



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants

AMERICAN PECAN COUNCIL
Compiled Financial Statements
For the One Month and Ten Months Ended
July 31, 2020

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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 government), which comprise the balance sheet as of July 31, 2020 and the related statements of revenues, expenses, and changes in net position, cash flows, and budgetary comparison schedule for the one month and ten months 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.

Accounting principles generally accepted in the United States of America require that the following supplementary information on page 4 through page 8 be presented to supplement the basic financial statements:

Budgetary Comparison Schedule

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 for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. We have not performed an audit, review or compilation on the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a 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 for placing the basic financial statements in an appropriate operational, economic, or historical content.

Management has elected to omit substantially all of 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, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

An independently owned member
RSM US Alliance



Supplementary Information

The supplementary information included in the operating budget for the one month and ten months ended July 31, 2020 and one year ended September 30, 2020 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
August 19, 2020



AMERICAN PECAN COUNCIL

Balance Sheet

As of July 31, 2020

ASSETS

Current Assets:

| | | |
|---------------------------|----|-----------|
| Cash and Cash Equivalents | \$ | 6,221,190 |
| Accounts Receivable | | 594,759 |
| Prepaid Expenses | | 12,815 |

Total Current Assets \$ 6,828,764

Fixed Assets:

| | | |
|--------------------------------|----|---------|
| Property, Plant, and Equipment | \$ | 56,737 |
| Accumulated Depreciation | (| 26,273) |

Total Fixed Assets \$ 30,464

Other Assets:

| | | |
|------------------|----|-------|
| Security Deposit | \$ | 2,400 |
|------------------|----|-------|

Total Other Assets \$ 2,400

TOTAL ASSETS

\$ 6,861,628

LIABILITIES AND NET POSITION

Current Liabilities:

| | | |
|------------------|----|--------|
| Accounts Payable | \$ | 39,400 |
|------------------|----|--------|

Total Current Liabilities \$ 39,400

Total Liabilities \$ 39,400

Net Position:

| | | |
|--------------|----|-----------|
| Unrestricted | \$ | 6,822,228 |
|--------------|----|-----------|

Total Net Position \$ 6,822,228

TOTAL LIABILITIES AND NET POSITION

\$ 6,861,628

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statements of Revenues, Expenses, and Changes in Net Position

For the One Month and Ten Months Ended July 31, 2020

| | <u>One Month</u> | <u>Ten Months</u> |
|--|----------------------------|----------------------------|
| Operating Revenues: | | |
| Assessment Income | \$ 80,039 | \$ 7,289,847 |
| | | |
| Total Operating Revenue | <u>\$ 80,039</u> | <u>\$ 7,289,847</u> |
| | | |
| Operating Expenses: | | |
| General Administrative: | | |
| Staff and Administrative | \$ 58,733 | \$ 681,694 |
| Insurance | 678 | 8,753 |
| Compliance | -0- | 163,348 |
| Other General Administrative | 7,105 | 173,688 |
| Industry Relations: | | |
| Industry Relations Activities | -0- | 53,977 |
| Industry Research | -0- | 244,500 |
| International Relations | -0- | 319,293 |
| Marketing | 71,546 | 4,000,036 |
| Grades and Standards | 8,400 | 86,110 |
| Research | -0- | 10,000 |
| | | |
| Total Operating Expenses | <u>\$ 146,462</u> | <u>\$ 5,741,399</u> |
| | | |
| Nonoperating Revenues: | | |
| Interest Earned | \$ 1,394 | \$ 41,619 |
| Other Income | -0- | 391 |
| | | |
| Total Nonoperating Revenues | <u>\$ 1,394</u> | <u>\$ 42,010</u> |
| | | |
| Change in Net Position | <u>(\$ 65,029)</u> | <u>\$ 1,590,458</u> |
| | | |
| Net Position, Beginning as Previously Stated | \$ 6,773,979 | \$ 4,872,738 |
| | | |
| Prior Period Adjustment | <u>113,278</u> | <u>359,032</u> |
| | | |
| Net Position, Beginning as Restated | <u>\$ 6,887,257</u> | <u>\$ 5,231,770</u> |
| | | |
| Net Position, Ending | <u><u>\$ 6,822,228</u></u> | <u><u>\$ 6,822,228</u></u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statements of Cash Flows

For the One Month and Ten Months Ended July 31, 2020

| | <u>One Month</u> | <u>Ten Months</u> |
|---|---------------------|---------------------|
| Cash Flows From Operating Activities: | | |
| Cash Received from Assessments | \$ 223,285 | \$ 7,118,560 |
| Cash Received from Interest Earned | 1,394 | 41,619 |
| Cash Paid for Salary and Benefits | (58,733) | (681,694) |
| Cash Paid for Operating Expenses | (115,619) | (5,646,404) |
| | <u>\$ 50,327</u> | <u>\$ 832,081</u> |
| Net Cash Provided (Used) by Operating Activities | \$ 50,327 | \$ 832,081 |
| Cash Flows From Investing Activities: | | |
| Purchases of Property, Plant, and Equipment | \$ -0- | (\$ 9,448) |
| | <u>\$ -0-</u> | <u>(\$ 9,448)</u> |
| Net Cash Provided (Used) by Investing Activities | \$ -0- | (\$ 9,448) |
| Net Increase (Decrease) in Cash | \$ 50,327 | \$ 822,633 |
| Cash, Beginning of Period | 6,170,863 | 5,398,557 |
| Cash, End of Period | <u>\$ 6,221,190</u> | <u>\$ 6,221,190</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Income (Loss) from Operations | (\$ 65,029) | \$ 1,590,458 |
| Adjustments to Reconcile Operation Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation Expense | 907 | 8,635 |
| Changes in Assets and Liabilities: | | |
| (Increase) Decrease in Accounts Receivable | 143,246 | (171,287) |
| (Increase) Decrease in Prepaid Expenses | (6,158) | 98,853 |
| Increase (Decrease) in Accounts Payable | (22,639) | (689,677) |
| Increase (Decrease) in Payroll Tax Payable | -0- | (4,901) |
| | <u>\$ 50,327</u> | <u>\$ 832,081</u> |
| Net Cash Provided (Used) by Operating Activities | \$ 50,327 | \$ 832,081 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Ten Months Ended July 31, 2020

| | Budget | | Actual | Variance |
|--------------------------------|---------------------|---------------------|---------------------|----------------------------|
| | Original | Amended | | Favorable (Unfavorable) |
| Operating Revenue: | | | | |
| 2017 Assessment Income | \$ -0- | \$ -0- | \$ 14,553 | \$ 14,553 |
| 2018 Assessment Income | -0- | -0- | 10,448 | 10,448 |
| 2019-2020 Improved | 5,854,380 | 5,854,380 | 5,692,435 | (161,945) |
| 2019-2020 Native/Seedling | 723,190 | 723,190 | 1,230,205 | 507,015 |
| 2019-2020 Substandard | 309,930 | 309,930 | 342,206 | 32,276 |
| Total Operating Revenue | \$ 6,887,500 | \$ 6,887,500 | \$ 7,289,847 | \$ 402,347 |
| Operating Expenses: | | | | |
| General Administration: | | | | |
| Staff and Administration: | | | | |
| Salaries | \$ 657,670 | \$ 657,670 | \$ 560,383 | \$ 97,287 |
| Benefits | 70,830 | 70,830 | 78,786 | (7,956) |
| Taxes | 62,500 | 62,500 | 38,679 | 23,821 |
| Contract Labor | -0- | -0- | 3,846 | (3,846) |
| Total Staff and Administration | \$ 791,000 | \$ 791,000 | \$ 681,694 | \$ 109,306 |
| Insurance: | | | | |
| Travel | \$ 2,080 | \$ 2,080 | \$ -0- | \$ 2,080 |
| General | 5,830 | 5,830 | 4,515 | 1,315 |
| D&O/Members | 10,000 | 10,000 | 4,238 | 5,762 |
| Fidelity | 3,340 | 3,340 | -0- | 3,340 |
| Total Insurance | \$ 21,250 | \$ 21,250 | \$ 8,753 | \$ 12,497 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Ten Months Ended July 31, 2020

| | Budget | | Actual | Favorable (Unfavorable) |
|------------------------------|---------------------|---------------------|---------------------|----------------------------|
| | Original | Amended | | |
| Compliance: | | | | |
| Attorney/Crisis Management | \$ 20,830 | \$ 20,830 | \$ -0- | \$ 20,830 |
| Audit Financial | 16,670 | 16,670 | 19,000 | (2,330) |
| Compliance Travel | 37,500 | 37,500 | -0- | 37,500 |
| Sheller/Handler Audits | 208,330 | 208,330 | 141,524 | 66,806 |
| Printing/Forms/Postage | 5,000 | 5,000 | 2,824 | 2,176 |
| Total Compliance | <u>\$ 288,330</u> | <u>\$ 288,330</u> | <u>\$ 163,348</u> | <u>\$ 124,982</u> |
| Accounting/Financials | \$ 65,000 | \$ 65,000 | \$ 63,261 | \$ 1,739 |
| Telephone/Mobile/Internet | 8,330 | 8,330 | 4,747 | 3,583 |
| Travel Office | 33,330 | 33,330 | 10,425 | 22,905 |
| Travel Committee | 125,000 | 125,000 | 9,763 | 115,237 |
| Supplies | 8,330 | 8,330 | 1,863 | 6,467 |
| Maintenance/Buildout | 12,500 | 12,500 | 397 | 12,103 |
| Printing | 12,500 | 12,500 | 24,898 | (12,398) |
| IT/Furniture/Software | 25,000 | 25,000 | 5,892 | 19,108 |
| Subscriptions | 16,670 | 16,670 | 14,654 | 2,016 |
| Depreciation | -0- | -0- | 8,635 | (8,635) |
| Miscellaneous | 4,180 | 4,180 | 646 | 3,534 |
| Rent | 33,330 | 33,330 | 28,507 | 4,823 |
| Total General Administration | <u>\$ 1,444,750</u> | <u>\$ 1,444,750</u> | <u>\$ 1,027,483</u> | <u>\$ 417,267</u> |
| Contingency Fund | <u>\$ 517,750</u> | <u>\$ 517,750</u> | <u>\$ -0-</u> | <u>\$ 517,750</u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Ten Months Ended July 31, 2020

| | Budget | | Actual | Favorable (Unfavorable) |
|-------------------------------------|-------------------|-------------------|-------------------|----------------------------|
| | Original | Amended | | |
| Industry Relations: | | | | |
| Compliance: | | | | |
| Compliance Materials | \$ 4,170 | \$ 4,170 | \$ -0- | \$ 4,170 |
| Workshops | 4,160 | 4,160 | -0- | 4,160 |
| Total Compliance | <u>\$ 8,330</u> | <u>\$ 8,330</u> | <u>\$ -0-</u> | <u>\$ 8,330</u> |
| Industry Relations Activities: | | | | |
| Annual Reports | \$ 6,670 | \$ 6,670 | \$ -0- | \$ 6,670 |
| Communication Materials | 60,000 | 60,000 | 21,448 | 38,552 |
| Travel | 41,670 | 41,670 | 20,398 | 21,272 |
| WS-Field Events | 333,330 | 333,330 | -0- | 333,330 |
| Association Sponsorship | 58,330 | 58,330 | 12,131 | 46,199 |
| Handler Portal Maintenance | 8,330 | 8,330 | -0- | 8,330 |
| Meltwater | 5,420 | 5,420 | -0- | 5,420 |
| Total Industry Relations Activities | <u>\$ 513,750</u> | <u>\$ 513,750</u> | <u>\$ 53,977</u> | <u>\$ 459,773</u> |
| Industry Research: | | | | |
| Land IQ | \$ 127,080 | \$ 127,080 | \$ 30,500 | \$ 96,580 |
| NASS: | | | | |
| Current Year | 90,840 | 90,840 | 109,000 | (18,160) |
| Prior Year Carry-Over | 150,000 | 150,000 | 105,000 | 45,000 |
| Total Industry Research | <u>\$ 367,920</u> | <u>\$ 367,920</u> | <u>\$ 244,500</u> | <u>\$ 123,420</u> |
| Total Industry Relations | <u>\$ 890,000</u> | <u>\$ 890,000</u> | <u>\$ 298,477</u> | <u>\$ 591,523</u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Ten Months Ended July 31, 2020

| | Budget | | Actual | Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|----------------------------|
| | Original | Amended | | |
| International Relations: | | | | |
| Unified Export Strategy/Emerging Market Propos: | \$ 79,170 | \$ 79,170 | \$ 71,250 | \$ 7,920 |
| USPGC-China, Korea, Southeast Asia Marketing | 137,500 | 137,500 | 123,750 | 13,750 |
| International Nut Congress-Nut Health Research | 83,330 | 83,330 | 100,000 | (16,670) |
| Travel | 33,330 | 33,330 | 24,293 | 9,037 |
| Marketing Access Program (MAP) | -0- | 527,340 | -0- | 527,340 |
| Total International Relations | <u>\$ 333,330</u> | <u>\$ 860,670</u> | <u>\$ 319,293</u> | <u>\$ 541,377</u> |
| Marketing: | | | | |
| Weber Shandwick | \$ 2,333,330 | \$ 2,333,330 | \$ 2,324,371 | \$ 8,959 |
| APC Events: | | | | |
| PMA | -0- | -0- | 20 | (20) |
| Aspire IQ | 233,330 | 233,330 | 58,562 | 174,768 |
| iHeart Media/Digital Magnet: | | | | |
| Current Year | 666,670 | 666,670 | 800,000 | (133,330) |
| Prior Year Carry-Over | 400,000 | 400,000 | 400,000 | -0- |
| Learfield IMG: | | | | |
| Prior Year Carry-Over | 100,000 | 100,000 | 100,000 | -0- |
| Eat Well Global | 191,670 | 191,670 | 157,250 | 34,420 |
| NPSA Chef's Summit | 133,330 | 133,330 | 54,833 | 78,497 |
| Health Research | 125,000 | 125,000 | 105,000 | 20,000 |
| Total Marketing | <u>\$ 4,183,330</u> | <u>\$ 4,183,330</u> | <u>\$ 4,000,036</u> | <u>\$ 183,294</u> |
| Grades and Standards: | | | | |
| Research Contingency | \$ 83,330 | \$ 83,330 | \$ -0- | \$ 83,330 |
| Travel | 16,670 | 16,670 | 149 | 16,521 |
| Quality Assurance Program | 68,340 | 68,340 | 77,561 | (9,221) |
| Total Grades and Standards | <u>\$ 168,340</u> | <u>\$ 168,340</u> | <u>\$ 86,110</u> | <u>\$ 82,230</u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Ten Months Ended July 31, 2020

| | Budget | | Actual | Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|----------------------------|
| | Original | Amended | | |
| Research: | | | | |
| Contingency Fund - Prior Year Carry-over | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ -0- |
| Total Research | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ -0- |
| Total Operating Expenses | \$ 7,547,500 | \$ 8,074,840 | \$ 5,741,399 | \$ 2,333,441 |
| Nonoperating Revenue: | | | | |
| Interest Earned | \$ -0- | \$ -0- | \$ 41,619 | (\$ 41,619) |
| Prior Year Carry-over - 2019 Expense Offset | 660,000 | 660,000 | -0- | 660,000 |
| Other Income | -0- | -0- | 391 | (391) |
| Marketing Access Program (MAP) | -0- | 527,340 | -0- | 527,340 |
| Total Nonoperating Revenue | \$ 660,000 | \$ 1,187,340 | \$ 42,010 | \$ 1,145,330 |
| Change in Net Position | \$ -0- | \$ -0- | \$ 1,590,458 | \$ 1,590,458 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Ten Months Ended July 31, 2020
and the One Year Ended September 30, 2020**

| | One Month Ended July 31, 2020 | | Ten Months Ended July 31, 2020 | | Fiscal Year Ended September 30, 2020 |
|--------------------------------|----------------------------------|-------------------|-----------------------------------|---------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Operating Revenue: | | | | | |
| 2017 Assessment Income | \$ -0- | \$ -0- | \$ 14,553 | \$ -0- | \$ -0- |
| 2018 Assessment Income | -0- | -0- | 10,448 | -0- | -0- |
| 2019-2020 Improved | 80,039 | 585,438 | 5,692,435 | 5,854,380 | 7,025,250 |
| 2019-2020 Native/Seedling | -0- | 72,319 | 1,230,205 | 723,190 | 867,825 |
| 2019-2020 Substandard | -0- | 30,993 | 342,206 | 309,930 | 371,925 |
| Total Operating Revenue | \$ 80,039 | \$ 688,750 | \$ 7,289,847 | \$ 6,887,500 | \$ 8,265,000 |
| Operating Expenses: | | | | | |
| General Administration: | | | | | |
| Staff and Administration: | | | | | |
| Salaries | \$ 54,838 | \$ 65,767 | \$ 560,383 | \$ 657,670 | \$ 789,200 |
| Benefits | 892 | 7,083 | 78,786 | 70,830 | 85,000 |
| Taxes | 3,003 | 6,250 | 38,679 | 62,500 | 75,000 |
| Contract Labor | -0- | -0- | 3,846 | -0- | -0- |
| Total Staff and Administration | \$ 58,733 | \$ 79,100 | \$ 681,694 | \$ 791,000 | \$ 949,200 |
| Insurance: | | | | | |
| Travel | \$ -0- | \$ 208 | \$ -0- | \$ 2,080 | \$ 2,500 |
| General | 254 | 583 | 4,515 | 5,830 | 7,000 |
| D&O/Members | 424 | 1,000 | 4,238 | 10,000 | 12,000 |
| Fidelity | -0- | 334 | -0- | 3,340 | 4,000 |
| Total Insurance | \$ 678 | \$ 2,125 | \$ 8,753 | \$ 21,250 | \$ 25,500 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Ten Months Ended July 31, 2020
and the One Year Ended September 30, 2020**

| | One Month Ended July 31, 2020 | | Ten Months Ended July 31, 2020 | | Fiscal Year Ended September 30, 2020 |
|-------------------------------------|----------------------------------|-------------------|-----------------------------------|---------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Compliance: | | | | | |
| Attorney/Crisis Management | \$ -0- | \$ 2,083 | \$ -0- | \$ 20,830 | \$ 25,000 |
| Audit Financial | -0- | 1,667 | 19,000 | 16,670 | 20,000 |
| Compliance Travel | -0- | 3,750 | -0- | 37,500 | 45,000 |
| Sheller/Handler Audits | -0- | 20,833 | 141,524 | 208,330 | 250,000 |
| Printing/Forms/Postage | -0- | 500 | 2,824 | 5,000 | 6,000 |
| Total Compliance | \$ -0- | \$ 28,833 | \$ 163,348 | \$ 288,330 | \$ 346,000 |
| Accounting/Financials | \$ 4,500 | \$ 6,500 | \$ 63,261 | \$ 65,000 | \$ 78,000 |
| Telephone/Mobile/Internet | 449 | 833 | 4,747 | 8,330 | 10,000 |
| Travel Office | -0- | 3,333 | 10,425 | 33,330 | 40,000 |
| Travel Committee | -0- | 12,500 | 9,763 | 125,000 | 150,000 |
| Supplies | 8 | 833 | 1,863 | 8,330 | 10,000 |
| Maintenance/Buildout | -0- | 1,250 | 397 | 12,500 | 15,000 |
| Printing | 359 | 1,250 | 24,898 | 12,500 | 15,000 |
| IT/Furniture/Software | 844 | 2,500 | 5,892 | 25,000 | 30,000 |
| Subscriptions | -0- | 1,667 | 14,654 | 16,670 | 20,000 |
| Depreciation | 907 | -0- | 8,635 | -0- | -0- |
| Miscellaneous | 38 | 418 | 646 | 4,180 | 5,000 |
| Rent | -0- | 3,333 | 28,507 | 33,330 | 40,000 |
| Total General Administration | \$ 66,516 | \$ 144,475 | \$ 1,027,483 | \$ 1,444,750 | \$ 1,733,700 |
| Contingency Fund | \$ -0- | \$ 51,775 | \$ -0- | \$ 517,750 | \$ 621,300 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Ten Months Ended July 31, 2020
and the One Year Ended September 30, 2020**

| | One Month Ended July 31, 2020 | | Ten Months Ended July 31, 2020 | | Fiscal Year Ended September 30, 2020 |
|-------------------------------------|----------------------------------|------------------|-----------------------------------|------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Industry Relations: | | | | | |
| Compliance: | | | | | |
| Compliance Materials | \$ -0- | \$ 417 | \$ -0- | \$ 4,170 | \$ 5,000 |
| Workshops | | 416 | | 4,160 | 5,000 |
| Total Compliance | \$ -0- | \$ 833 | \$ -0- | \$ 8,330 | \$ 10,000 |
| Industry Relations Activities: | | | | | |
| Annual Reports | \$ -0- | \$ 667 | \$ -0- | \$ 6,670 | \$ 8,000 |
| Communication Materials | | 6,000 | 21,448 | 60,000 | 72,000 |
| Travel | | 4,167 | 20,398 | 41,670 | 50,000 |
| WS-Field Events | | 33,333 | -0- | 333,330 | 400,000 |
| Association Sponsorship | | 5,833 | 12,131 | 58,330 | 70,000 |
| Handler Portal Maintenance | | 833 | -0- | 8,330 | 10,000 |
| Meltwater | | 542 | -0- | 5,420 | 6,500 |
| Total Industry Relations Activities | \$ -0- | \$ 51,375 | \$ 53,977 | \$ 513,750 | \$ 616,500 |
| Industry Research: | | | | | |
| Land IQ | \$ -0- | \$ 12,708 | \$ 30,500 | \$ 127,080 | \$ 152,500 |
| NASS: | | | | | |
| Current Year | | 9,084 | 109,000 | 90,840 | 109,000 |
| Prior Year Carry-over | | -0- | 105,000 | 150,000 | 150,000 |
| Total Industry Research | \$ -0- | \$ 21,792 | \$ 244,500 | \$ 367,920 | \$ 411,500 |
| Total Industry Relations | \$ -0- | \$ 74,000 | \$ 298,477 | \$ 890,000 | \$ 1,038,000 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Ten Months Ended July 31, 2020
and the One Year Ended September 30, 2020**

| | One Month Ended July 31, 2020 | | Ten Months Ended July 31, 2020 | | Fiscal Year Ended September 30, 2020 |
|--|----------------------------------|-------------------|-----------------------------------|---------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| International Relations: | | | | | |
| Unified Export Strategy/Emerging Market Proposal | \$ -0- | \$ 7,917 | \$ 71,250 | \$ 79,170 | \$ 95,000 |
| USPGC-China, Korea, Southeast Asia Marketing | -0- | 13,750 | 123,750 | 137,500 | 165,000 |
| International Nut Congress-Nut Health Research | -0- | 8,333 | 100,000 | 83,330 | 100,000 |
| Travel | -0- | 3,333 | 24,293 | 33,330 | 40,000 |
| Marketing Access Program (MAP) | -0- | 52,734 | -0- | 527,340 | 632,812 |
| Total International Relations | \$ -0- | \$ 86,067 | \$ 319,293 | \$ 860,670 | \$ 1,032,812 |
| Marketing: | | | | | |
| Weber Shandwick | \$ -0- | \$ 233,333 | \$ 2,324,371 | \$ 2,333,330 | \$ 2,800,000 |
| APC Events: | | | | | |
| PMA | -0- | -0- | 20 | -0- | -0- |
| Aspire IQ | 3,463 | 23,333 | 58,562 | 233,330 | 280,000 |
| iHeart Media/Digital Magnet: | | | | | |
| Current Year | -0- | 66,667 | 800,000 | 666,670 | 800,000 |
| Prior Year Carry-over | -0- | -0- | 400,000 | 400,000 | 400,000 |
| Learfield IMG: | | | | | |
| Prior Year Carry-over | -0- | -0- | 100,000 | 100,000 | 100,000 |
| Eat Well Global | 23,083 | 19,167 | 157,250 | 191,670 | 230,000 |
| NPSA Chef's Summit | -0- | 13,333 | 54,833 | 133,330 | 160,000 |
| Health Research | 45,000 | 12,500 | 105,000 | 125,000 | 150,000 |
| Total Marketing | \$ 71,546 | \$ 368,333 | \$ 4,000,036 | \$ 4,183,330 | \$ 4,920,000 |
| Grades and Standards: | | | | | |
| Research Contingency | \$ -0- | \$ 8,333 | \$ -0- | \$ 83,330 | \$ 100,000 |
| Travel | -0- | 1,667 | 149 | 16,670 | 20,000 |
| Electronic Reporting Forms | 8,400 | -0- | 8,400 | -0- | -0- |
| Quality Assurance Program | -0- | 6,834 | 77,561 | 68,340 | 82,000 |
| Total Grades and Standards | \$ 8,400 | \$ 16,834 | \$ 86,110 | \$ 168,340 | \$ 202,000 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Ten Months Ended July 31, 2020
and the One Year Ended September 30, 2020**

| | One Month Ended July 31, 2020 | | Ten Months Ended July 31, 2020 | | Fiscal Year Ended September 30, 2020 |
|---|----------------------------------|------------------|-----------------------------------|------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Research: | | | | | |
| Contingency Fund - Prior Year Carry-over | \$ -0- | \$ -0- | \$ 10,000 | \$ 10,000 | \$ 10,000 |
| Total Research | \$ -0- | \$ -0- | \$ 10,000 | \$ 10,000 | \$ 10,000 |
| Total Operating Expenses | \$ 146,462 | \$ 741,484 | \$ 5,741,399 | \$ 8,074,840 | \$ 9,557,812 |
| Nonoperating Revenue: | | | | | |
| Interest Earned | \$ 1,394 | \$ -0- | \$ 41,619 | \$ -0- | \$ -0- |
| Prior Year Carry-over - 2019 Expense Offset | -0- | -0- | -0- | 660,000 | 510,000 |
| Other Income | -0- | -0- | 391 | -0- | -0- |
| Marketing Access Program (MAP) | -0- | 52,734 | -0- | 527,340 | 632,812 |
| Total Nonoperating Revenue | \$ 1,394 | \$ 52,734 | \$ 42,010 | \$ 1,187,340 | \$ 1,142,812 |
| Change in Net Position | (\$ 65,029) | \$ -0- | \$ 1,590,458 | \$ -0- | (\$ 150,000) |

See Accountants' Compilation Report.