



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants

**AMERICAN PECAN COUNCIL**

**Compiled Financial Statements**

**For the One Month Ended**

**October 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 October 31, 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 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part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.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 ended October 31, 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  
December 11, 2023

**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of October 31, 2023**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 2,740,103
Accounts Receivable	637,028
Prepaid Expenses	224,314
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Total Current Assets	\$ 3,601,445

**Noncurrent Assets:**

Depreciable Capital Assets	\$ 164,046
Accumulated Depreciation and Amortization	( 94,396)
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Total Noncurrent Assets	\$ 69,650

**Other Assets:**

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

**TOTAL ASSETS**

**\$ 3,676,970**

**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts Payable	\$ 173,317
Noncurrent Lease Obligations Payable	33,072
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Total Current Liabilities	\$ 206,389

**Long-term Liabilities**

Lease Obligations Payable	\$ 25,888
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Total Long-term Liabilities	\$ 25,888
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Total Liabilities	\$ 232,277

**Net Position:**

Net Investment in Capital Assets	\$ 10,690
Unrestricted	3,434,003
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Total Net Position	\$ 3,444,693

**TOTAL LIABILITIES AND NET POSITION**

**\$ 3,676,970**

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

For the One Month Ended October 31, 2023

### Operating Revenue:

2023-2024 Improved	\$	180,963
<b>Total Operating Revenue</b>	<b>\$</b>	<b>180,963</b>

### Operating Expenses:

#### General Administration:

##### Administration:

Contract Labor	\$	30,568
<b>Total Administration</b>	<b>\$</b>	<b>30,568</b>

##### Insurance:

General	\$	5,644
D&O/Members		445
Fidelity		327
<b>Total Insurance</b>	<b>\$</b>	<b>6,416</b>

##### Compliance:

Sheller/Handler Audits	\$	37,485
<b>Total Compliance</b>	<b>\$</b>	<b>37,485</b>

##### Rent:

Interest Expense	\$	385
Amortization Expense		184
		2,985
<b>Total Rent</b>	<b>\$</b>	<b>3,554</b>

##### Accounting/Financials

Telephone/Mobile/Internet	\$	6,000
Travel Office		1,145
Supplies		2,657
		233
Printing	(	117)
IT/Furniture/Software		804
Subscriptions		578
Depreciation		322
Miscellaneous		79

<b>Total General Administration</b>	<b>\$</b>	<b>89,724</b>
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#### International Relations:

International Nut Congress-Nut Health Research	\$	8,333
Market Access Program:		
Membership Dues		125
<b>Total International Relations</b>	<b>\$</b>	<b>8,458</b>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

For the One Month Ended October 31, 2023

Marketing:	
International Marketing	\$ 32,500
Aspire IQ	250
RFTB Website	1,500
Total Marketing	<u>\$ 34,250</u>
<b>Total Operating Expenses</b>	<u>\$ 132,432</u>
<b>Operating Income</b>	<u>\$ 48,531</u>
<b>Nonoperating Revenues and Expenses:</b>	
Interest Earned	<u>\$ 4,841</u>
Total Nonoperating Revenue	<u>\$ 4,841</u>
Change in Net Position	<u>\$ 53,372</u>
Net Position, Beginning as Previously Stated	\$ 3,109,734
Prior Period Adjustment	281,587
Net Position, Beginning as Restated	<u>\$ 3,391,321</u>
Net Position, Ending	<u><u>\$ 3,444,693</u></u>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statement of Cash Flows - Enterprise Fund

**For the One Month Ended October 31, 2023**

<b>Cash Flows From Operating Activities:</b>	
Cash Received from Assessments	\$ 70,968
Cash Paid for Operating Expenses	( 676,167)
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Net Cash Used by Operating Activities	(\$ 605,199)
<b>Cash Flows From Investing Activities:</b>	
Cash Received from Interest Earned	\$ 4,841
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Net Cash Provided by Investing Activities	\$ 4,841
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Net Decrease in Cash	(\$ 600,358)
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Cash, Beginning of Period	3,340,461
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Cash, End of Period	\$ 2,740,103
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<b>Reconciliation of Operating Income to Net Cash Used by Operating Activities:</b>	
Operating Income	\$ 48,531
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Depreciation Expense	322
Amortization Expense	2,985
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	( 109,995)
Increase in Prepaid Expenses	( 115,808)
Decrease in Accounts Payable	( 431,963)
Decrease in Operating Lease	( 2,692)
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Net Cash Used by Operating Activities	(\$ 605,199)
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See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the One Month Ended October 31, 2023**

	Budget Original	Actual	Variance Favorable (Unfavorable)
<b>Operating Revenue:</b>			
2023-2024 Improved	\$ 217,500	\$ 180,963	(\$ 36,537)
<b>Total Operating Revenue</b>	\$ 217,500	\$ 180,963	(\$ 36,537)
<b>Operating Expenses:</b>			
General Administration:			
Administration	\$ 47,750	\$ 30,568	\$ 17,182
Compliance	20,833	37,720	( 16,887)
Other General Administrative	35,067	21,436	13,631
<b>Total General Administration</b>	\$ 103,650	\$ 89,724	\$ 13,926
Contingency Fund	\$ 39,776	\$ -0-	\$ 39,776
Industry Relations	42,083	-0-	42,083
International Relations	218,750	8,458	210,292
Marketing	76,167	34,250	41,917
Grades and Standards	6,667	-0-	6,667
<b>Total Operating Expenses</b>	\$ 487,093	\$ 132,432	\$ 354,661
<b>Operating Income (Loss)</b>	(\$ 269,593)	\$ 48,531	\$ 318,124
<b>Nonoperating Revenues and Expenses:</b>			
Interest Earned	\$ -0-	\$ 4,841	\$ 4,841
Past Outstanding	33,333	-0-	( 33,333)
Prior Year Carry-over - 2023 Expense Offset	52,926	-0-	( 52,926)
EMP Funding	41,667	-0-	( 41,667)
Marketing Access Program (MAP)	141,667	-0-	( 141,667)
<b>Total Nonoperating Revenue</b>	\$ 269,593	\$ 4,841	(\$ 264,752)
<b>Change in Net Position</b>	\$ -0-	\$ 53,372	\$ 53,372

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Operating Budget

**For the One Month Ended October 31, 2023 and  
Year Ended September 30, 2024**

	One Month Ended October 31, 2023		Year Ended September 30, 2024
	Actual	Operating Budget	Operating Budget
<b>Operating Revenue:</b>			
2023-2024 Improved	\$ 180,963	\$ 217,500	\$ 2,610,000
<b>Total Operating Revenue</b>	<b>\$ 180,963</b>	<b>\$ 217,500</b>	<b>\$ 2,610,000</b>
<b>Operating Expenses:</b>			
General Administration:			
Administration	\$ 30,568	\$ 47,750	\$ 573,000
Compliance	37,720	20,833	250,000
Other General Administration	21,436	35,067	420,800
Total General Administration	\$ 89,724	\$ 103,650	\$ 1,243,800
Contingency Fund	\$ -0-	\$ 39,776	\$ 477,308
Industry Relations	-0-	42,083	505,000
International Relations	8,458	218,750	2,625,000
Marketing	34,250	76,167	914,000
Grades and Standards	-0-	6,667	80,000
<b>Total Operating Expenses</b>	<b>\$ 132,432</b>	<b>\$ 487,093</b>	<b>\$ 5,845,108</b>
<b>Operating Income (Loss)</b>	<b>\$ 48,531</b>	<b>(\$ 269,593)</b>	<b>(\$ 3,235,108)</b>
<b>Nonoperating Revenues and Expenses:</b>			
Interest Earned	\$ 4,841	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	400,000
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	635,108
Other Income:			
EMP Funding	-0-	41,667	500,000
Marketing Access Program (MAP)	-0-	141,667	1,700,000
<b>Total Nonoperating Revenue</b>	<b>\$ 4,841</b>	<b>\$ 269,593</b>	<b>\$ 3,235,108</b>
<b>Change in Net Position</b>	<b>\$ 53,372</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

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