



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants



AMERICAN PECAN COUNCIL

Compiled Financial Statements

For the One Month and Three Months Ended

December 31, 2023

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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 December 31, 2023 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 three 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.

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part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.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, these financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The supplementary information included in the budgetary comparison schedule for the three months ended and operating budget for the one month and three months ended December 31, 2023 is 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
March 15, 2024

AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of December 31, 2023

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	2,668,229
Accounts Receivable		736,934
Prepaid Expenses		143,844
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Total Current Assets	\$	3,549,007

Noncurrent Assets:

Depreciable Capital Assets	\$	164,046
Accumulated Depreciation and Amortization	(101,009)
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Total Noncurrent Assets	\$	63,037

Other Assets:

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

TOTAL ASSETS

\$ 3,617,919

LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$	71,104
Noncurrent Lease Obligations Payable		33,355
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Total Current Liabilities	\$	104,459

Long-term Liabilities

Lease Obligations Payable	\$	20,198
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Total Long-term Liabilities	\$	20,198
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Total Liabilities	\$	124,657

Net Position:

Net Investment in Capital Assets	\$	9,484
Unrestricted		3,483,778
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Total Net Position	\$	3,493,262

TOTAL LIABILITIES AND NET POSITION

\$ 3,617,919

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Three Months Ended December 31, 2023

	One Month	Three Months
Operating Revenue:		
2023-2024 Improved	\$ 216,135	\$ 737,312
Total Operating Revenue	\$ 216,135	\$ 737,312
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 45,867	\$ 118,626
Total Administration	\$ 45,867	\$ 118,626
Insurance:		
General	(\$ 1,760)	\$ 1,874
D&O/Members	445	1,334
Fidelity	-0-	327
Total Insurance	(\$ 1,315)	\$ 3,535
Compliance:		
Printing/Forms/Postage	\$ -0-	\$ 523
Total Compliance	\$ -0-	\$ 523
Rent:		
Interest Expense	\$ 385	\$ 1,155
Amortization Expense	167	526
Total Rent	2,985	8,955
Accounting/Financials	\$ 6,000	\$ 18,000
Telephone/Mobile/Internet	1,304	4,415
Travel Office	-0-	6,319
Travel Committee	-0-	2,356
Supplies	-0-	48
Printing	227	436
IT/Furniture/Software	825	1,705
Subscriptions	-0-	1,881
Depreciation	322	965
Miscellaneous	-0-	79
Total General Administration	\$ 56,767	\$ 169,524
Industry Relations:		
Industry Relations Activities:		
Communication Materials	\$ 800	\$ 1,600
Fishhook	-0-	12,850
Total Industry Relations Activities	\$ 800	\$ 14,450
Industry Research:		
NASS	\$ 94,400	\$ 118,000
Total Industry Relations	\$ 95,200	\$ 132,450

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Three Months Ended December 31, 2023

	One Month	Three Months
International Relations:	\$ 45,418	\$ 45,418
International Nut Congress-Nut Health Research	8,333	25,000
Market Access Program:		
Membership Dues	125	375
UK/Germany	-0-	95,969
Total International Relations	\$ 53,876	\$ 166,762
Marketing:	\$ 32,500	\$ 97,500
Aspire IQ	23,713	51,140
RFTB Website	-0-	1,500
Total Marketing	\$ 56,213	\$ 150,140
Total Operating Expenses	\$ 262,056	\$ 618,876
Operating Income	(\$ 45,921)	\$ 118,436
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 4,852	\$ 14,842
Total Nonoperating Revenue	\$ 4,852	\$ 14,842
Change in Net Position	(\$ 41,069)	\$ 133,278
Net Position, Beginning as Previously Stated	\$ 3,536,186	\$ 3,109,734
Prior Period Adjustment	(1,855)	250,250
Net Position, Beginning as Restated	\$ 3,534,331	\$ 3,359,984
Net Position, Ending	\$ 3,493,262	\$ 3,493,262

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

For the One Month and Three Months Ended December 31, 2023

	<u>One Month</u>	<u>Three Months</u>
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 19,781	\$ 537,043
Cash Paid for Operating Expenses	(351,304)	(1,224,117)
Net Cash Provided (Used) by Operating Activities	<u>(\$ 331,523)</u>	<u>(\$ 687,074)</u>
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 4,852	\$ 14,842
Net Cash Provided (Used) by Investing Activities	<u>\$ 4,852</u>	<u>\$ 14,842</u>
Net Increase (Decrease) in Cash	(\$ 326,671)	(\$ 672,232)
Cash, Beginning of Period	<u>2,994,900</u>	<u>3,340,461</u>
Cash, End of Period	<u><u>\$ 2,668,229</u></u>	<u><u>\$ 2,668,229</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(\$ 45,921)	\$ 118,436
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	322	965
Amortization Expense	2,984	8,954
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(196,354)	(200,269)
(Increase) Decrease in Prepaid Expenses	44,555	(35,338)
(Increase) Decrease in Other Current Assets	-0-	3,421
Increase (Decrease) in Accounts Payable	(134,401)	(575,144)
Increase (Decrease) in Operating Lease	(2,708)	(8,099)
Net Cash Provided (Used) by Operating Activities	<u>(\$ 331,523)</u>	<u>(\$ 687,074)</u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Three Months Ended December 31, 2023

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Operating Revenue:				
2023-2024 Improved	\$ 652,500	\$ 652,500	\$ 737,312	\$ 84,812
Total Operating Revenue	\$ 652,500	\$ 652,500	\$ 737,312	\$ 84,812
Operating Expenses:				
General Administration:				
Administration	\$ 143,250	\$ 143,250	\$ 118,626	\$ 24,624
Compliance	62,500	62,500	523	61,977
Other General Administrative	105,200	105,200	50,375	54,825
Total General Administration	\$ 310,950	\$ 310,950	\$ 169,524	\$ 141,426
Contingency Fund	\$ 119,327	\$ 119,327	\$ -0-	\$ 119,327
Industry Relations	126,250	126,250	132,450	(6,200)
International Relations	656,250	656,250	166,762	489,488
Marketing	228,500	228,500	150,140	78,360
Grades and Standards	20,000	20,000	-0-	20,000
Total Operating Expenses	\$ 1,461,277	\$ 1,461,277	\$ 618,876	\$ 842,401
Operating Income (Loss)	(\$ 808,777)	(\$ 808,777)	\$ 118,436	\$ 927,213
Nonoperating Revenues and Expenses:				
Interest Earned	\$ -0-	\$ -0-	\$ 14,842	\$ 14,842
Past Outstanding	100,000	100,000	-0-	(100,000)
Prior Year Carry-over - 2023 Expense Offset	158,777	158,777	-0-	(158,777)
Other Income:				-0-
EMP Funding	125,000	125,000	-0-	(125,000)
Marketing Access Program (MAP)	425,000	425,000	-0-	(425,000)
Total Nonoperating Revenue	\$ 808,777	\$ 808,777	\$ 14,842	(\$ 793,935)
Change in Net Position	\$ -0-	\$ -0-	\$ 133,278	\$ 133,278

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

**For the One Month and Three Months Ended December 31, 2023 and
Year Ended September 30, 2024**

	One Month Ended December 31, 2023		Three Months Ended December 31, 2023		Fiscal Year Ended September 30, 2024
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2023-2024 Improved	\$ 216,135	\$ 217,500	\$ 737,312	\$ 652,500	\$ 2,610,000
Total Operating Revenue	\$ 216,135	\$ 217,500	\$ 737,312	\$ 652,500	\$ 2,610,000
Operating Expenses:					
General Administration:					
Administration	\$ 45,867	\$ 47,750	\$ 118,626	\$ 143,250	\$ 573,000
Compliance	-	20,833	523	62,500	250,000
Other General Administration	10,899	35,067	50,375	105,200	420,800
Total General Administration	\$ 56,766	\$ 103,650	\$ 169,524	\$ 310,950	\$ 1,243,800
Contingency Fund	-	39,776	-	119,327	477,308
Industry Relations	95,200	42,083	132,450	126,250	505,000
International Relations	53,877	218,750	166,762	656,250	2,625,000
Marketing	56,213	76,167	150,140	228,500	914,000
Grades and Standards	-	6,667	-	20,000	80,000
Total Operating Expenses	\$ 262,056	\$ 487,093	\$ 618,876	\$ 1,461,277	\$ 5,845,108
Operating Income (Loss)	(\$ 45,921)	(\$ 269,593)	\$ 118,436	(\$ 808,777)	(\$ 3,235,108)
Nonoperating Revenues and Expenses:					
Interest Earned	\$ 4,852	-	\$ 14,842	-	-
Past Outstanding	-	33,333	-	100,000	400,000
Prior Year Carry-over - 2023 Expense Offset	-	52,926	-	158,777	635,108
Other Income:					
EMP Funding	-	41,667	-	125,000	500,000
Marketing Access Program (MAP)	-	141,667	-	425,000	1,700,000
Total Nonoperating Revenue	\$ 4,852	\$ 269,593	\$ 14,842	\$ 808,777	\$ 3,235,108
Change in Net Position	(\$ 41,069)	\$ -0-	\$ 133,278	\$ -0-	\$ -0-

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