



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants

**AMERICAN PECAN COUNCIL**  
**Compiled Financial Statements**  
**For the One Month and Eight Months Ended**  
**May 31, 2022**

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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 statement of net position – enterprise fund as of May 31, 2022 and the related statement of revenues, expenditures, and changes in net position – enterprise fund, and statement of cash flows – enterprise fund 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 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part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.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.

**Supplementary Information**

The supplementary information included in the operating budget for the one month and eight months ended May 31, 2022 and year ended September 30, 2022 and the eight months budgetary comparison schedule and operating budget are presented for the purpose of additional analysis and are 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  
June 22, 2022

An independently owned member  
RSM US Alliance



**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of May 31, 2022**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 4,552,165
Accounts Receivable	442,545
Prepaid Expenses	40,120

Total Current Assets \$ 5,034,830

**Noncurrent Assets:**

Depreciable Capital Assets	\$ 35,697
Accumulated Depreciation	( 21,629)

Total Noncurrent Assets \$ 14,068

**Other Assets:**

Security Deposit	\$ 5,875
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Total Other Assets \$ 5,875

**TOTAL ASSETS** \$ 5,054,773

**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts Payable	\$ 31,040
Payroll Liability	3,544

Total Current Liabilities \$ 34,584

Total Liabilities \$ 34,584

**Net Position:**

Net Investment in Capital Assets	\$ 14,068
Unrestricted	5,006,121

Total Net Position \$ 5,020,189

**TOTAL LIABILITIES AND NET POSITION** \$ 5,054,773

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Statement of Revenues, Expenditures, and  
Changes in Net Position - Enterprise Fund**

**For the One Month and Eight Months Ended May 31, 2022**

	<u>One Month</u>	<u>Eight Months</u>
<b>Operating Revenues:</b>		
Assessment Income	\$ 88,753	\$ 2,259,899
	<hr/>	<hr/>
Total Operating Revenue	\$ 88,753	\$ 2,259,899
	<hr/>	<hr/>
<b>Operating Expenses:</b>		
General Administrative:		
Staff and Administrative	\$ 76,909	\$ 635,483
Insurance	195	7,086
Compliance	18,900	97,657
Other General Administrative	35,435	187,448
Industry Relations:		
Industry Relations Activities	7,800	56,718
Industry Research	2,144	27,244
International Relations	95,000	225,287
Marketing	95,296	2,651,661
Grades and Standards	14,758	118,109
	<hr/>	<hr/>
Total Operating Expenses	\$ 346,437	\$ 4,006,693
	<hr/>	<hr/>
<b>Operating Income (Loss)</b>	(\$ 257,684)	(\$ 1,746,794)
	<hr/>	<hr/>
<b>Nonoperating Revenues (Expenses):</b>		
Interest Earned	\$ 4,171	\$ 6,515
	<hr/>	<hr/>
Total Nonoperating Revenues	\$ 4,171	\$ 6,515
	<hr/>	<hr/>
Change in Net Position	(\$ 253,513)	(\$ 1,740,279)
	<hr/>	<hr/>
Net Position, Beginning as Previously Stated	\$ 5,225,284	\$ 7,028,955
	<hr/>	<hr/>
Prior Period Adjustment	48,418	( 268,487)
	<hr/>	<hr/>
Net Position, Beginning as Restated	\$ 5,273,702	\$ 6,760,468
	<hr/>	<hr/>
Net Position, Ending	\$ 5,020,189	\$ 5,020,189
	<hr/> <hr/>	<hr/> <hr/>

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Statement of Cash Flows - Enterprise Fund**

**For the One Month and Eight Months Ended May 31, 2022**

	<b>One Month</b>	<b>Eight Months</b>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Assessments	\$ 231,811	\$ 2,759,872
Cash Paid for Salaries and Benefits	( 76,909)	( 635,483)
Cash Paid for Operating Expenses	( 347,802)	( 3,783,739)
Net Cash Provided (Used) by Operating Activities	(\$ 192,900)	(\$ 1,659,350)
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Acquisition of Capital Assets	\$ -0-	(\$ 1,347)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ -0-	(\$ 1,347)
<b>Cash Flows From Investing Activities:</b>		
Cash Received from Interest Earned	\$ 4,171	\$ 6,515
Net Cash Provided (Used) by Investing Activities	\$ 4,171	\$ 6,515
Net Increase (Decrease) in Cash	(\$ 188,729)	(\$ 1,654,182)
Cash, Beginning of Period	4,740,894	6,206,347
Cash, End of Period	\$ 4,552,165	\$ 4,552,165
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Income (Loss) from Operations	(\$ 257,684)	(\$ 1,746,794)
Adjustments to Reconcile Operation Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	595	4,692
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	143,058	499,973
(Increase) Decrease in Prepaid Expenses	( 30,850)	363,187
(Increase) Decrease in Other Current Assets	-0-	500
Increase (Decrease) in Accounts Payable	( 51,563)	( 784,452)
Increase (Decrease) in Payroll Tax Payable	3,544	3,544
Net Cash Provided (Used) by Operating Activities	(\$ 192,900)	(\$ 1,659,350)

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Budgetary Comparison Schedule**

**For the Eight Months Ended May 31, 2022**

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
<b>Operating Revenue:</b>				
2021-2022 Improved	\$ 2,100,000	\$ 2,100,000	\$ 2,259,899	\$ 159,899
<b>Total Operating Revenue</b>	<b>\$ 2,100,000</b>	<b>\$ 2,100,000</b>	<b>\$ 2,259,899</b>	<b>\$ 159,899</b>
<b>Operating Expenses:</b>				
General Administration:				
Staff and Administration:				
Salaries	\$ 524,336	\$ 524,336	\$ 491,377	\$ 32,959
Benefits:				
IRA	16,400	16,400	13,486	2,914
Health	96,664	96,664	96,973	( 309)
Taxes	41,336	41,336	33,647	7,689
Total Staff and Administration	<b>\$ 678,736</b>	<b>\$ 678,736</b>	<b>\$ 635,483</b>	<b>\$ 43,253</b>
Insurance:				
Travel	\$ 1,800	\$ 1,800	\$ 1,233	\$ 567
General	5,136	5,136	5,853	( 717)
D&O/Members	8,664	8,664	-0-	8,664
Fidelity	2,936	2,936	-0-	2,936
Total Insurance	<b>\$ 18,536</b>	<b>\$ 18,536</b>	<b>\$ 7,086</b>	<b>\$ 11,450</b>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the Eight Months Ended May 31, 2022**

	Budget		Actual	Favorable (Unfavorable)
	Original	Amended		
Compliance:				
Attorney/Crisis Management	\$ 16,664	\$ 16,664	\$ -0-	\$ 16,664
Audit Financial	13,336	13,336	-0-	13,336
Compliance Travel	30,000	30,000	-0-	30,000
Sheller/Handler Audits	83,336	83,336	94,500	( 11,164)
Printing/Forms/Postage	6,664	6,664	3,157	3,507
Total Compliance	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 97,657</u>	<u>\$ 52,343</u>
Accounting/Financials	\$ 52,000	\$ 52,000	\$ 37,870	\$ 14,130
Telephone/Mobile/Internet	13,336	13,336	13,528	( 192)
Travel Office	23,336	23,336	20,144	3,192
Travel Committee	57,448	57,448	7,508	49,940
Supplies	6,664	6,664	2,122	4,542
Maintenance/Buildout	10,000	10,000	-0-	10,000
Printing	13,336	13,336	16,938	( 3,602)
IT/Furniture/Software	16,664	16,664	17,623	( 959)
Subscriptions	13,336	13,336	5,862	7,474
Depreciation	-0-	-0-	4,692	( 4,692)
Miscellaneous	3,336	3,336	4,245	( 909)
Rent	58,000	58,000	56,916	1,084
Total General Administration	<u>\$ 1,114,728</u>	<u>\$ 1,114,728</u>	<u>\$ 927,674</u>	<u>\$ 187,054</u>
Contingency Fund	<u>\$ 387,288</u>	<u>\$ 387,288</u>	<u>\$ -0-</u>	<u>\$ 387,288</u>
Technology Upgrades	<u>\$ 66,664</u>	<u>\$ 66,664</u>	<u>\$ -0-</u>	<u>\$ 66,664</u>

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Budgetary Comparison Schedule**

**For the Eight Months Ended May 31, 2022**

	Budget		Actual	Favorable (Unfavorable)
	Original	Amended		
Industry Relations:				
Compliance:				
Compliance Materials	\$ 3,336	\$ 3,336	\$ -0-	\$ 3,336
Workshops	3,336	3,336	-0-	3,336
Total Compliance	<u>\$ 6,672</u>	<u>\$ 6,672</u>	<u>\$ -0-</u>	<u>\$ 6,672</u>
Industry Relations Activities:				
Annual Reports	\$ 5,336	\$ 5,336	\$ -0-	\$ 5,336
Communication Materials	33,336	33,336	19,600	13,736
Travel	33,336	33,336	16,000	17,336
WS-Field Events	166,664	166,664	-0-	166,664
Association Sponsorship	46,664	46,664	8,883	37,781
Handler Portal Maintenance	6,664	6,664	-0-	6,664
Fishhook:				
Prior Year Carry-over	44,936	44,936	235	44,701
Meltwater	8,000	8,000	12,000	( 4,000)
Total Industry Relations Activities	<u>\$ 344,936</u>	<u>\$ 344,936</u>	<u>\$ 56,718</u>	<u>\$ 288,218</u>
Industry Research:				
Land IQ	\$ -0-	\$ -0-	\$ 2,144	( 2,144)
Research Contingency	144,000	144,000	25,100	118,900
Total Industry Research	<u>\$ 144,000</u>	<u>\$ 144,000</u>	<u>\$ 27,244</u>	<u>\$ 116,756</u>
Total Industry Relations	<u>\$ 495,608</u>	<u>\$ 495,608</u>	<u>\$ 83,962</u>	<u>\$ 411,646</u>

See Accountants' Compilation Report.



**AMERICAN PECAN COUNCIL**

**Budgetary Comparison Schedule**

**For the Eight Months Ended May 31, 2022**

	Budget		Actual	Favorable (Unfavorable)
	Original	Amended		
International Relations:				
International Nut Congress-Nut Health Research	\$ 66,664	\$ 66,664	\$ 100,000	(\$ 33,336)
Travel	43,336	43,336	5,037	38,299
International Consulting - Grant Writing	63,336	63,336	-0-	63,336
Weber Shandwick - China	433,336	433,336	-0-	433,336
Weber Shandwick - Germany	300,000	300,000	-0-	300,000
Emerging Market Program Research	333,336	333,336	118,750	214,586
Market Access Program	-0-	-0-	1,500	( 1,500)
Contingency Fund	433,336	433,336	-0-	433,336
Total International Relations	\$ 1,673,344	\$ 1,673,344	\$ 225,287	\$ 1,448,057
Marketing:				
Aspire IQ	\$ 33,336	\$ 33,336	\$ 93,706	(\$ 60,370)
iHeart Media/Digital Magnet	533,336	533,336	800,000	( 266,664)
Eat Well Global	53,336	53,336	194,677	( 141,341)
NPSA Chef's Summit	66,664	66,664	80,000	( 13,336)
IRI Reporting	100,000	100,000	-0-	100,000
Weber Shandwick	666,664	666,664	1,418,684	( 752,020)
Research - Nut Health	256,664	256,664	64,594	192,070
Total Marketing	\$ 1,710,000	\$ 1,710,000	\$ 2,651,661	(\$ 941,661)

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the Eight Months Ended May 31, 2022**

	Budget		Actual	Favorable (Unfavorable)
	Original	Amended		
Grades and Standards:				
Research Contingency (FAIR):				
Prior Year Carry-over	\$ 66,664	\$ 66,664	\$ -0-	\$ 66,664
Travel	13,336	13,336	41	13,295
Shelf-Life Study:				
Prior Year Carry-over	113,408	113,408	-0-	113,408
Carbon Assessment Services	80,000	80,000	-0-	80,000
Economic Study	66,664	66,664	-0-	66,664
Pricing Through Marketing Channels	26,664	26,664	-0-	26,664
Quality Assurance Program	43,336	43,336	118,068	( 74,732)
Total Grades and Standards	\$ 410,072	\$ 410,072	\$ 118,109	\$ 291,963
<b>Total Operating Expenses</b>	\$ 5,857,704	\$ 5,857,704	\$ 4,006,693	\$ 1,851,011
<b>Operating Income (Loss)</b>	(\$ 3,757,704)	(\$ 3,757,704)	(\$ 1,746,794)	\$ 2,010,910
<b>Nonoperating Revenues and Expenses:</b>				
Interest Earned	\$ -0-	\$ -0-	\$ 6,515	\$ 6,515
Management Fee	533,336	533,336	-0-	( 533,336)
Past Outstanding	266,664	266,664	-0-	( 266,664)
Prior Year Carry-over - 2020 Expense Offset	481,672	481,672	-0-	( 481,672)
Other Income:				
Reserve	1,453,336	1,453,336	-0-	( 1,453,336)
EMP Funding	333,336	333,336	-0-	( 333,336)
Marketing Access Program (MAP)	833,328	833,328	-0-	( 833,328)
<b>Total Nonoperating Revenue</b>	\$ 3,901,672	\$ 3,901,672	\$ 6,515	(\$ 3,895,157)
<b>Change in Net Position</b>	\$ 143,968	\$ 143,968	(\$ 1,740,279)	(\$ 1,884,247)

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Operating Budget**

**For the One Month and Eight Months Ended May 31, 2022 and  
Year Ended September 30, 2022**

	One Month Ended May 31, 2022		Eight Months Ended May 31, 2022		Fiscal Year Ended September 30, 2022
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
<b>Operating Revenue:</b>					
2021-2022 Improved	\$ 88,753	\$ 262,500	\$ 2,259,899	\$ 2,100,000	\$ 3,150,000
<b>Total Operating Revenue</b>	<b>\$ 88,753</b>	<b>\$ 262,500</b>	<b>\$ 2,259,899</b>	<b>\$ 2,100,000</b>	<b>\$ 3,150,000</b>
<b>Operating Expenses:</b>					
General Administration:					
Staff and Administration:					
Salaries	\$ 61,422	\$ 65,542	\$ 491,377	\$ 524,336	\$ 786,500
Benefits:					
IRA	1,691	2,050	13,486	16,400	24,595
Health	9,203	12,083	96,973	96,664	145,000
Taxes	4,593	5,167	33,647	41,336	62,000
Total Staff and Administration	\$ 76,909	\$ 84,842	\$ 635,483	\$ 678,736	\$ 1,018,095
Insurance:					
Travel	\$ -0-	\$ 225	\$ 1,233	\$ 1,800	\$ 2,700
General	195	642	5,853	5,136	7,700
D&O/Members	-0-	1,083	-0-	8,664	13,000
Fidelity	-0-	367	-0-	2,936	4,400
Total Insurance	\$ 195	\$ 2,317	\$ 7,086	\$ 18,536	\$ 27,800

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Operating Budget**

**For the One Month and Eight Months Ended May 31, 2022 and  
Year Ended September 30, 2022**

	One Month Ended May 31, 2022		Eight Months Ended May 31, 2022		Fiscal Year Ended September 30, 2022
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Compliance:					
Attorney/Crisis Management	\$ -0-	\$ 2,083	\$ -0-	\$ 16,664	\$ 25,000
Audit Financial	-0-	1,667	-0-	13,336	20,000
Compliance Travel	-0-	3,750	-0-	30,000	45,000
Sheller/Handler Audits	18,900	10,417	94,500	83,336	125,000
Printing/Forms/Postage	-0-	833	3,157	6,664	10,000
<b>Total Compliance</b>	<b>\$ 18,900</b>	<b>\$ 18,750</b>	<b>\$ 97,657</b>	<b>\$ 150,000</b>	<b>\$ 225,000</b>
Accounting/Financials	\$ -0-	\$ 6,500	\$ 37,870	\$ 52,000	\$ 78,000
Telephone/Mobile/Internet	1,985	1,667	13,528	13,336	20,000
Travel Office	5,050	2,917	20,144	23,336	35,000
Travel Committee	-0-	7,181	7,508	57,448	86,171
Supplies	3	833	2,122	6,664	10,000
Maintenance/Buildout	-0-	1,250	-0-	10,000	15,000
Printing	15,694	1,667	16,938	13,336	20,000
IT/Furniture/Software	1,512	2,083	17,623	16,664	25,000
Subscriptions	359	1,667	5,862	13,336	20,000
Depreciation	595	-0-	4,692	-0-	-0-
Miscellaneous	341	417	4,245	3,336	5,000
Rent	9,896	7,250	56,916	58,000	87,000
<b>Total General Administration</b>	<b>\$ 131,439</b>	<b>\$ 139,341</b>	<b>\$ 927,674</b>	<b>\$ 1,114,728</b>	<b>\$ 1,672,066</b>
Contingency Fund	\$ -0-	\$ 48,411	\$ -0-	\$ 387,288	\$ 580,934
Technology Upgrades	\$ -0-	\$ 8,333	\$ -0-	\$ 66,664	\$ 100,000

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

**Operating Budget**

**For the One Month and Eight Months Ended May 31, 2022 and  
Year Ended September 30, 2022**

	One Month Ended May 31, 2022		Eight Months Ended May 31, 2022		Fiscal Year Ended September 30, 2022
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Industry Relations:					
Compliance:					
Compliance Materials	\$ -0-	\$ 417	\$ -0-	\$ 3,336	\$ 5,000
Workshops	-0-	417	-0-	3,336	5,000
Total Compliance	\$ -0-	\$ 834	\$ -0-	\$ 6,672	\$ 10,000
Industry Relations Activities:					
Annual Reports	\$ -0-	\$ 667	\$ -0-	\$ 5,336	\$ 8,000
Communication Materials	3,800	4,167	19,600	33,336	50,000
Travel	4,000	4,167	16,000	33,336	50,000
WS-Field Events	-0-	20,833	-0-	166,664	250,000
Association Sponsorship	-0-	5,833	8,883	46,664	70,000
Handler Portal Maintenance	-0-	833	-0-	6,664	10,000
Fishhook:					
Prior Year Carry-over	-0-	5,617	235	44,936	67,400
Meltwater	-0-	1,000	12,000	8,000	12,000
Total Industry Relations Activities	\$ 7,800	\$ 43,117	\$ 56,718	\$ 344,936	\$ 517,400
Industry Research:					
Land IQ	\$ 2,144	\$ -0-	\$ 2,144	\$ -0-	\$ -0-
Research Contingency	-0-	18,000	25,100	144,000	216,000
Total Industry Research	\$ 2,144	\$ 18,000	\$ 27,244	\$ 144,000	\$ 216,000
Total Industry Relations	\$ 9,944	\$ 61,951	\$ 83,962	\$ 495,608	\$ 743,400

See Accountants' Compilation Report.

## AMERICAN PECAN COUNCIL

### Operating Budget

#### **For the One Month and Eight Months Ended May 31, 2022 and Year Ended September 30, 2022**

	One Month Ended May 31, 2022		Eight Months Ended May 31, 2022		Fiscal Year Ended September 30, 2022
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
International Relations:					
International Nut Congress-Nut Health Research	\$ -0-	\$ 8,333	\$ 100,000	\$ 66,664	\$ 100,000
Travel	-0-	5,417	5,037	43,336	65,000
International Consulting - Grant Writing	-0-	7,917	-0-	63,336	95,000
Weber Shandwick - China	-0-	54,167	-0-	433,336	650,000
Weber Shandwick - Germany	-0-	37,500	-0-	300,000	450,000
Emerging Market Program Research	95,000	41,667	118,750	333,336	500,000
Market Access Program	-0-	-0-	1,500	-0-	-0-
Contingency Fund	-0-	54,167	-0-	433,336	650,000
Total International Relations	\$ 95,000	\$ 209,168	\$ 225,287	\$ 1,673,344	\$ 2,510,000
Marketing:					
Aspire IQ	\$ 3,713	\$ 4,167	\$ 93,706	\$ 33,336	\$ 50,000
iHeart Media/Digital Magnet	-0-	66,667	800,000	533,336	800,000
Eat Well Global	26,989	6,667	194,677	53,336	80,000
NPSA Chef's Summit	-0-	8,333	80,000	66,664	100,000
IRI Reporting	-0-	12,500	-0-	100,000	150,000
Weber Shandwick	-0-	83,333	1,418,684	666,664	1,000,000
Research - Nuth Health	64,594	32,083	64,594	256,664	385,000
Total Marketing	\$ 95,296	\$ 213,750	\$ 2,651,661	\$ 1,710,000	\$ 2,565,000

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Operating Budget

**For the One Month and Eight Months Ended May 31, 2022 and  
Year Ended September 30, 2022**

	One Month Ended May 31, 2022		Eight Months Ended May 31, 2022		Fiscal Year Ended September 30, 2022	
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget	
Grades and Standards:						
Research Contingency (FAIR):						
Prior Year Carry-over	\$ -0-	\$ 8,333	\$ -0-	\$ 66,664	\$ 100,000	
Travel	-0-	1,667	41	13,336	20,000	
Shelf-Life Study:						
Prior Year Carry-over	-0-	14,176	-0-	113,408	170,108	
Carbon Assessment Services	-0-	10,000	-0-	80,000	120,000	
Economic Study	-0-	8,333	-0-	66,664	100,000	
Pricing Through Marketing Channels	-0-	3,333	-0-	26,664	40,000	
Quality Assurance Program	14,758	5,417	118,068	43,336	65,000	
Total Grades and Standards	\$ 14,758	\$ 51,259	\$ 118,109	\$ 410,072	\$ 615,108	
<b>Total Operating Expenses</b>	<b>\$ 346,437</b>	<b>\$ 732,213</b>	<b>\$ 4,006,693</b>	<b>\$ 5,857,704</b>	<b>\$ 8,786,508</b>	
<b>Operating Income (Loss)</b>	<b>(\$ 257,684)</b>	<b>(\$ 469,713)</b>	<b>(\$ 1,746,794)</b>	<b>(\$ 3,757,704)</b>	<b>(\$ 5,636,508)</b>	
<b>Nonoperating Revenues and Expenses:</b>						
Interest Earned	\$ 4,171	\$ -0-	\$ 6,515	\$ -0-	\$ -0-	
Management Fee	-0-	66,667	-0-	533,336	800,000	
Past Outstanding	-0-	33,333	-0-	266,664	400,000	
Prior Year Carry-over - 2021 Expense Offset	-0-	60,209	-0-	481,672	722,508	
Other Income:						
Reserve	-0-	181,667	-0-	1,453,336	2,180,000	
EMP Funding	-0-	41,667	-0-	333,336	500,000	
Marketing Access Program (MAP)	-0-	104,166	-0-	833,328	1,250,000	
<b>Total Nonoperating Revenue</b>	<b>\$ 4,171</b>	<b>\$ 487,709</b>	<b>\$ 6,515</b>	<b>\$ 3,901,672</b>	<b>\$ 5,852,508</b>	
<b>Change in Net Position</b>	<b>(\$ 253,513)</b>	<b>\$ 17,996</b>	<b>(\$ 1,740,279)</b>	<b>\$ 143,968</b>	<b>\$ 216,000</b>	

See Accountants' Compilation Report.