



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants



AMERICAN PECAN COUNCIL

Compiled Financial Statements

For the One Month and Seven Months Ended

April 30, 2024

515 West Harris Avenue • Post Office Box 71 • San Angelo, Texas 76902-0071

Phone (325) 653-6854 • Fax (325) 655-5857 • www.armstrongbackus.com

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 April 30, 2024 and the related statement of revenues, expenses, and changes in net position – enterprise fund, statement of cash flows – enterprise fund for the one month and seven 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. 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 budgetary comparison schedule on page 5 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

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, these 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 seven months ended April 30, 2024 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
May 16, 2024



AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of April 30, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	3,635,946
Accounts Receivable		632,238
Prepaid Expenses		81,061
Total Current Assets	\$	4,349,245

Noncurrent Assets:

Depreciable Capital Assets	\$	164,046
Accumulated Depreciation and Amortization	(114,235)
Total Noncurrent Assets	\$	49,811

Other Assets:

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

TOTAL ASSETS

\$ 4,404,931

LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$	46,789
Noncurrent Lease Obligations Payable		33,925
Total Current Liabilities	\$	80,714

Long-term Liabilities

Lease Obligations Payable	\$	8,710
Total Long-term Liabilities	\$	8,710
Total Liabilities	\$	89,424

Net Position:

Net Investment in Capital Assets	\$	7,176
Unrestricted		4,308,331
Total Net Position	\$	4,315,507

TOTAL LIABILITIES AND NET POSITION

\$ 4,404,931

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Seven Months Ended April 30, 2024

	One Month	Seven Months
Operating Revenue:		
2023-2024 Improved	\$ 64,062	\$ 2,030,055
Total Operating Revenue	\$ 64,062	\$ 2,030,055
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 38,255	\$ 244,194
Total Administration	\$ 38,255	\$ 244,194
Insurance:		
General	\$ 731	\$ 5,124
D&O/Members	445	3,114
Total Insurance	\$ 1,176	\$ 8,238
Compliance:		
Attorney/Crisis Management	\$ 4,548	\$ 36,470
Printing/Forms/Postage	256	2,130
Total Compliance	\$ 4,804	\$ 38,600
Rent:		
Interest Expense	(\$ 52)	\$ 7,244
Amortization Expense	133	1,108
Total Rent	\$ 3,066	\$ 29,246
Accounting/Financials	\$ 7,590	\$ 50,190
Telephone/Mobile/Internet	(2,828)	11,591
Travel Office	2,093	27,588
Travel Committee	-0-	7,956
Supplies	67	393
Printing	-0-	(117)
IT/Furniture/Software	1,720	14,209
Subscriptions	-0-	2,171
Depreciation	322	2,252
Miscellaneous	354	485
Total General Administration	\$ 56,619	\$ 436,996
Industry Relations Activities:		
Communication Materials	\$ 2,100	\$ 7,970
Association Sponsorship	-0-	8,181
Compliance & Reporting Portal	-0-	12,850
Total Industry Relations Activities	\$ 2,100	\$ 29,001

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Seven Months Ended April 30, 2024

	One Month	Seven Months
Industry Research:		
NASS	\$ -0-	\$ 241,000
Total Industry Research	\$ -0-	\$ 241,000
Total Industry Relations	\$ 2,100	\$ 270,001
International Relations:		
International Nut Congress-Nut Health Research	\$ 13,720	\$ 305,872
Market Access Program:	8,333	58,333
Germany Marketing	125	875
Total International Relations	\$ 22,178	\$ 770,586
Marketing:		
Website Management	\$ 13,526	\$ 329,955
Total Marketing	\$ 1,500	10,500
Total Operating Expenses	\$ 95,860	\$ 1,817,974
Operating Income	(\$ 31,798)	\$ 212,081
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 6,065	\$ 36,662
Other Income:		
Marketing Access Program (MAP)	212,501	882,695
Total Nonoperating Revenue	\$ 218,566	\$ 919,357
Change in Net Position	\$ 186,768	\$ 1,131,438
Net Position, Beginning as Previously Stated	\$ 4,020,141	\$ 3,109,734
Prior Period Adjustment	108,598	74,335
Net Position, Beginning as Restated	\$ 4,128,739	\$ 3,184,069
Net Position, Ending	\$ 4,315,507	\$ 4,315,507

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

For the One Month and Seven Months Ended April 30, 2024

	One Month	Seven Months
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 199,375	\$ 1,871,929
Cash Paid for Operating Expenses	(204,641)	(2,495,801)
Net Cash Provided (Used) by Operating Activities	(\$ 5,266)	(\$ 623,872)
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 6,065	\$ 36,662
Net Cash Provided (Used) by Investing Activities	\$ 6,065	\$ 36,662
Net Increase (Decrease) in Cash	\$ 213,300	\$ 295,485
Cash, Beginning of Period	3,422,646	3,340,461
Cash, End of Period	\$ 3,635,946	\$ 3,635,946
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(\$ 31,798)	\$ 212,081
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	322	2,252
Amortization Expense	2,984	20,893
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	135,313	(158,126)
(Increase) Decrease in Prepaid Expenses	2,219	27,445
(Increase) Decrease in Other Current Assets	47,200	3,421
Increase (Decrease) in Accounts Payable	(158,763)	(712,821)
Increase (Decrease) in Operating Lease	(2,743)	(19,017)
Net Cash Provided (Used) by Operating Activities	(\$ 5,266)	(\$ 623,872)

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Seven Months Ended April 30, 2024

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Operating Revenue:				
2023-2024 Improved	\$ 1,522,500	\$ 1,522,500	\$ 2,030,055	\$ 507,555
Total Operating Revenue	\$ 1,522,500	\$ 1,522,500	\$ 2,030,055	\$ 507,555
Operating Expenses:				
General Administration:				
Administration	\$ 334,250	\$ 334,250	\$ 244,194	\$ 90,056
Compliance	145,831	145,831	38,600	107,231
Other General Administrative	245,469	245,469	154,202	91,267
Total General Administration	\$ 725,550	\$ 725,550	\$ 436,996	\$ 288,554
Contingency Fund	\$ 278,432	\$ 278,432	\$ -0-	\$ 278,432
Industry Relations	294,581	294,581	270,001	24,580
International Relations	1,531,250	1,531,250	770,585	760,665
Marketing	533,169	533,169	340,392	192,777
Grades and Standards	46,669	46,669	-0-	46,669
Total Operating Expenses	\$ 3,409,651	\$ 3,409,651	\$ 1,817,974	\$ 1,591,677
Operating Income (Loss)	(\$ 1,887,151)	(\$ 1,887,151)	\$ 212,081	\$ 2,099,232
Nonoperating Revenues and Expenses:				
Interest Earned	\$ -0-	\$ -0-	\$ 36,662	\$ 36,662
Past Outstanding	233,331	233,331	-0-	(233,331)
Prior Year Carry-over - 2023 Expense Offset	370,482	370,482	-0-	(370,482)
Other Income:				
EMP Funding	291,669	291,669	-0-	(291,669)
Marketing Access Program (MAP)	991,669	991,669	882,695	(108,974)
Total Nonoperating Revenue	\$ 1,887,151	\$ 1,887,151	\$ 919,357	(\$ 967,794)
Change in Net Position	\$ -0-	\$ -0-	\$ 1,131,438	\$ 1,131,438

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Seven Months Ended April 30, 2024 and Year Ended September 30, 2024

	One Month Ended April 30, 2024		Seven Months Ended April 30, 2024		Fiscal Year Ended September 30, 2024
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2023-2024 Improved	\$ 64,062	\$ 217,500	\$ 2,030,055	\$ 1,522,500	\$ 2,610,000
Total Operating Revenue	\$ 64,062	\$ 217,500	\$ 2,030,055	\$ 1,522,500	\$ 2,610,000
Operating Expenses:					
General Administration:					
Administration	\$ 38,255	\$ 47,750	\$ 244,194	\$ 334,250	\$ 573,000
Compliance	4,804	20,833	38,600	145,831	250,000
Other General Administration	13,560	35,067	154,202	245,469	420,800
Total General Administration	\$ 56,619	\$ 103,650	\$ 436,996	\$ 725,550	\$ 1,243,800
Contingency Fund	\$ -0-	\$ 39,776	\$ -0-	\$ 278,432	\$ 477,308
Industry Relations	2,100	42,083	270,001	294,581	505,000
International Relations	22,178	218,750	770,585	1,531,250	2,625,000
Marketing	14,963	76,167	340,392	533,169	914,000
Grades and Standards	-0-	6,667	-0-	46,669	80,000
Total Operating Expenses	\$ 95,860	\$ 487,093	\$ 1,817,974	\$ 3,409,651	\$ 5,845,108
Operating Income (Loss)	(\$ 31,798)	(\$ 269,593)	\$ 212,081	(\$ 1,887,151)	(\$ 3,235,108)
Nonoperating Revenues and Expenses:					
Interest Earned	\$ 6,065	\$ -0-	\$ 36,662	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	-0-	233,331	400,000
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	-0-	370,482	635,108
Other Income:					
EMP Funding	-0-	41,667	-0-	291,669	500,000
Marketing Access Program (MAP)	212,501	141,667	882,695	991,669	1,700,000
Total Nonoperating Revenue	\$ 218,566	\$ 269,593	\$ 919,357	\$ 1,887,151	\$ 3,235,108
Change in Net Position	\$ 186,768	\$ -0-	\$ 1,131,438	\$ -0-	\$ -0-

See Accountants' Compilation Report.