



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants



**AMERICAN PECAN COUNCIL**

**Compiled Financial Statements**

**For the One Month and Five Months Ended**

**February 29, 2024**

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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 February 29, 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 five 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 American 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 five months ended February 29, 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  
March 22, 2024



**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of February 29, 2024**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$	3,374,816
Accounts Receivable		502,865
Prepaid Expenses		93,434
		<hr/>
Total Current Assets	\$	3,971,115

**Noncurrent Assets:**

Depreciable Capital Assets	\$	164,046
Accumulated Depreciation and Amortization	(	107,623)
		<hr/>
Total Noncurrent Assets	\$	56,423

**Other Assets:**

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

**TOTAL ASSETS**

\$ 4,033,413

**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts Payable	\$	114,617
Noncurrent Lease Obligations Payable		33,639
		<hr/>
Total Current Liabilities	\$	148,256

**Long-term Liabilities**

Lease Obligations Payable	\$	14,472
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Total Long-term Liabilities	\$	14,472
		<hr/>
Total Liabilities	\$	162,728

**Net Position:**

Net Investment in Capital Assets	\$	8,312
Unrestricted		3,862,373
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Total Net Position	\$	3,870,685

**TOTAL LIABILITIES AND NET POSITION**

\$ 4,033,413

See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

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

**For the One Month and Five Months Ended February 29, 2024**

	<u>One Month</u>	<u>Five Months</u>
<b>Operating Revenue:</b>		
2023-2024 Improved	\$ 2,642	\$ 1,251,260
<b>Total Operating Revenue</b>	<b>\$ 2,642</b>	<b>\$ 1,251,260</b>
<b>Operating Expenses:</b>		
General Administration:		
Administration:		
Contract Labor	\$ 88,923	\$ 263,544
Total Administration	\$ 88,923	\$ 263,544
Insurance:		
General	\$ 731	\$ 3,335
D&O/Members	445	2,224
Fidelity	-0-	327
Total Insurance	\$ 1,176	\$ 5,886
Compliance:		
Attorney/Crisis Management	\$ -0-	\$ 11,108
Printing/Forms/Postage	-0-	1,343
Total Compliance	\$ -0-	\$ 12,451
Rent:	\$ 385	\$ 1,925
Interest Expense	150	834
Amortization Expense	2,985	14,924
Total Rent	\$ 3,520	\$ 17,683
Accounting/Financials	\$ 6,000	\$ 32,100
Telephone/Mobile/Internet	995	8,417
Travel Office	-0-	15,059
Travel Committee	2,950	5,306
Supplies	5	220
Printing	-0-	( 117)
IT/Furniture/Software	1,254	3,784
Subscriptions	-0-	1,895
Depreciation	322	1,608
Miscellaneous	-0-	130
Total General Administration	\$ 105,145	\$ 367,966
Industry Relations Activities:		
Communication Materials	\$ 2,100	\$ 5,472
Association Sponsorship	6,538	7,888
Fishhook	-0-	12,850
Total Industry Relations Activities	\$ 8,638	\$ 26,210

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

**For the One Month and Five Months Ended February 29, 2024**

	<b>One Month</b>	<b>Five Months</b>
Industry Research:		
NASS	\$ 49,200	\$ 241,000
Total Industry Research	\$ 49,200	\$ 241,000
Total Industry Relations	\$ 57,838	\$ 267,210
International Relations:	\$ -0-	\$ 176,275
International Nut Congress-Nut Health Research	8,583	58,062
Market Access Program:	125	625
UK/Germany	-0-	238,978
Total International Relations	\$ 8,708	\$ 473,940
Marketing:	\$ -0-	\$ 132,193
Aspire IQ	23,713	98,567
RFTB Website	1,500	7,500
Total Marketing	\$ 25,213	\$ 238,260
<b>Total Operating Expenses</b>	\$ 196,904	\$ 1,347,376
<b>Operating Income</b>	(\$ 194,262)	(\$ 96,116)
<b>Nonoperating Revenues and Expenses:</b>		
Interest Earned	\$ 4,961	\$ 25,004
Other Income:		
Marketing Access Program (MAP)	670,195	670,195
Total Nonoperating Revenue	\$ 675,156	\$ 695,199
Change in Net Position	\$ 480,894	\$ 599,083
Net Position, Beginning as Previously Stated	\$ 3,178,892	\$ 3,109,734
Prior Period Adjustment	210,899	161,868
Net Position, Beginning as Restated	\$ 3,389,791	\$ 3,271,602
Net Position, Ending	\$ 3,870,685	\$ 3,870,685

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statement of Cash Flows - Enterprise Fund

**For the One Month and Five Months Ended February 29, 2024**

	<b>One Month</b>	<b>Five Months</b>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Assessments	\$ 348,391	\$ 1,310,038
Cash Paid for Operating Expenses	( 550,839)	( 1,970,882)
Net Cash Provided (Used) by Operating Activities	(\$ 202,448)	(\$ 660,844)
<b>Cash Flows From Investing Activities:</b>		
Cash Received from Interest Earned	\$ 4,961	\$ 25,004
Net Cash Provided (Used) by Investing Activities	\$ 4,961	\$ 25,004
Net Increase (Decrease) in Cash	\$ 472,708	\$ 34,355
Cash, Beginning of Period	2,902,108	3,340,461
Cash, End of Period	\$ 3,374,816	\$ 3,374,816
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(\$ 194,262)	(\$ 96,116)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	322	1,608
Amortization Expense	2,985	14,925
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	345,749	58,778
(Increase) Decrease in Prepaid Expenses	10,155	15,072
(Increase) Decrease in Other Current Assets	-0-	3,421
Increase (Decrease) in Accounts Payable	( 364,672)	( 644,991)
Increase (Decrease) in Operating Lease	( 2,725)	( 13,541)
Net Cash Provided (Used) by Operating Activities	(\$ 202,448)	(\$ 660,844)

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the Five Months Ended February 29, 2024**

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
<b>Operating Revenue:</b>				
2023-2024 Improved	\$ 1,087,500	\$ 1,087,500	\$ 1,251,260	\$ 163,760
<b>Total Operating Revenue</b>	<b>\$ 1,087,500</b>	<b>\$ 1,087,500</b>	<b>\$ 1,251,260</b>	<b>\$ 163,760</b>
<b>Operating Expenses:</b>				
General Administration:				
Administration	\$ 238,750	\$ 238,750	\$ 263,544	(\$ 24,794)
Compliance	104,165	104,165	12,451	91,714
Other General Administrative	175,335	175,335	91,971	83,364
Total General Administration	\$ 518,250	\$ 518,250	\$ 367,966	\$ 150,284
Contingency Fund	\$ 198,880	\$ 198,880	\$ -0-	\$ 198,880
Industry Relations	210,415	210,415	267,210	( 56,795)
International Relations	1,093,750	1,093,750	473,940	619,810
Marketing	380,835	380,835	238,260	142,575
Grades and Standards	33,335	33,335	-0-	33,335
<b>Total Operating Expenses</b>	<b>\$ 2,435,465</b>	<b>\$ 2,435,465</b>	<b>\$ 1,347,376</b>	<b>\$ 1,088,089</b>
<b>Operating Income (Loss)</b>	<b>(\$ 1,347,965)</b>	<b>(\$ 1,347,965)</b>	<b>(\$ 96,116)</b>	<b>\$ 1,251,849</b>
<b>Nonoperating Revenues and Expenses:</b>				
Interest Earned	\$ -0-	\$ -0-	\$ 25,004	\$ 25,004
Past Outstanding	166,665	166,665	-0-	( 166,665)
Prior Year Carry-over - 2023 Expense Offset	264,630	264,630	-0-	( 264,630)
Other Income:				
EMP Funding	208,335	208,335	-0-	( 208,335)
Marketing Access Program (MAP)	708,335	708,335	670,195	( 38,140)
<b>Total Nonoperating Revenue</b>	<b>\$ 1,347,965</b>	<b>\$ 1,347,965</b>	<b>\$ 695,199</b>	<b>(\$ 652,766)</b>
<b>Change in Net Position</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 599,083</b>	<b>\$ 599,083</b>

See Accountants' Compilation Report.



# AMERICAN PECAN COUNCIL

## Operating Budget

**For the One Month and Five Months Ended February 29, 2024 and  
Year Ended September 30, 2024**

	One Month Ended		Five Months Ended		Fiscal Year Ended
	February 29, 2024		February 29, 2024		September 30, 2024
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
<b>Operating Revenue:</b>					
2023-2024 Improved	\$ 2,642	\$ 217,500	\$ 1,251,260	\$ 1,087,500	\$ 2,610,000
<b>Total Operating Revenue</b>	<b>\$ 2,642</b>	<b>\$ 217,500</b>	<b>\$ 1,251,260</b>	<b>\$ 1,087,500</b>	<b>\$ 2,610,000</b>
<b>Operating Expenses:</b>					
General Administration:					
Administration	\$ 88,923	\$ 47,750	\$ 263,544	\$ 238,750	\$ 573,000
Compliance	-0-	20,833	12,451	104,165	250,000
Other General Administration	16,222	35,067	91,971	175,335	420,800
<b>Total General Administration</b>	<b>\$ 105,145</b>	<b>\$ 103,650</b>	<b>\$ 367,966</b>	<b>\$ 518,250</b>	<b>\$ 1,243,800</b>
Contingency Fund	\$ -0-	\$ 39,776	\$ -0-	\$ 198,880	\$ 477,308
Industry Relations	57,838	42,083	267,210	210,415	505,000
International Relations	8,708	218,750	473,940	1,093,750	2,625,000
Marketing	25,213	76,167	238,260	380,835	914,000
Grades and Standards	-0-	6,667	-0-	33,335	80,000
<b>Total Operating Expenses</b>	<b>\$ 196,904</b>	<b>\$ 487,093</b>	<b>\$ 1,347,376</b>	<b>\$ 2,435,465</b>	<b>\$ 5,845,108</b>
<b>Operating Income (Loss)</b>	<b>(\$ 194,262)</b>	<b>(\$ 269,593)</b>	<b>(\$ 96,116)</b>	<b>(\$ 1,347,965)</b>	<b>(\$ 3,235,108)</b>
<b>Nonoperating Revenues and Expenses:</b>					
Interest Earned	\$ 4,961	\$ -0-	\$ 25,004	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	-0-	166,665	400,000
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	-0-	264,630	635,108
Other Income:					
EMP Funding	-0-	41,667	-0-	208,335	500,000
Marketing Access Program (MAP)	670,195	141,667	670,195	708,335	1,700,000
<b>Total Nonoperating Revenue</b>	<b>\$ 675,156</b>	<b>\$ 269,593</b>	<b>\$ 695,199</b>	<b>\$ 1,347,965</b>	<b>\$ 3,235,108</b>
<b>Change in Net Position</b>	<b>\$ 480,894</b>	<b>\$ -0-</b>	<b>\$ 599,083</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

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