



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants



**AMERICAN PECAN COUNCIL**

**Compiled Financial Statements**

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

**August 31, 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 August 31, 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 eleven 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 eleven months ended August 31, 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  
October 3, 2024



**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of August 31, 2024**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$	3,839,092
Accounts Receivable		254,580
Prepaid Expenses		64,371
		<hr/>
Total Current Assets	\$	4,158,043

**Noncurrent Assets:**

Depreciable Capital Assets	\$	185,908
Accumulated Depreciation and Amortization	(	145,677)
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Total Noncurrent Assets	\$	40,231

**Other Assets:**

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

**TOTAL ASSETS**

\$ 4,204,149

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**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts Payable	\$	426,429
Noncurrent Lease Obligations Payable		31,543
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Total Current Liabilities	\$	457,972
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Total Liabilities	\$	457,972

**Net Position:**

Net Investment in Capital Assets	\$	8,688
Unrestricted		3,737,489
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Total Net Position	\$	3,746,177

**TOTAL LIABILITIES AND NET POSITION**

\$ 4,204,149

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See Accountants' Compilation Report.

**AMERICAN PECAN COUNCIL**

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

**For the One Month and Eleven Months Ended August 31, 2024**

	<u>One Month</u>	<u>Eleven Months</u>
<b>Operating Revenue:</b>		
2023-2024 Improved	\$ 96,034	\$ 2,450,531
<b>Total Operating Revenue</b>	<b>\$ 96,034</b>	<b>\$ 2,450,531</b>
<b>Operating Expenses:</b>		
General Administration:		
Administration:		
Contract Labor	\$ 45,789	\$ 424,500
Total Administration	\$ 45,789	\$ 424,500
Insurance:		
General	\$ 1,443	\$ 8,209
D&O/Members	445	4,892
Total Insurance	\$ 1,888	\$ 13,101
Compliance:		
Attorney/Crisis Management	\$ 3,535	\$ 66,162
Printing/Forms/Postage	12,626	50,187
Total Compliance	\$ 16,161	\$ 116,349
Rent:		
Interest Expense	\$ 1,282	\$ 8,386
Amortization Expense	98	1,553
Total Rent	\$ 2,985	\$ 32,834
Accounting/Financials	\$ 7,500	\$ 78,690
Telephone/Mobile/Internet	1,358	16,719
Travel Office	-0-	27,588
Travel Committee	3,034	27,192
Supplies	166	570
Printing	48	3,843
IT/Furniture/Software	2,821	29,544
Subscriptions	-0-	2,171
Depreciation	322	3,538
Miscellaneous	14	646
Total General Administration	\$ 83,466	\$ 787,224
Industry Relations Activities:		
Communication Materials	\$ -0-	\$ 12,170
Association Sponsorship	689	8,870
Compliance & Reporting Portal	-0-	16,500
Total Industry Relations Activities	\$ 689	\$ 37,540

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

**For the One Month and Eleven Months Ended August 31, 2024**

	<b>One Month</b>	<b>Eleven Months</b>
Industry Research:		
NASS	\$ -0-	\$ 194,946
Total Industry Research	\$ -0-	\$ 194,946
Total Industry Relations	\$ 689	\$ 232,486
International Relations:		
Unified Export Strategy	\$ 17,133	\$ 312,348
International Nut Congress-Nut Health Research	-0-	91,385
Market Access Program:	-0-	83,333
Germany Marketing	278,375	279,625
UK Marketing	-0-	325,487
Total International Relations	\$ 295,508	\$ 1,306,961
Marketing:		
APC Travel for Events	\$ -0-	\$ 209,657
Influencer Marketing	-0-	( 70)
Health Research	500	115,920
Website Management	-0-	108,342
Total Marketing	1,500	16,500
<b>Total Operating Expenses</b>	\$ 2,000	\$ 450,349
<b>Operating Income</b>	(\$ 285,629)	(\$ 326,489)
<b>Nonoperating Revenues and Expenses:</b>		
Interest Earned	\$ 6,510	\$ 62,568
Other Income:		
EMP Funding	-0-	212,500
Marketing Access Program (MAP)	-0-	670,195
Total Nonoperating Revenue	\$ 6,510	\$ 945,263
Change in Net Position	(\$ 279,119)	\$ 618,774
Net Position, Beginning as Previously Stated	\$ 4,016,443	\$ 3,131,541
Prior Period Adjustment	8,853	( 4,138)
Net Position, Beginning as Restated	\$ 4,025,296	\$ 3,127,403
Net Position, Ending	\$ 3,746,177	\$ 3,746,177

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statement of Cash Flows - Enterprise Fund

**For the One Month and Eleven Months Ended August 31, 2024**

	<b>One Month</b>	<b>Eleven Months</b>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Assessments	\$ 444,830	\$ 2,673,799
Cash Paid for Operating Expenses	( 167,259)	( 3,123,850)
Net Cash Provided (Used) by Operating Activities	\$ 277,571	(\$ 450,051)
<b>Cash Flows From Noncapital Financing Activities:</b>		
Cash Received for Marketing Access Program Funding (MAP)	\$ -0-	\$ 670,195
Cash Received for Emerging Market Program (EMP)		212,500
Net Cash Provided by Noncapital Financing Activities	\$ -0-	\$ 882,695
<b>Cash Flows From Investing Activities:</b>		
Cash Received from Interest Earned	\$ 6,510	\$ 62,568
Net Cash Provided (Used) by Investing Activities	\$ 6,510	\$ 62,568
Net Increase (Decrease) in Cash	\$ 284,081	\$ 495,212
Cash, Beginning of Period	3,555,011	3,343,880
Cash, End of Period	\$ 3,839,092	\$ 3,839,092
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(\$ 285,629)	(\$ 326,489)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	322	3,538
Amortization Expense	3,607	39,682
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	348,796	223,268
(Increase) Decrease in Prepaid Expenses	( 11,315)	26,574
Increase (Decrease) in Accounts Payable	224,604	( 379,232)
Increase (Decrease) in Operating Lease	( 2,814)	( 37,392)
Net Cash Provided (Used) by Operating Activities	\$ 277,571	(\$ 450,051)

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the Eleven Months Ended August 31, 2024**

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
<b>Operating Revenue:</b>				
2023-2024 Improved	\$ 2,392,500	\$ 2,114,376	\$ 2,450,531	\$ 336,155
<b>Total Operating Revenue</b>	<b>\$ 2,392,500</b>	<b>\$ 2,114,376</b>	<b>\$ 2,450,531</b>	<b>\$ 336,155</b>
<b>Operating Expenses:</b>				
General Administration:				
Administration	\$ 525,250	\$ 495,000	\$ 424,500	\$ 70,500
Compliance	229,163	288,750	116,349	172,401
Other General Administrative	385,737	385,726	246,375	139,351
Total General Administration	<b>\$ 1,140,150</b>	<b>\$ 1,169,476</b>	<b>\$ 787,224</b>	<b>\$ 382,252</b>
Contingency Fund	\$ 437,536	\$ -0-	\$ -0-	\$ -0-
Industry Relations	462,913	320,837	232,486	88,351
International Relations	2,406,250	2,075,337	1,306,961	768,376
Marketing	837,837	569,778	450,349	119,429
Grades and Standards	73,337	-0-	-0-	-0-
<b>Total Operating Expenses</b>	<b>\$ 5,358,023</b>	<b>\$ 4,135,428</b>	<b>\$ 2,777,020</b>	<b>\$ 1,358,408</b>
<b>Operating Income (Loss)</b>	<b>(\$ 2,965,523)</b>	<b>(\$ 2,021,052)</b>	<b>(\$ 326,489)</b>	<b>\$ 1,694,563</b>
<b>Nonoperating Revenues and Expenses:</b>				
Interest Earned	\$ -0-	\$ -0-	\$ 62,568	\$ 62,568
Past Outstanding	366,663	324,170	-0-	( 324,170)
Prior Year Carry-over - 2023 Expense Offset	582,186	582,186	-0-	( 582,186)
Other Income:				
EMP Funding	458,337	194,788	212,500	17,712
Marketing Access Program (MAP)	1,558,337	614,350	670,195	55,845
RAPP Funding	-0-	305,558	-0-	( 305,558)
<b>Total Nonoperating Revenue</b>	<b>\$ 2,965,523</b>	<b>\$ 2,021,052</b>	<b>\$ 945,263</b>	<b>(\$ 1,075,789)</b>
<b>Change in Net Position</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 618,774</b>	<b>\$ 618,774</b>

See Accountants' Compilation Report.



# AMERICAN PECAN COUNCIL

## Operating Budget

### For the One Month and Eleven Months Ended August 31, 2024 and Year Ended September 30, 2024

	One Month Ended August 31, 2024		Eleven Months Ended August 31, 2024		Fiscal Year Ended September 30, 2024	
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget	
<b>Operating Revenue:</b>						
2023-2024 Improved	\$ 96,034	\$ 192,216	\$ 2,450,531	\$ 2,114,376	\$ 2,306,594	
<b>Total Operating Revenue</b>	<b>\$ 96,034</b>	<b>\$ 192,216</b>	<b>\$ 2,450,531</b>	<b>\$ 2,114,376</b>	<b>\$ 2,306,594</b>	
<b>Operating Expenses:</b>						
General Administration:						
Administration	\$ 45,789	\$ 45,000	\$ 424,500	\$ 495,000	\$ 540,000	
Compliance	16,161	26,250	116,349	288,750	315,000	
Other General Administration	21,516	35,066	246,375	385,726	420,800	
Total General Administration	\$ 83,466	\$ 106,316	\$ 787,224	\$ 1,169,476	\$ 1,275,800	
Industry Relations	\$ 689	\$ 29,167	\$ 232,486	\$ 320,837	\$ 350,000	
International Relations	295,508	188,667	1,306,961	2,075,337	2,264,000	
Marketing	2,000	51,798	450,349	569,778	621,574	
<b>Total Operating Expenses</b>	<b>\$ 381,663</b>	<b>\$ 375,948</b>	<b>\$ 2,777,020</b>	<b>\$ 4,135,428</b>	<b>\$ 4,511,374</b>	
<b>Operating Income (Loss)</b>	<b>(\$ 285,629)</b>	<b>(\$ 183,732)</b>	<b>(\$ 326,489)</b>	<b>(\$ 2,021,052)</b>	<b>(\$ 2,204,780)</b>	
<b>Nonoperating Revenues and Expenses:</b>						
Interest Earned	\$ 6,510	\$ -0-	\$ 62,568	\$ -0-	\$ -0-	
Past Outstanding	-0-	29,470	-0-	324,170	353,644	
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	-0-	582,186	635,108	
Other Income:						
EMP Funding	-0-	17,708	212,500	194,788	212,500	
Marketing Access Program (MAP)	-0-	55,850	670,195	614,350	670,195	
RAPP Funding	-0-	27,778	-0-	305,558	333,333	
<b>Total Nonoperating Revenue</b>	<b>\$ 6,510</b>	<b>\$ 183,732</b>	<b>\$ 945,263</b>	<b>\$ 2,021,052</b>	<b>\$ 2,204,780</b>	
<b>Change in Net Position</b>	<b>(\$ 279,119)</b>	<b>\$ -0-</b>	<b>\$ 618,774</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	

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