

**AMERICAN PECAN COUNCIL
COMPILED FINANCIAL STATEMENTS
FOR THE ONE MONTH AND EIGHT MONTHS ENDED
MAY 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 May 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 eight-month period then ended May 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 seven-month period then ended May 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 black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP
Denver, Colorado
July 2, 2025

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

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	4,962,529
Accounts Receivable		441,752
Prepaid Expenses		83,758
Total Current Assets	\$	5,488,039

Noncurrent Assets:

Depreciable Capital Assets	\$	185,908
Accumulated Depreciation and Amorization		(178,238)
Total Noncurrent Assets	\$	7,670

Other Assets:

Security Deposit	\$	10,801
Total Other Assets	\$	10,801

TOTAL ASSETS	\$	5,506,510
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LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$	42,125
Lease Obligations Payable		5,816
Total Current Liabilities	\$	47,941
Total Liabilities	\$	47,941

Net Position:

Net Investment in Capital Assets	\$	1,854
Unrestricted		5,456,715
Total Net Position	\$	5,458,569

TOTAL LIABILITIES AND NET POSITION	\$	5,506,510
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AMERICAN PECAN COUNCIL
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - ENTERPRISE FUND
FOR THE ONE MONTH AND EIGHT MONTHS ENDED MAY 31, 2025
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>One Month</u>	<u>Eight Months</u>
Operating Revenue:		
2024-2025 Improved	\$ 105,568	\$ 2,222,963
	<u>\$ 105,568</u>	<u>\$ 2,222,963</u>
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 41,563	\$ 311,947
	<u>\$ 41,563</u>	<u>\$ 311,947</u>
Insurance		
General	\$ 660	\$ 5,280
D&O/Members	445	3,989
	<u>\$ 1,105</u>	<u>\$ 9,269</u>
Compliance		
Attorney/Crisis Management	\$ 8,805	\$ 38,370
Audit Financial	-	22,000
Sheller/Handler Audits	-	30,271
Printing/Forms/Postage	233	2,376
	<u>\$ 9,038</u>	<u>\$ 93,017</u>
Rent		
Rent	\$ 563	\$ 4,504
Interest Expense	18	396
Amorization Expense	2,985	23,879
	<u>\$ 3,566</u>	<u>\$ 28,779</u>
Accounting/Financials	\$ 9,463	\$ 56,938
Telephone/Mobile/Internet	162	9,546
Travel Committee	17,707	60,173
Supplies	-	1,570
Printing	-	6,368
IT/Furniture/Software	3,293	19,780
Subscriptions	-	104
Amortization SBITA	-	3,024
Depreciation	137	1,729
Miscellaneous	155	156
	<u>\$ 86,189</u>	<u>\$ 602,400</u>

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

	<u>One Month</u>	<u>Eight Months</u>
Industry Relations Activities:		
Communication Materials	\$ -	\$ 9
Travel	2,729	5,052
Association Sponsorship	3,037	16,966
Compliance & Reporting Portal:		
FAS Compliance	11,515	49,980
Media Relations/Creative	-	4,200
	<u>\$ 17,529</u>	<u>\$ 80,332</u>
Total Industry Relations	<u>\$ 17,529</u>	<u>\$ 80,332</u>
International Relations:		
International Relations	\$ 23,143	\$ 251,338
Unified Export Strategy	187	11,055
Travel	-	28,799
Market Access Program:		
Germany Marketing	-	330
China	-	(2,907)
UK Marketing	-	134,737
	<u>\$ 23,330</u>	<u>\$ 423,352</u>
Total International Relations	<u>\$ 23,330</u>	<u>\$ 423,352</u>
Marketing:		
Marketing Support	\$ 13,432	\$ 107,456
APC Travel for Events	-	(8,200)
Influencer Marketing	500	4,000
Website Management	36,806	56,500
B2B International Relations	52	5,052
	<u>\$ 50,790</u>	<u>\$ 164,808</u>
Total Marketing	<u>\$ 50,790</u>	<u>\$ 164,808</u>
Grades and Standards:		
Surveys	\$ -	\$ 19,758
Quality Assurance Program	-	(157,500)
	<u>\$ -</u>	<u>\$ (137,742)</u>
Total Grades and Standards	<u>\$ -</u>	<u>\$ (137,742)</u>
Total Operating Expenses	<u>\$ 177,838</u>	<u>\$ 1,133,150</u>
Operating Income (Loss)	<u>\$ (72,270)</u>	<u>\$ 1,089,813</u>
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 6,575	\$ 44,052
Other Income:		
Marketing Access Program (MAP)	37,500	556,760
Regional Agricultural Promotion Program (RAPP)	-	333,000
Regional Agricultural Promotion Program (RAPP)-2	-	171,361
	<u>\$ 44,075</u>	<u>\$ 1,105,173</u>
Total Nonoperating Revenue	<u>\$ 44,075</u>	<u>\$ 1,105,173</u>
Change in Net Position	<u>\$ (28,195)</u>	<u>\$ 2,194,986</u>

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

	<u>One Month</u>	<u>Eight Months</u>
Net Position, Beginning as Previously Stated	\$ 5,479,162	\$ 3,392,897
Prior Period Adjustment	<u>7,602</u>	<u>(129,314)</u>
Net Position, Beginning as Restated	<u>\$ 5,486,764</u>	<u>\$ 3,263,583</u>
Net Position, Ending	<u>\$ 5,458,569</u>	<u>\$ 5,458,569</u>

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

	One Month	Eight Months
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 480,725	\$ 2,101,264
Cash Paid for Operating Expenses	(376,197)	(2,345,987)
Net Cash Provided (Used) by Operating Activities	\$ 104,528	\$ (244,723)
Cash Flows From Noncapital Financing Activities:		
Cash Received from Marketing Access Program Funding (MAP)	\$ 37,500	\$ 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 (Used) by Noncapital Financing Activities	\$ 37,500	\$ 1,061,121
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 6,575	\$ 44,052
Net Cash Provided (Used) by Investing Activities	\$ 6,575	\$ 44,052
Net Increase (Decrease) in Cash	\$ 148,603	\$ 860,450
Cash, Beginning of Period	\$ 4,813,926	\$ 4,102,079
Cash, End of Period	\$ 4,962,529	\$ 4,962,529
Reconciliation of Operating Income to Net Cash		
Used by Operating Activities:		
Operating Income (Loss)	\$ (72,270)	\$ 1,089,813
Adjustment to Reconcile Operating Income (Loss) to		
Net Cash Used by Operating Activities		
Depreciation Expense	137	1,729
Amortization Expense	2,985	26,903
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	375,157	(77,165)
(Increase) Decrease in Prepaid Expenses	(908)	(36,077)
Increase (Decrease) in Accounts Payable	(197,679)	(1,182,488)
Increase (Decrease) in Lease Obligation Payable	(2,894)	(22,904)
Increase (Decrease) in Deferred Revenue	-	(44,534)
Net Cash Provided (Used) by Operating Activities	\$ 104,528	\$ (244,723)

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

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Operating Revenue:				
2024-2025 Improved	\$ 1,720,000	\$ 1,720,000	\$ 2,222,963	\$ 502,963
Total Operating Revenue	<u>\$ 1,720,000</u>	<u>\$ 1,720,000</u>	<u>\$ 2,222,963</u>	<u>\$ 502,963</u>
Operating Expenses:				
General Administration:				
Administration	\$ 392,200	\$ 392,200	\$ 311,947	\$ 80,253
Compliance	258,336	258,336	93,017	165,319
Other General Administration	231,664	231,664	197,436	34,228
Total General Administration	<u>\$ 882,200</u>	<u>\$ 882,200</u>	<u>\$ 602,400</u>	<u>\$ 279,800</u>
Contingency Fund	\$ 336,672	\$ 336,672	-	\$ 336,672
Industry Relations	73,328	73,336	80,332	(6,996)
International Relations	967,552	2,250,888	423,352	1,827,536
Marketing	595,800	595,800	164,808	430,992
Grades and Standards	183,336	183,336	(137,742)	321,078
Total Operating Expenses	<u>\$ 3,038,888</u>	<u>\$ 4,322,232</u>	<u>\$ 1,133,150</u>	<u>\$ 3,189,082</u>
Operating Income (Loss)	<u>\$ (1,318,888)</u>	<u>\$ (2,602,232)</u>	<u>\$ 1,089,813</u>	<u>\$ (3,692,045)</u>
Nonoperating Revenues and Expenses				
Interest Earned	\$ -	\$ -	\$ 44,052	\$ 44,052
Past Outstanding	266,664	266,680	-	(266,680)
Carry Over - Health Research	230,000	230,000	-	(230,000)
Other Income				
Emerging Marking Program (EMP)	166,664	166,664	-	(166,664)
Marketing Access Program (MAP)	433,336	666,664	556,760	(109,904)
Quality Sample Program (QSP)	-	50,000	-	(50,000)
Regional Agricultural Promotion Program (RAPP) 1	222,224	222,224	333,000	110,776
Regional Agricultural Promotion Program (RAPP) 2	-	1,000,000	171,361	(828,639)
Total Nonoperating Revenue and Expense	<u>\$ 1,318,888</u>	<u>\$ 2,602,232</u>	<u>\$ 1,105,173</u>	<u>\$ (1,497,059)</u>
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,194,986</u>	<u>\$ 2,194,986</u>

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

	One Month Ended May 31, 2025		Eight Months Ended May 31, 2025		Fiscal Year Ending September 30, 2025
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2024-2025 Improved	\$ 105,568	\$ 215,000	\$ 2,222,963	\$ 1,720,000	\$ 2,580,000
Total Operating Revenue	<u>\$ 105,568</u>	<u>\$ 215,000</u>	<u>\$ 2,222,963</u>	<u>\$ 1,720,000</u>	<u>\$ 2,580,000</u>
Operating Expenses:					
General Administration:					
Administation	\$ 41,563	\$ 49,025	\$ 311,947	\$ 392,200	\$ 588,295
Compliance	9,038	32,292	93,017	258,336	387,500
Other General Administration	35,588	28,958	197,436	231,664	347,500
Total General Administration	<u>\$ 86,189</u>	<u>\$ 110,275</u>	<u>\$ 602,400</u>	<u>\$ 882,200</u>	<u>\$ 1,323,295</u>
Contingency Fund	\$ -	\$ 42,084	\$ -	\$ 336,672	\$ 505,005
Industry Relations	17,529	9,167	80,332	73,336	110,000
International Relations	23,330	281,361	423,352	2,250,888	3,376,333
Marketing	50,790	74,475	164,808	595,800	893,700
Grades and Standards	-	22,917	(137,742)	183,336	275,000
Total Operating Expenses	<u>\$ 177,838</u>	<u>\$ 540,279</u>	<u>\$ 1,133,150</u>	<u>\$ 4,322,232</u>	<u>\$ 6,483,333</u>
Operating Income (Loss)	<u>\$ (72,270)</u>	<u>\$ (325,279)</u>	<u>\$ 1,089,813</u>	<u>\$ (2,602,232)</u>	<u>\$ (3,903,333)</u>
Nonoperating Revenues and Expenses					
Interest Earned	\$ 6,575	\$ -	\$ 44,052	\$ -	\$ -
Past Outstanding	-	33,335	-	266,680	400,000
Carry Over - Health Research	-	28,750	-	230,000	345,000
Other Income					
Emerging Marking Program (EMP)	-	20,833	-	166,664	250,000
Marketing Access Program (MAP)	37,500	83,333	556,760	666,664	1,000,000
Quality Sample Program (QSP)	-	6,250	-	50,000	75,000
Regional Agricultural Promotion Program (RAPP) 1	-	27,778	333,000	222,224	333,333
Regional Agricultural Promotion Program (RAPP) 2	-	125,000	171,361	1,000,000	1,500,000
Total Nonoperating Revenue	<u>\$ 44,075</u>	<u>\$ 325,279</u>	<u>\$ 1,105,173</u>	<u>\$ 2,602,232</u>	<u>\$ 3,903,333</u>
Change in Net Position	<u>\$ (28,195)</u>	<u>\$ -</u>	<u>\$ 2,194,986</u>	<u>\$ -</u>	<u>\$ -</u>



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