



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants

AMERICAN PECAN COUNCIL
Compiled Financial Statements
For the One Month and Two Months Ended
November 30, 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 November 30, 2023 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part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.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, 2023 and year end September 30, 2024 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 4, 2024

AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of November 30, 2023

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 2,994,900
Accounts Receivable	538,951
Prepaid Expenses	188,399
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Total Current Assets	\$ 3,722,250

Noncurrent Assets:

Depreciable Capital Assets	\$ 164,046
Accumulated Depreciation and Amortization	(97,703)
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Total Noncurrent Assets	\$ 66,343

Other Assets:

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

TOTAL ASSETS

\$ 3,794,468

LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$ 202,021
Noncurrent Lease Obligations Payable	33,214
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Total Current Liabilities	\$ 235,235

Long-term Liabilities

Lease Obligations Payable	\$ 23,047
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Total Long-term Liabilities	\$ 23,047
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Total Liabilities	\$ 258,282

Net Position:

Net Investment in Capital Assets	\$ 10,082
Unrestricted	3,526,104
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Total Net Position	\$ 3,536,186

TOTAL LIABILITIES AND NET POSITION

\$ 3,794,468

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, 2023

	One Month	Two Months
Operating Revenue:		
2023-2024 Improved	\$ 341,044	\$ 522,280
Total Operating Revenue	\$ 341,044	\$ 522,280
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 42,192	\$ 72,759
Total Administration	\$ 42,192	\$ 72,759
Insurance:		
General	(\$ 2,010)	\$ 3,634
D&O/Members	445	890
Fidelity	-0-	327
Total Insurance	(\$ 1,565)	\$ 4,851
Compliance:		
Printing/Forms/Postage	\$ 288	\$ 523
Total Compliance	\$ 288	\$ 523
Rent:		
Interest Expense	\$ 385	\$ 770
Amortization Expense	175	359
	2,985	5,970
Total Rent	\$ 3,545	\$ 7,099
Accounting/Financials	\$ 6,000	\$ 12,000
Telephone/Mobile/Internet	1,966	3,111
Travel Office	3,662	6,319
Travel Committee	1,140	2,356
Supplies	48	48
Printing	327	209
IT/Furniture/Software	76	880
Subscriptions	1,304	1,881
Depreciation	322	643
Miscellaneous	-0-	77
Total General Administration	\$ 59,305	\$ 112,756
Industry Relations:		
Industry Relations Activities:		
Communication Materials	\$ -0-	\$ 800
Fishhook:	12,850	12,850
Total Industry Relations Activities	\$ 12,850	\$ 13,650
Industry Research:		
NASS	\$ 23,600	\$ 23,600
Total Industry Relations	\$ 36,450	\$ 37,250
International Relations:		
International Nut Congress-Nut Health Research	\$ 8,333	\$ 16,667
Membership Dues	125	250
UK/Germany	73,810	95,969
Total International Relations	\$ 82,268	\$ 112,886

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, 2023

	<u>One Month</u>	<u>Two Months</u>
Marketing:	\$ 32,500	\$ 65,000
Aspire IQ	27,177	27,427
RFTB Website	-0-	1,500
Total Marketing	<u>\$ 59,677</u>	<u>\$ 93,927</u>
Total Operating Expenses	<u>\$ 237,700</u>	<u>\$ 356,819</u>
Operating Income	<u>\$ 103,344</u>	<u>\$ 165,461</u>
Nonoperating Revenues and Expenses:		
Interest Earned	<u>\$ 5,149</u>	<u>\$ 9,989</u>
Total Nonoperating Revenue	<u>\$ 5,149</u>	<u>\$ 9,989</u>
Change in Net Position	<u>\$ 108,493</u>	<u>\$ 175,450</u>
Net Position, Beginning as Previously Stated	\$ 3,444,693	\$ 3,109,734
Prior Period Adjustment	(17,000)	251,002
Net Position, Beginning as Restated	<u>\$ 3,427,693</u>	<u>\$ 3,360,736</u>
Net Position, Ending	<u>\$ 3,536,186</u>	<u>\$ 3,536,186</u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

For the One Month and Two Months Ended November 30, 2023

	<u>One Month</u>	<u>Two Months</u>
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 446,294	\$ 517,263
Cash Paid for Operating Expenses	(196,646)	(872,813)
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Net Cash Provided (Used) by Operating Activities	\$ 249,648	(\$ 355,550)
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Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 5,149	\$ 9,989
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Net Cash Provided (Used) by Investing Activities	\$ 5,149	\$ 9,989
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Net Increase (Decrease) in Cash	\$ 254,797	(\$ 345,561)
Cash, Beginning of Period	2,740,103	3,340,461
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Cash, End of Period	\$ 2,994,900	\$ 2,994,900
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Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 103,344	\$ 165,461
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	322	643
Amortization Expense	2,985	5,970
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	105,250	(1,596)
(Increase) Decrease in Prepaid Expenses	32,915	(79,893)
Increase (Decrease) in Accounts Payable	7,532	(440,744)
Increase (Decrease) in Operating Lease	(2,700)	(5,391)
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Net Cash Provided (Used) by Operating Activities	\$ 249,648	(\$ 355,550)
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See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2023

	merge cells		Variance Favorable (Unfavorable)
	Budget Original	Actual	
Operating Revenue:			
2023-2024 Improved	\$ 435,000	\$ 522,280	\$ 87,280
Total Operating Revenue	\$ 435,000	\$ 522,280	\$ 87,280
Operating Expenses:			
General Administration:			
Administration	\$ 95,500	\$ 72,759	\$ 22,741
Compliance	41,667	523	41,144
Other General Administrative	70,133	39,475	30,658
Total General Administration	\$ 207,300	\$ 112,757	\$ 94,543
Contingency Fund	\$ 79,551	\$ -0-	\$ 79,551
Industry Relations	84,167	37,250	46,917
International Relations	437,500	112,885	324,615
Marketing	152,333	93,927	58,406
Grades and Standards	13,333	-0-	13,333
Total Operating Expenses	\$ 974,185	\$ 356,819	\$ 617,366
Operating Income (Loss)	(\$ 539,185)	\$ 165,461	\$ 704,646
Nonoperating Revenues and Expenses:			
Interest Earned	\$ -0-	\$ 9,989	\$ 9,989
Past Outstanding	66,667	-0-	(66,667)
Prior Year Carry-over - 2023 Expense Offset	105,851	-0-	(105,851)
Other Income:			
EMP Funding	83,333	-0-	(83,333)
Marketing Access Program (MAP)	283,333	-0-	(283,333)
Total Nonoperating Revenue	\$ 539,185	\$ 9,989	(\$ 529,196)
Change in Net Position	\$ -0-	\$ 175,450	\$ 175,450

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Two Months Ended November 30, 2023 and Year Ended September 30, 2024

	One Month Ended November 30, 2023		Two Months Ended November 30, 2023		Fiscal Year Ended September 30, 2023
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2023-2024 Improved	\$ 341,044	\$ 217,500	\$ 522,280	\$ 435,000	\$ 2,610,000
Total Operating Revenue	\$ 341,044	\$ 217,500	\$ 522,280	\$ 435,000	\$ 2,610,000
Operating Expenses:					
General Administration:					
Administration	\$ 42,192	\$ 47,750	\$ 72,759	\$ 95,500	\$ 573,000
Compliance	288	20,833	523	41,667	250,000
Other General Administration	16,825	35,067	39,475	70,133	420,800
Total General Administration	\$ 59,305	\$ 103,650	\$ 112,757	\$ 207,300	\$ 1,243,800
Contingency Fund	\$ -0-	\$ 39,776	\$ -0-	\$ 79,551	\$ 477,308
Industry Relations	36,450	42,083	37,250	84,167	505,000
International Relations	82,268	218,750	112,885	437,500	2,625,000
Marketing	59,677	76,167	93,927	152,333	914,000
Grades and Standards	-0-	6,667	-0-	13,333	80,000
Total Operating Expenses	\$ 237,700	\$ 487,093	\$ 356,819	\$ 974,185	\$ 5,845,108
Operating Income (Loss)	\$ 103,344	(\$ 269,593)	\$ 165,461	(\$ 539,185)	(\$ 3,235,108)
Nonoperating Revenues and Expenses:					
Interest Earned	\$ 5,149	\$ -0-	\$ 9,989	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	-0-	66,667	400,000
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	-0-	105,851	635,108
Other Income:					
EMP Funding	-0-	41,667	-0-	83,333	500,000
Marketing Access Program (MAP)	-0-	141,667	-0-	283,333	1,700,000
Total Nonoperating Revenue	\$ 5,149	\$ 269,593	\$ 9,989	\$ 539,185	\$ 3,235,108
Change in Net Position	\$ 108,493	\$ -0-	\$ 175,450	\$ -0-	\$ -0-

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