



**ARMSTRONG, BACKUS & CO., LLP**

Certified Public Accountants

**American Pecan Council**

**Compiled Financial Statements**

**For the One Month and Eight Months Ended August 31, 2017**



**ARMSTRONG, BACKUS & CO., LLP**  
Certified Public Accountants

To the Board of Directors of  
American Pecan Council

**ACCOUNTANTS' COMPILATION REPORT**

Management is responsible for the accompanying financial statements of American Pecan Council (a nonprofit organization), which comprise the statement of financial position as of August 31, 2017 and the related statements of activities and cash flows for the one month and eight months then ended, 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 AICPA. 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 of the 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 Organization's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

**Supplementary Information**

The supplementary information included in the operating budget for the one month and eight months ended August 31, 2017 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to the American Pecan Council.

*Armstrong, Backus & Co., L.L.P.*

San Angelo, Texas  
September 8, 2017

**AMERICAN PECAN COUNCIL**  
**Statement of Financial Position**

**As of August 31, 2017**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 4,905,367
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Total Current Assets	\$ 4,905,367
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**Other Assets:**

Security Deposit	\$ 2,000
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Total Other Assets	\$ 2,000
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<b>TOTAL ASSETS</b>	<b>\$ 4,907,367</b>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts Payable	\$ 618,538
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Total Current Liabilities	\$ 618,538
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Total Liabilities	\$ 618,538
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**Equity:**

Unrestricted Net Assets	\$ 4,288,829
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Total Equity	\$ 4,288,829
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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 4,907,367</b>
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See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statements of Activities

**For the One Month and Eight Months Ended August 31, 2017**

	<u>One Month</u>	<u>Eight Months</u>
<b>Revenue:</b>		
Assessment Income	\$ 101,495	\$ 5,461,920
Donations	-0-	110
Interest Earned	623	2,535
	<hr/>	<hr/>
Total Revenue	\$ 102,118	\$ 5,464,565
	<hr/>	<hr/>
<b>Expensees:</b>		
Administrative	\$ 45,006	\$ 198,436
Communication	45	240
Finance	3	2,025
Marketing/Research and Development	617,686	957,921
Personnel	-0-	17,114
	<hr/>	<hr/>
Total Expenses	\$ 662,740	\$ 1,175,736
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Change in Net Assets	(\$ 560,622)	\$ 4,288,829
Net Assets, Beginning	4,849,451	-0-
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Net Assets, Ending	\$ 4,288,829	\$ 4,288,829
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See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statements of Cash Flow

**For the One Month and Eight Months Ended August 31, 2017**

	<u>One Month</u>	<u>Eight Months</u>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Assessments	\$ 101,495	\$ 5,461,920
Cash Received from Donors	-0-	110
Cash Received from Interest Earned	623	2,535
Cash Paid for Operating Expenses	( 74,174)	( 559,198)
Net Cash Provided by Operating Activities	<u>\$ 27,944</u>	<u>\$ 4,905,367</u>
Net Increase in Cash	\$ 27,944	\$ 4,905,367
Cash, Beginning of Period	<u>4,877,423</u>	<u>-0-</u>
Cash, End of Period	<u><u>\$ 4,905,367</u></u>	<u><u>\$ 4,905,367</u></u>
<b>Reconciliation of Increase in Net Assets to</b>		
<b>Net Cash Provided by Operating Activities:</b>		
Increase in Net Assets	(\$ 560,622)	\$ 4,288,829
Adjustments to Reconcile Increase in Net Assets		
to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:		
(Increase) Decrease in Security Deposit	-0-	( 2,000)
Increase (Decrease) in Accounts Payable	<u>588,566</u>	<u>618,538</u>
Net Cash Provided by Operating Activities	<u><u>\$ 27,944</u></u>	<u><u>\$ 4,905,367</u></u>

See Accountants' Compilation Report.



# AMERICAN PECAN COUNCIL

## Operating Budget

**For the One Month and Eight Months Ended August 31, 2017**

	One Month Ended August 31, 2017		Eight Months Ended August 31, 2017		Fiscal Year Ended September 30, 2017
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
<b>Revenue</b>					
Assessment Income	\$ 101,495	\$ 500,000	\$ 5,461,920	\$ 4,000,000	\$ 6,000,000
Donations	-0-	-0-	110	-0-	-0-
Interest Earned	623	-0-	2,535	-0-	-0-
<b>Total Revenue</b>	<b>\$ 102,118</b>	<b>\$ 500,000</b>	<b>\$ 5,464,565</b>	<b>\$ 4,000,000</b>	<b>\$ 6,000,000</b>
<b>Expenses</b>					
Administrative	\$ 45,006	\$ 75,000	\$ 198,436	\$ 600,000	\$ 900,000
Communication	45	8,333	240	66,664	100,000
Compliance	-0-	16,666	-0-	133,328	200,000
Finance	3	6,250	2,025	50,000	75,000
Governance	-0-	6,250	-0-	50,000	75,000
Marketing/Research and Development	617,686	320,833	957,921	2,566,664	3,850,000
Personnel	-0-	4,166	17,114	33,328	50,000
Reporting and Statistics	-0-	20,833	-0-	166,664	250,000
<b>Total Expenses</b>	<b>\$ 662,740</b>	<b>\$ 458,331</b>	<b>\$ 1,175,736</b>	<b>\$ 3,666,648</b>	<b>\$ 5,500,000</b>
<b>Change in Net Assets</b>	<b>(\$ 560,622)</b>	<b>\$ 41,669</b>	<b>\$ 4,288,829</b>	<b>\$ 333,352</b>	<b>\$ 500,000</b>

See Accountants' Compilation Report.

## Federal Marketing Order American Pecan Council

## 1000 - Checking, Period Ending 08/31/2017

## RECONCILIATION REPORT

Reconciled on: 09/08/2017

Reconciled by: Ashlei Lewis

Any changes made to transactions after this date aren't included in this report.

## Summary

USD

Statement beginning balance.....	4,877,423.35
Checks and payments cleared (11).....	-74,173.71
Deposits and other credits cleared (5).....	102,117.31
Statement ending balance.....	<u>4,905,366.95</u>

Register balance as of 08/31/2017.....	4,905,366.95
Cleared transactions after 08/31/2017.....	0.00
Uncleared transactions after 08/31/2017.....	-1,782.75
Register balance as of 09/08/2017.....	4,903,584.20

## Details

## Checks and payments cleared (11)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
08/01/2017	Expense			-3.00
08/02/2017	Expense			-47.71
08/03/2017	Journal			-17,258.43
08/08/2017	Journal			-11,715.07
08/09/2017	Journal			-2,421.74
08/10/2017	Journal			-1,895.10
08/10/2017	Expense		Constant Contact	-43.17
08/22/2017	Journal			-612.00
08/25/2017	Journal			-13,598.10
08/29/2017	Journal			-21,030.07
08/30/2017	Journal			-5,549.32

Total	-74,173.71
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## Deposits and other credits cleared (5)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
08/11/2017	Deposit			52,749.69
08/16/2017	Deposit			9,684.54
08/21/2017	Deposit			621.10
08/24/2017	Deposit			38,439.33
08/31/2017	Deposit			622.65

Total	102,117.31
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## Additional Information

## Uncleared checks and payments after 08/31/2017

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
09/05/2017	Journal			-852.00
09/08/2017	Journal			-930.75

Total	-1,782.75
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