expenses, and changes in net position – enterprise fund and statement of cash flows – enterprise fund for the one-month period and ten-month period then ended July 31, 2025 in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the government's net position, changes in net position, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 8, be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted the management discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Board of Directors
American Pecan Council

The accompanying operating budget for the one-month period and ten-month period then ended July 31, 2025, and the year ending September 30, 2025 (the supplementary information) on page 9 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to American Pecan Council.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP
Denver, Colorado
September 4, 2025

AMERICAN PECAN COUNCIL
STATEMENT OF NET POSITION - ENTERPRISE FUND
AS OF JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS

Current Assets:	
Cash and Cash Equivalents	\$ 4,808,846
Accounts Receivable	379,007
Prepaid Expenses	66,029
Total Current Assets	\$ 5,253,882
Noncurrent Assets:	
Depreciable Capital Assets	\$ 361,012
Accumulated Depreciation and Amortization	(190,280)
Total Noncurrent Assets	\$ 170,732
Other Assets:	
Security Deposit	\$ 10,801
Total Other Assets	\$ 10,801
TOTAL ASSETS	\$ 5,435,415

LIABILITIES AND NET POSITION

Current Liabilities:	
Accounts Payable	\$ 205,795
Lease Obligations Payable	28,057
Total Current Liabilities	\$ 233,852
Noncurrent Liabilities:	
Lease Obligations Payable	\$ 142,463
Total Noncurrent Liabilities	\$ 142,463
Total Liabilities	\$ 376,315
Net Position:	
Net Investment in Capital Assets	\$ 212
Unrestricted	5,058,888
Total Net Position	\$ 5,059,100
TOTAL LIABILITIES AND NET POSITION	\$ 5,435,415

AMERICAN PECAN COUNCIL
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - ENTERPRISE FUND
FOR THE ONE MONTH AND TEN MONTHS ENDED JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One Month	Ten Months
Operating Revenue:		
2024-2025 Improved	\$ 40,466	\$ 2,342,855
Total Operating Revenue	\$ 40,466	\$ 2,342,855
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 41,563	\$ 395,074
Taxes	-	419
Total Administration	\$ 41,563	\$ 395,493
Insurance		
General	\$ 101	\$ 6,863
D&O/Members	445	4,878
Total Insurance	\$ 546	\$ 11,741
Compliance		
Attorney/Crisis Management	\$ -	\$ 47,545
Audit Financial	-	22,000
Sheller/Handler Audits	3,410	48,951
Printing/Forms/Postage	233	2,609
Total Compliance	\$ 3,643	\$ 121,105
Rent		
Rent	\$ (9,385)	\$ 488
Interest Expense	528	1,469
Amorization Expense	2,985	29,849
Total Rent	\$ (5,872)	\$ 31,806
Accounting/Financials	\$ 8,608	\$ 72,138
Telephone/Mobile/Internet	229	13,984
Travel Committee	12,341	72,514
Supplies	9	1,579
Maintenance and Buildout	3,755	3,755
Printing	-	6,368
IT/Furniture/Software	7,155	34,941
Subscriptions	-	104
Amortization SBITA	-	3,024
Depreciation	181	2,153
Miscellaneous	(2)	174
Total General Administration	\$ 72,156	\$ 770,879

AMERICAN PECAN COUNCIL
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - ENTERPRISE FUND
FOR THE ONE MONTH AND TEN MONTHS ENDED JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>One Month</u>	<u>Ten Months</u>
Industry Relations Activities:		
Communication Materials	\$ -	\$ 9
Travel	1,938	9,445
Association Sponsorship	750	17,716
Compliance & Reporting Portal:		
Compliance & Reporting Portal	2,668	6,793
FAS Compliance	14,515	76,990
Media Relations/Creative	-	4,200
Paid Media/Trade Partnerships	-	250
Total Industry Relations Activities	<u>\$ 19,871</u>	<u>\$ 115,403</u>
Total Industry Relations	<u>\$ 19,871</u>	<u>\$ 115,403</u>
International Relations:		
International Relations	\$ 101,376	\$ 425,336
Unified Export Strategy	188	11,430
Travel	-	26,489
Market Access Program:		
Germany Marketing	-	330
China	-	12,567
UK Marketing	-	201,379
Export Development	32,500	32,500
Total International Relations	<u>\$ 134,064</u>	<u>\$ 710,031</u>
Marketing:		
Marketing Support	\$ 13,432	\$ 134,320
APC Travel for Events	-	(8,200)
Influencer Marketing	500	4,500
Digital Management	-	76,612
B2B International Relations	-	5,053
Total Marketing	<u>\$ 13,932</u>	<u>\$ 212,285</u>
Grades and Standards:		
Surveys	\$ -	\$ 19,758
Quality Assurance Program	(3,500)	(161,000)
Total Grades and Standards	<u>\$ (3,500)</u>	<u>\$ (141,242)</u>
Total Operating Expenses	<u>\$ 236,523</u>	<u>\$ 1,667,356</u>
Operating Income (Loss)	<u>\$ (196,057)</u>	<u>\$ 675,499</u>
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 7,171	\$ 58,478
Other Income:		
Marketing Access Program (MAP)	-	556,760
Regional Agricultural Promotion Program (RAPP)	-	333,000
Regional Agricultural Promotion Program (RAPP)-2	-	171,361
Management Fee	-	419
Total Nonoperating Revenue	<u>\$ 7,171</u>	<u>\$ 1,120,018</u>
Change in Net Position	<u>\$ (188,886)</u>	<u>\$ 1,795,517</u>

AMERICAN PECAN COUNCIL
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - ENTERPRISE FUND
FOR THE ONE MONTH AND TEN MONTHS ENDED JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One Month	Ten Months
Net Position, Beginning as Previously Stated	\$ 5,242,321	\$ 3,392,897
Prior Period Adjustment	5,665	(129,314)
Net Position, Beginning as Restated	\$ 5,247,986	\$ 3,263,583
Net Position, Ending	\$ 5,059,100	\$ 5,059,100

AMERICAN PECAN COUNCIL
STATEMENT OF CASH FLOWS - ENTERPRISE FUND
FOR THE ONE MONTH AND TEN MONTHS ENDED JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One Month	Ten Months
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 116,316	\$ 2,686,378
Cash Paid for Operating Expenses	(163,310)	(3,099,629)
Net Cash Used by Operating Activities	\$ (46,994)	\$ (413,251)
Cash Flows From Noncapital Financing Activities:		
Cash Received from Marketing Access Program Funding (MAP)	\$ -	\$ 556,760
Cash Received from Regional Agricultural Promotion Program Funding (RAPP)	-	333,000
Cash Received from Regional Agricultural Promotion Program Funding (RAPP) 2	-	171,361
Net Cash Provided by Noncapital Financing Activities	\$ -	\$ 1,061,121
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 7,171	\$ 58,478
Cash Received from Management Fee	-	419
Net Cash Provided by Investing Activities	\$ 7,171	\$ 58,897
Net Change in Cash	\$ (39,823)	\$ 706,767
Cash, Beginning of Period	\$ 4,848,669	\$ 4,102,079
Cash, End of Period	\$ 4,808,846	\$ 4,808,846
Reconciliation of Operating Income to Net Cash		
Used by Operating Activities:		
Operating Income (Loss)	\$ (196,057)	\$ 675,499
Adjustment to Reconcile Operating Income (Loss) to		
Net Cash Used by Operating Activities		
Depreciation Expense	181	2,153
Amortization Expense	2,984	32,872
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	75,850	343,523
(Increase) Decrease in Prepaid Expenses	2,470	(18,348)
Increase (Decrease) in Accounts Payable	69,961	(1,415,646)
Increase (Decrease) in Lease Obligation Payable	(2,383)	(33,304)
Net Cash Used by Operating Activities	\$ (46,994)	\$ (413,251)

**AMERICAN PECAN COUNCIL
BUDGETARY COMPARISON SCHEDULE
FOR THE TEN MONTHS ENDED JULY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)**

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Operating Revenue:				
2024-2025 Improved	\$ 2,150,000	\$ 2,150,000	\$ 2,342,855	\$ 192,855
Total Operating Revenue	<u>\$ 2,150,000</u>	<u>\$ 2,150,000</u>	<u>\$ 2,342,855</u>	<u>\$ 192,855</u>
Operating Expenses:				
General Administration:				
Administration	\$ 490,248	\$ 490,250	\$ 395,493	\$ 94,757
Compliance	322,920	322,920	121,105	201,815
Other General Administration	289,581	289,580	254,281	35,299
Total General Administration	<u>\$ 1,102,749</u>	<u>\$ 1,102,750</u>	<u>\$ 770,879</u>	<u>\$ 331,871</u>
Contingency Fund	\$ 420,840	\$ 420,840	\$ -	\$ 420,840
Industry Relations	91,663	91,670	115,403	(23,733)
International Relations	1,209,438	2,813,610	710,031	2,103,579
Marketing	744,750	744,750	212,285	532,465
Grades and Standards	229,170	229,170	(141,242)	370,412
Total Operating Expenses	<u>\$ 3,798,610</u>	<u>\$ 5,402,790</u>	<u>\$ 1,667,356</u>	<u>\$ 3,735,434</u>
Operating Income (Loss)	<u>\$ (1,648,610)</u>	<u>\$ (3,252,790)</u>	<u>\$ 675,499</u>	<u>\$ (3,928,289)</u>
Nonoperating Revenues and Expenses				
Interest Earned	\$ -	\$ -	\$ 58,478	\$ 58,478
Past Outstanding	333,330	333,350	-	(333,350)
Carry Over - Health Research	287,500	287,500	-	(287,500)
Other Income				
Emerging Marketing Program (EMP)	208,330	208,330	-	(208,330)
Marketing Access Program (MAP)	541,670	833,330	556,760	(276,570)
Quality Sample Program (QSP)	-	62,500	-	(62,500)
Regional Agricultural Promotion Program (RAPP) 1	277,780	277,780	333,000	55,220
Regional Agricultural Promotion Program (RAPP) 2	-	1,250,000	171,361	(1,078,639)
Management Fee	-	-	419	419
Total Nonoperating Revenue and Expense	<u>\$ 1,648,610</u>	<u>\$ 3,252,790</u>	<u>\$ 1,120,018</u>	<u>\$ (2,132,772)</u>
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,795,517</u>	<u>\$ 1,795,517</u>

**AMERICAN PECAN COUNCIL
OPERATING BUDGET
FOR THE ONE MONTH AND TEN MONTHS ENDED JULY 31, 2025
YEAR ENDING SEPTEMBER 30, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)**

	One Month Ended July 31, 2025		Ten Months Ended July 31, 2025		Fiscal Year Ending September 30, 2025
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2024-2025 Improved	\$ 40,466	\$ 215,000	\$ 2,342,855	\$ 2,150,000	\$ 2,580,000
Total Operating Revenue	<u>\$ 40,466</u>	<u>\$ 215,000</u>	<u>\$ 2,342,855</u>	<u>\$ 2,150,000</u>	<u>\$ 2,580,000</u>
Operating Expenses:					
General Administration:					
Administration	\$ 41,563	\$ 49,025	\$ 395,493	\$ 490,250	\$ 588,295
Compliance	3,643	32,292	121,105	322,920	387,500
Other General Administration	26,950	28,958	254,281	289,580	347,500
Total General Administration	<u>\$ 72,156</u>	<u>\$ 110,275</u>	<u>\$ 770,879</u>	<u>\$ 1,102,750</u>	<u>\$ 1,323,295</u>
Contingency Fund	\$ -	\$ 42,084	\$ -	\$ 420,840	\$ 505,005
Industry Relations	19,871	9,167	115,403	91,670	110,000
International Relations	134,064	281,361	710,031	2,813,610	3,376,333
Marketing	13,932	74,475	212,285	744,750	893,700
Grades and Standards	(3,500)	22,917	(141,242)	229,170	275,000
Total Operating Expenses	<u>\$ 236,523</u>	<u>\$ 540,279</u>	<u>\$ 1,667,356</u>	<u>\$ 5,402,790</u>	<u>\$ 6,483,333</u>
Operating Income (Loss)	<u>\$ (196,057)</u>	<u>\$ (325,279)</u>	<u>\$ 675,499</u>	<u>\$ (3,252,790)</u>	<u>\$ (3,903,333)</u>
Nonoperating Revenues and Expenses					
Interest Earned	\$ 7,171	\$ -	\$ 58,478	\$ -	\$ -
Past Outstanding	-	33,335	-	333,350	400,000
Carry Over - Health Research	-	28,750	-	287,500	345,000
Other Income					
Emerging Marking Program (EMP)	-	20,833	-	208,330	250,000
Marketing Access Program (MAP)	-	83,333	556,760	833,330	1,000,000
Quality Sample Program (QSP)	-	6,250	-	62,500	75,000
Regional Agricultural Promotion Program (RAPP) 1	-	27,778	333,000	277,780	333,333
Regional Agricultural Promotion Program (RAPP) 2	-	125,000	171,361	1,250,000	1,500,000
Management Fee	-	-	419	-	-
Total Nonoperating Revenue	<u>\$ 7,171</u>	<u>\$ 325,279</u>	<u>\$ 1,120,018</u>	<u>\$ 3,252,790</u>	<u>\$ 3,903,333</u>
Change in Net Position	<u>\$ (188,886)</u>	<u>\$ -</u>	<u>\$ 1,795,517</u>	<u>\$ -</u>	<u>\$ -</u>



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