



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants

AMERICAN PECAN COUNCIL
Compiled Financial Statements
For the One Month and Two Months Ended
November 30, 2021

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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 November 30, 2021 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 two 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part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.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 two months ended November 30, 2021 and year ended September 30, 2022 and the two 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
January 3, 2022

An independently owned member
RSM US Alliance



AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of November 30, 2021

ASSETS

Current Assets:

| | |
|---------------------------|--------------|
| Cash and Cash Equivalents | \$ 4,518,615 |
| Accounts Receivable | 859,487 |
| Prepaid Expenses | 1,298 |

Total Current Assets \$ 5,379,400

Noncurrent Assets:

| | |
|----------------------------|-----------|
| Depreciable Capital Assets | \$ 41,520 |
| Accumulated Depreciation | (27,849) |

Total Noncurrent Assets \$ 13,671

Other Assets:

| | |
|------------------|----------|
| Security Deposit | \$ 5,875 |
|------------------|----------|

Total Other Assets \$ 5,875

TOTAL ASSETS \$ 5,398,946

LIABILITIES AND NET POSITION

Current Liabilities:

| | |
|-------------------|------------|
| Accounts Payable | \$ 168,001 |
| Payroll Liability | 3,500 |

Total Current Liabilities \$ 171,501

Total Liabilities \$ 171,501

Net Position:

| | |
|----------------------------------|-----------|
| Net Investment in Capital Assets | \$ 13,671 |
| Unrestricted | 5,213,774 |

Total Net Position \$ 5,227,445

TOTAL LIABILITIES AND NET POSITION \$ 5,398,946

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Two Months Ended November 30, 2021

| | One Month | Two Months |
|--|------------------|-------------------|
| Operating Revenues: | | |
| Assessment Income | \$ 293,841 | \$ 418,706 |
| Total Operating Revenue | \$ 293,841 | \$ 418,706 |
| Operating Expenses: | | |
| General Administrative: | | |
| Staff and Administrative | \$ 63,062 | \$ 136,270 |
| Insurance | 329 | 5,740 |
| Compliance | 429 | 577 |
| Other General Administrative | 18,832 | 32,999 |
| Industry Relations: | | |
| Industry Relations Activities | -0- | 21,183 |
| International Relations | -0- | 129,529 |
| Marketing | 504,880 | 1,881,771 |
| Grades and Standards | 14,759 | 44,277 |
| Total Operating Expenses | \$ 602,291 | \$ 2,252,346 |
| Operating Income (Loss) | (\$ 308,450) | (\$ 1,833,640) |
| Nonoperating Revenues (Expenses): | | |
| Interest Earned | \$ 221 | \$ 480 |
| Total Nonoperating Revenues | \$ 221 | \$ 480 |
| Change in Net Position | (\$ 308,229) | (\$ 1,833,160) |
| Net Position, Beginning as Previously Stated | \$ 5,561,507 | \$ 7,028,955 |
| Prior Period Adjustment | (25,833) | 31,650 |
| Net Position, Beginning as Restated | \$ 5,535,674 | \$ 7,060,605 |
| Net Position, Ending | \$ 5,227,445 | \$ 5,227,445 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

For the One Month and Two Months Ended November 30, 2021

| | <u>One Month</u> | <u>Two Months</u> |
|---|------------------------------|------------------------------|
| Cash Flows From Operating Activities: | | |
| Cash Received from Assessments | \$ 163,750 | \$ 695,753 |
| Cash Paid for Salaries and Benefits | (63,062) | (136,270) |
| Cash Paid for Operating Expenses | (1,685,195) | (2,247,695) |
| | <u>(\$ 1,584,507)</u> | <u>(\$ 1,688,212)</u> |
| Net Cash Provided (Used) by Operating Activities | | |
| | (\$ 1,584,507) | (\$ 1,688,212) |
| Cash Flows From Investing Activities: | | |
| Cash Received from Interest Earned | \$ 221 | \$ 480 |
| | <u>\$ 221</u> | <u>\$ 480</u> |
| Net Cash Provided (Used) by Investing Activities | | |
| | \$ 221 | \$ 480 |
| Net Increase (Decrease) in Cash | (\$ 1,584,286) | (\$ 1,687,732) |
| Cash, Beginning of Period | <u>6,102,901</u> | <u>6,206,347</u> |
| Cash, End of Period | <u><u>\$ 4,518,615</u></u> | <u><u>\$ 4,518,615</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Income (Loss) from Operations | (\$ 308,450) | (\$ 1,833,640) |
| Adjustments to Reconcile Operation Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Depreciation Expense | 692 | 1,384 |
| Changes in Assets and Liabilities: | | |
| (Increase) Decrease in Accounts Receivable | (130,091) | 277,047 |
| (Increase) Decrease in Prepaid Expenses | (864) | 402,009 |
| (Increase) Decrease in Other Current Assets | 500 | 500 |
| Increase (Decrease) in Accounts Payable | (1,149,794) | (539,012) |
| Increase (Decrease) in Payroll Tax Payable | 3,500 | 3,500 |
| | <u>3,500</u> | <u>3,500</u> |
| Net Cash Provided (Used) by Operating Activities | <u><u>(\$ 1,584,507)</u></u> | <u><u>(\$ 1,688,212)</u></u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2021

| | Budget | | Actual | Variance Favorable (Unfavorable) |
|--------------------------------|-------------------|-------------------|-------------------|--|
| | Original | Amended | | |
| Operating Revenue: | | | | |
| 2021-2022 Improved | \$ 525,000 | \$ 525,000 | \$ 418,706 | (\$ 106,294) |
| Total Operating Revenue | \$ 525,000 | \$ 525,000 | \$ 418,706 | (\$ 106,294) |
| Operating Expenses: | | | | |
| General Administration: | | | | |
| Staff and Administration: | | | | |
| Salaries | \$ 131,084 | \$ 131,084 | \$ 122,844 | \$ 8,240 |
| Benefits: | | | | |
| IRA | 4,100 | 4,100 | 3,338 | 762 |
| Health | 24,166 | 24,166 | 5,439 | 18,727 |
| Taxes | 10,334 | 10,334 | 4,649 | 5,685 |
| Total Staff and Administration | \$ 169,684 | \$ 169,684 | \$ 136,270 | \$ 33,414 |
| Insurance: | | | | |
| Travel | \$ 450 | \$ 450 | \$ 359 | \$ 91 |
| General | 1,284 | 1,284 | 5,381 | (4,097) |
| D&O/Members | 2,166 | 2,166 | -0- | 2,166 |
| Fidelity | 734 | 734 | -0- | 734 |
| Total Insurance | \$ 4,634 | \$ 4,634 | \$ 5,740 | (\$ 1,106) |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2021

| | Budget | | Actual | Favorable (Unfavorable) |
|------------------------------|------------|------------|------------|----------------------------|
| | Original | Amended | | |
| Compliance: | | | | |
| Attorney/Crisis Management | \$ 4,166 | \$ 4,166 | \$ -0- | \$ 4,166 |
| Audit Financial | 3,334 | 3,334 | -0- | 3,334 |
| Compliance Travel | 7,500 | 7,500 | -0- | 7,500 |
| Sheller/Handler Audits | 20,834 | 20,834 | -0- | 20,834 |
| Printing/Forms/Postage | 1,666 | 1,666 | 577 | 1,089 |
| Total Compliance | \$ 37,500 | \$ 37,500 | \$ 577 | \$ 36,923 |
| Accounting/Financials | \$ 13,000 | \$ 13,000 | \$ 8,907 | \$ 4,093 |
| Telephone/Mobile/Internet | 3,334 | 3,334 | 2,258 | 1,076 |
| Travel Office | 5,834 | 5,834 | 3,036 | 2,798 |
| Travel Committee | 14,362 | 14,362 | -0- | 14,362 |
| Supplies | 1,666 | 1,666 | 2,028 | (362) |
| Maintenance/Buildout | 2,500 | 2,500 | -0- | 2,500 |
| Printing | 3,334 | 3,334 | (337) | 3,671 |
| IT/Furniture/Software | 4,166 | 4,166 | 1,150 | 3,016 |
| Subscriptions | 3,334 | 3,334 | 967 | 2,367 |
| Depreciation | -0- | -0- | 1,384 | (1,384) |
| Miscellaneous | 834 | 834 | 451 | 383 |
| Rent | 14,500 | 14,500 | 13,155 | 1,345 |
| Total General Administration | \$ 278,682 | \$ 278,682 | \$ 175,586 | \$ 103,096 |
| Contingency Fund | \$ 96,822 | \$ 96,822 | \$ -0- | \$ 96,822 |
| Technology Upgrades | \$ 16,666 | \$ 16,666 | \$ -0- | \$ 16,666 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2021

| | Budget | | Actual | Favorable (Unfavorable) |
|-------------------------------------|------------|------------|-----------|----------------------------|
| | Original | Amended | | |
| Industry Relations: | | | | |
| Compliance: | | | | |
| Compliance Materials | \$ 834 | \$ 834 | \$ -0- | \$ 834 |
| Workshops | 834 | 834 | -0- | 834 |
| Total Compliance | \$ 1,668 | \$ 1,668 | \$ -0- | \$ 1,668 |
| Industry Relations Activities: | | | | |
| Annual Reports | \$ 1,334 | \$ 1,334 | \$ -0- | \$ 1,334 |
| Communication Materials | 8,334 | 8,334 | 2,800 | 5,534 |
| Travel | 8,334 | 8,334 | -0- | 8,334 |
| WS-Field Events | 41,666 | 41,666 | -0- | 41,666 |
| Association Sponsorship | 11,666 | 11,666 | 6,383 | 5,283 |
| Handler Portal Maintenance | 1,666 | 1,666 | -0- | 1,666 |
| Fishhook: | | | | |
| Prior Year Carry-over | 11,234 | 11,234 | -0- | 11,234 |
| Meltwater | 2,000 | 2,000 | 12,000 | (10,000) |
| Total Industry Relations Activities | \$ 86,234 | \$ 86,234 | \$ 21,183 | \$ 65,051 |
| Industry Research: | | | | |
| Research Contingency | \$ 36,000 | \$ 36,000 | \$ -0- | \$ 36,000 |
| Total Industry Research | \$ 36,000 | \$ 36,000 | \$ -0- | \$ 36,000 |
| Total Industry Relations | \$ 123,902 | \$ 123,902 | \$ 21,183 | \$ 102,719 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2021

| | Budget | | Actual | Favorable (Unfavorable) |
|--|------------|------------|--------------|----------------------------|
| | Original | Amended | | |
| International Relations: | | | | |
| International Nut Congress-Nut Health Research | \$ 16,666 | \$ 16,666 | \$ 100,000 | (\$ 83,334) |
| Travel | 10,834 | 10,834 | 4,279 | 6,555 |
| International Consulting - Grant Writing | 15,834 | 15,834 | -0- | 15,834 |
| Weber Shandwick - China | 108,334 | 108,334 | -0- | 108,334 |
| Weber Shandwick - Germany | 75,000 | 75,000 | -0- | 75,000 |
| Emerging Market Program Research | 83,334 | 83,334 | 23,750 | 59,584 |
| Market Access Program | -0- | -0- | 1,500 | (1,500) |
| Contingency Fund | 108,334 | 108,334 | -0- | 108,334 |
| Total International Relations | \$ 418,336 | \$ 418,336 | \$ 129,529 | \$ 288,807 |
| Marketing: | | | | |
| Aspire IQ | \$ 8,334 | \$ 8,334 | \$ -0- | \$ 8,334 |
| iHeart Media/Digital Magnet | 133,334 | 133,334 | 800,000 | (666,666) |
| Eat Well Global | 13,334 | 13,334 | -0- | 13,334 |
| NPSA Chef's Summit | 16,666 | 16,666 | -0- | 16,666 |
| IRI Reporting | 25,000 | 25,000 | -0- | 25,000 |
| Weber Shandwick | 166,666 | 166,666 | 1,081,771 | (915,105) |
| Research - Nut Health | 64,166 | 64,166 | -0- | 64,166 |
| Total Marketing | \$ 427,500 | \$ 427,500 | \$ 1,881,771 | (\$ 1,454,271) |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2021

| | Budget | | Actual | Favorable (Unfavorable) |
|---|--------------|--------------|----------------|----------------------------|
| | Original | Amended | | |
| Grades and Standards: | | | | |
| Research Contingency (FAIR): | | | | |
| Prior Year Carry-over | \$ 16,666 | \$ 16,666 | \$ -0- | \$ 16,666 |
| Travel | 3,334 | 3,334 | -0- | 3,334 |
| Shelf-Life Study: | | | | |
| Prior Year Carry-over | 28,352 | 28,352 | -0- | 28,352 |
| Carbon Assessment Services | 20,000 | 20,000 | -0- | 20,000 |
| Economic Study | 16,666 | 16,666 | -0- | 16,666 |
| Pricing Through Marketing Channels | 6,666 | 6,666 | -0- | 6,666 |
| Quality Assurance Program | 10,834 | 10,834 | 44,277 | (33,443) |
| Total Grades and Standards | \$ 102,518 | \$ 102,518 | \$ 44,277 | \$ 58,241 |
| Total Operating Expenses | \$ 1,464,426 | \$ 1,464,426 | \$ 2,252,346 | (\$ 787,920) |
| Operating Income (Loss) | (\$ 939,426) | (\$ 939,426) | (\$ 1,833,640) | (\$ 894,214) |
| Nonoperating Revenues and Expenses: | | | | |
| Interest Earned | \$ -0- | \$ -0- | \$ 480 | (\$ 480) |
| Management Fee | 133,334 | 133,334 | -0- | 133,334 |
| Past Outstanding | 66,666 | 66,666 | -0- | 66,666 |
| Prior Year Carry-over - 2020 Expense Offset | 120,418 | 120,418 | -0- | 120,418 |
| Other Income: | | | | |
| Reserve | 363,334 | 363,334 | -0- | 363,334 |
| EMP Funding | 83,334 | 83,334 | -0- | 83,334 |
| Marketing Access Program (MAP) | 208,332 | 208,332 | -0- | 208,332 |
| Total Nonoperating Revenue | \$ 975,418 | \$ 975,418 | \$ 480 | \$ 974,938 |
| Change in Net Position | \$ 35,992 | \$ 35,992 | (\$ 1,833,160) | (\$ 1,869,152) |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Two Months Ended November 30, 2021 and
Year Ended September 30, 2022**

| | One Month Ended November 30, 2021 | | Two Months Ended November 30, 2021 | | Fiscal Year Ended September 30, 2022 |
|--------------------------------|--------------------------------------|-------------------|---------------------------------------|-------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Operating Revenue: | | | | | |
| 2021-2022 Improved | \$ 293,841 | \$ 262,500 | \$ 418,706 | \$ 525,000 | \$ 3,150,000 |
| Total Operating Revenue | \$ 293,841 | \$ 262,500 | \$ 418,706 | \$ 525,000 | \$ 3,150,000 |
| Operating Expenses: | | | | | |
| General Administration: | | | | | |
| Staff and Administration: | | | | | |
| Salaries | \$ 61,422 | \$ 65,542 | \$ 122,844 | \$ 131,084 | \$ 786,500 |
| Benefits: | | | | | |
| IRA | 1,669 | 2,050 | 3,338 | 4,100 | 24,595 |
| Health | (2,118) | 12,083 | 5,439 | 24,166 | 145,000 |
| Taxes | 2,089 | 5,167 | 4,649 | 10,334 | 62,000 |
| Total Staff and Administration | \$ 63,062 | \$ 84,842 | \$ 136,270 | \$ 169,684 | \$ 1,018,095 |
| Insurance: | | | | | |
| Travel | \$ 111 | \$ 225 | \$ 359 | \$ 450 | \$ 2,700 |
| General | 218 | 642 | 5,381 | 1,284 | 7,700 |
| D&O/Members | -0- | 1,083 | -0- | 2,166 | 13,000 |
| Fidelity | -0- | 367 | -0- | 734 | 4,400 |
| Total Insurance | \$ 329 | \$ 2,317 | \$ 5,740 | \$ 4,634 | \$ 27,800 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Two Months Ended November 30, 2021 and
Year Ended September 30, 2022**

| | One Month Ended November 30, 2021 | | Two Months Ended November 30, 2021 | | Fiscal Year Ended September 30, 2022 |
|-------------------------------------|--------------------------------------|-------------------|---------------------------------------|-------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Compliance: | | | | | |
| Attorney/Crisis Management | \$ -0- | \$ 2,083 | \$ -0- | \$ 4,166 | \$ 25,000 |
| Audit Financial | -0- | 1,667 | -0- | 3,334 | 20,000 |
| Compliance Travel | -0- | 3,750 | -0- | 7,500 | 45,000 |
| Sheller/Handler Audits | -0- | 10,417 | -0- | 20,834 | 125,000 |
| Printing/Forms/Postage | 429 | 833 | 577 | 1,666 | 10,000 |
| Total Compliance | \$ 429 | \$ 18,750 | \$ 577 | \$ 37,500 | \$ 225,000 |
| Accounting/Financials | \$ 5,654 | \$ 6,500 | \$ 8,907 | \$ 13,000 | \$ 78,000 |
| Telephone/Mobile/Internet | 1,472 | 1,667 | 2,258 | 3,334 | 20,000 |
| Travel Office | 3,036 | 2,917 | 3,036 | 5,834 | 35,000 |
| Travel Committee | -0- | 7,181 | -0- | 14,362 | 86,171 |
| Supplies | 239 | 833 | 2,028 | 1,666 | 10,000 |
| Maintenance/Buildout | -0- | 1,250 | -0- | 2,500 | 15,000 |
| Printing | (337) | 1,667 | (337) | 3,334 | 20,000 |
| IT/Furniture/Software | 986 | 2,083 | 1,150 | 4,166 | 25,000 |
| Subscriptions | 100 | 1,667 | 967 | 3,334 | 20,000 |
| Depreciation | 692 | -0- | 1,384 | -0- | -0- |
| Miscellaneous | 413 | 417 | 451 | 834 | 5,000 |
| Rent | 6,577 | 7,250 | 13,155 | 14,500 | 87,000 |
| Total General Administration | \$ 82,652 | \$ 139,341 | \$ 175,586 | \$ 278,682 | \$ 1,672,066 |
| Contingency Fund | \$ -0- | \$ 48,411 | \$ -0- | \$ 96,822 | \$ 580,934 |
| Technology Upgrades | \$ -0- | \$ 8,333 | \$ -0- | \$ 16,666 | \$ 100,000 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Two Months Ended November 30, 2021 and Year Ended September 30, 2022

| | One Month Ended November 30, 2021 | | Two Months Ended November 30, 2021 | | Fiscal Year Ended September 30, 2022 |
|-------------------------------------|--------------------------------------|------------------|---------------------------------------|-------------------|---|
| | Actual | Operating Budget | Actual | Operating Budget | Operating Budget |
| Industry Relations: | | | | | |
| Compliance: | | | | | |
| Compliance Materials | \$ -0- | \$ 417 | \$ -0- | \$ 834 | \$ 5,000 |
| Workshops | -0- | 417 | -0- | 834 | 5,000 |
| Total Compliance | <u>\$ -0-</u> | <u>\$ 834</u> | <u>\$ -0-</u> | <u>\$ 1,668</u> | <u>\$ 10,000</u> |
| Industry Relations Activities: | | | | | |
| Annual Reports | \$ -0- | \$ 667 | \$ -0- | \$ 1,334 | \$ 8,000 |
| Communication Materials | -0- | 4,167 | 2,800 | 8,334 | 50,000 |
| Travel | -0- | 4,167 | -0- | 8,334 | 50,000 |
| WS-Field Events | -0- | 20,833 | -0- | 41,666 | 250,000 |
| Association Sponsorship | -0- | 5,833 | 6,383 | 11,666 | 70,000 |
| Handler Portal Maintenance | -0- | 833 | -0- | 1,666 | 10,000 |
| Fishhook: | | | | | |
| Prior Year Carry-over | -0- | 5,617 | -0- | 11,234 | 67,400 |
| Meltwater | -0- | 1,000 | 12,000 | 2,000 | 12,000 |
| Total Industry Relations Activities | <u>\$ -0-</u> | <u>\$ 43,117</u> | <u>\$ 21,183</u> | <u>\$ 86,234</u> | <u>\$ 517,400</u> |
| Industry Research: | | | | | |
| Research Contingency | \$ -0- | \$ 18,000 | \$ -0- | \$ 36,000 | \$ 216,000 |
| Total Industry Research | <u>\$ -0-</u> | <u>\$ 18,000</u> | <u>\$ -0-</u> | <u>\$ 36,000</u> | <u>\$ 216,000</u> |
| Total Industry Relations | <u>\$ -0-</u> | <u>\$ 61,951</u> | <u>\$ 21,183</u> | <u>\$ 123,902</u> | <u>\$ 743,400</u> |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Two Months Ended November 30, 2021 and
Year Ended September 30, 2022**

| | One Month Ended November 30, 2021 | | Two Months Ended November 30, 2021 | | 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 | \$ 16,666 | \$ 100,000 |
| Travel | -0- | 5,417 | 4,279 | 10,834 | 65,000 |
| International Consulting - Grant Writing | -0- | 7,917 | -0- | 15,834 | 95,000 |
| Weber Shandwick - China | -0- | 54,167 | -0- | 108,334 | 650,000 |
| Weber Shandwick - Germany | -0- | 37,500 | -0- | 75,000 | 450,000 |
| Emerging Market Program Research | -0- | 41,667 | 23,750 | 83,334 | 500,000 |
| Market Access Program | -0- | -0- | 1,500 | -0- | -0- |
| Contingency Fund | -0- | 54,167 | -0- | 108,334 | 650,000 |
| Total International Relations | \$ -0- | \$ 209,168 | \$ 129,529 | \$ 418,336 | \$ 2,510,000 |
| Marketing: | | | | | |
| Aspire IQ | \$ -0- | \$ 4,167 | \$ -0- | \$ 8,334 | \$ 50,000 |
| iHeart Media/Digital Magnet | 400,000 | 66,667 | 800,000 | 133,334 | 800,000 |
| Eat Well Global | -0- | 6,667 | -0- | 13,334 | 80,000 |
| NPSA Chef's Summit | -0- | 8,333 | -0- | 16,666 | 100,000 |
| IRI Reporting | -0- | 12,500 | -0- | 25,000 | 150,000 |
| Weber Shandwick | 104,880 | 83,333 | 1,081,771 | 166,666 | 1,000,000 |
| Research - Nuth Health | -0- | 32,083 | -0- | 64,166 | 385,000 |
| Total Marketing | \$ 504,880 | \$ 213,750 | \$ 1,881,771 | \$ 427,500 | \$ 2,565,000 |

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Two Months Ended November 30, 2021 and Year Ended September 30, 2022

| | One Month Ended November 30, 2021 | | Two Months Ended November 30, 2021 | | 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- | \$ 16,666 | \$ 100,000 |
| Travel | -0- | 1,667 | -0- | 3,334 | 20,000 |
| Shelf-Life Study: | | | | | |
| Prior Year Carry-over | -0- | 14,176 | -0- | 28,352 | 170,108 |
| Carbon Assessment Services | -0- | 10,000 | -0- | 20,000 | 120,000 |
| Economic Study | -0- | 8,333 | -0- | 16,666 | 100,000 |
| Pricing Through Marketing Channels | -0- | 3,333 | -0- | 6,666 | 40,000 |
| Quality Assurance Program | 14,759 | 5,417 | 44,277 | 10,834 | 65,000 |
| Total Grades and Standards | \$ 14,759 | \$ 51,259 | \$ 44,277 | \$ 102,518 | \$ 615,108 |
| Total Operating Expenses | \$ 602,291 | \$ 732,213 | \$ 2,252,346 | \$ 1,464,426 | \$ 8,786,508 |
| Operating Income (Loss) | (\$ 308,450) | (\$ 469,713) | (\$ 1,833,640) | (\$ 939,426) | (\$ 5,636,508) |
| Nonoperating Revenues and Expenses: | | | | | |
| Interest Earned | \$ 221 | \$ -0- | \$ 480 | \$ -0- | \$ -0- |
| Management Fee | -0- | 66,667 | -0- | 133,334 | 800,000 |
| Past Outstanding | -0- | 33,333 | -0- | 66,666 | 400,000 |
| Prior Year Carry-over - 2021 Expense Offset | -0- | 60,209 | -0- | 120,418 | 722,508 |
| Other Income: | | | | | |
| Reserve | -0- | 181,667 | -0- | 363,334 | 2,180,000 |
| EMP Funding | -0- | 41,667 | -0- | 83,334 | 500,000 |
| Marketing Access Program (MAP) | -0- | 104,166 | -0- | 208,332 | 1,250,000 |
| Total Nonoperating Revenue | \$ 221 | \$ 487,709 | \$ 480 | \$ 975,418 | \$ 5,852,508 |
| Change in Net Position | (\$ 308,229) | \$ 17,996 | (\$ 1,833,160) | \$ 35,992 | \$ 216,000 |

See Accountants' Compilation Report.