



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants



AMERICAN PECAN COUNCIL

Compiled Financial Statements

For the One Month and Year Ended

September 30, 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 September 30, 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 year 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 year ended September 30, 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
December 16, 2024

AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of September 30, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	4,102,079
Accounts Receivable		441,319
Prepaid Expenses		47,551
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Total Current Assets	\$	4,590,949

Noncurrent Assets:

Depreciable Capital Assets	\$	185,908
Accumulated Depreciation and Amortization	(149,606)
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Total Noncurrent Assets	\$	36,302

Other Assets:

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

TOTAL ASSETS

\$ 4,633,126

LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$	1,200,966
Noncurrent Lease Obligations Payable		28,720
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Total Current Liabilities	\$	1,229,686
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Total Liabilities	\$	1,229,686

Net Position:

Net Investment in Capital Assets	\$	7,582
Unrestricted		3,395,858
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Total Net Position	\$	3,403,440

TOTAL LIABILITIES AND NET POSITION

\$ 4,633,126

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Year Ended September 30, 2024

	One Month	Year Ended
Operating Revenue:		
2023-2024 Improved	\$ 70,802	\$ 2,800,209
Total Operating Revenue	\$ 70,802	\$ 2,800,209
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 48,475	\$ 474,584
Total Administration	\$ 48,475	\$ 474,584
Insurance:		
General	\$ 731	\$ 8,940
D&O/Members	445	5,337
Total Insurance	\$ 1,176	\$ 14,277
Compliance:		
Attorney/Crisis Management	\$ 25,900	\$ 92,062
Audit Financial	13,100	23,200
Sheller/Handler Audits	3,366	39,899
Printing/Forms/Postage	258	3,883
Total Compliance	\$ 42,624	\$ 159,044
Rent:		
Interest Expense	\$ 2,015	\$ 10,401
Amortization Expense	89	1,643
Total Rent	\$ 5,089	\$ 47,862
Accounting/Financials	\$ 9,950	\$ 88,640
Telephone/Mobile/Internet	1,193	18,194
Travel Office	-0-	27,519
Travel Committee	1,518	28,710
Supplies	-0-	1,545
Printing	4,000	7,843
IT/Furniture/Software	3,950	33,494
Subscriptions	727	2,898
Depreciation	321	3,860
Miscellaneous	166	795
Total General Administration	\$ 119,189	\$ 909,265
Industry Relations Activities:		
Communication Materials	\$ -0-	\$ 12,170
Travel	-0-	1,708
Association Sponsorship	725	9,595
Compliance & Reporting Portal	10,125	26,625
Total Industry Relations Activities	\$ 10,850	\$ 50,098

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

For the One Month and Year Ended September 30, 2024

	One Month	Year Ended
Industry Research:		
NASS	\$ -0-	\$ 241,000
Total Industry Research	\$ -0-	\$ 241,000
Total Industry Relations	\$ 10,850	\$ 291,098
International Relations:	\$ 234,956	\$ 547,304
Unified Export Strategy	12,740	104,125
International Nut Congress-Nut Health Research	-0-	83,333
Travel	-0-	5,691
Emerging Market Program Research	-0-	278,250
Market Access Program:	125	1,500
Germany Marketing	-0-	325,487
UK Marketing	312,517	624,800
China	3,475	3,475
Total International Relations	\$ 563,813	\$ 1,973,965
Marketing:	\$ -0-	\$ 103,500
APC Travel for Events	-0-	(70)
Influencer Marketing	500	116,421
Health Research	-0-	347,288
Website Management	1,500	18,000
Total Marketing	\$ 2,000	\$ 585,139
Grades and Standards:		
Quality Assurance Program	(\$ 52,500)	(\$ 52,500)
Total Grades and Standards	(\$ 52,500)	(\$ 52,500)
Total Operating Expenses	\$ 643,352	\$ 3,706,967
Operating Income	(\$ 572,550)	(\$ 906,758)
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 6,757	\$ 69,325
Other Income:		
Emerging Market Program Funding (EMP)	212,500	425,000
Marketing Access Program (MAP)	-0-	670,195
Total Nonoperating Revenue	\$ 219,257	\$ 1,164,520
Change in Net Position	(\$ 353,293)	\$ 257,762
Net Position, Beginning as Previously Stated	\$ 3,638,610	\$ 3,131,541
Prior Period Adjustment	118,123	14,137
Net Position, Beginning as Restated	\$ 3,756,733	\$ 3,145,678
Net Position, Ending	\$ 3,403,440	\$ 3,403,440

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

For the One Month and Year Ended September 30, 2024

	One Month	Year Ended
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 181,213	\$ 2,837,452
Cash Paid for Operating Expenses	(137,429)	(3,243,772)
Net Cash Provided (Used) by Operating Activities	\$ 43,784	(\$ 406,320)
Cash Flows From Noncapital Financing Activities:		
Cash Received from Emerging Market Program Funding (EMP)	\$ 212,500	\$ 425,000
Cash Received for Marketing Access Program Funding (MAP)	-	670,195
Net Cash Provided by Noncapital Financing Activities	\$ 212,500	\$ 1,095,195
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 6,757	\$ 69,325
Net Cash Provided (Used) by Investing Activities	\$ 6,757	\$ 69,325
Net Increase (Decrease) in Cash	\$ 263,042	\$ 758,200
Cash, Beginning of Period	3,839,037	3,343,879
Cash, End of Period	\$ 4,102,079	\$ 4,102,079
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(\$ 572,550)	(\$ 906,758)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	321	3,860
Amortization Expense	3,608	43,289
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	110,411	37,243
(Increase) Decrease in Prepaid Expenses	16,820	60,955
Increase (Decrease) in Accounts Payable	487,997	395,306
Increase (Decrease) in Operating Lease	(2,823)	(40,215)
Net Cash Provided (Used) by Operating Activities	\$ 43,784	(\$ 406,320)

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Year Ended September 30, 2024

	Budget		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
Operating Revenue:				
2023-2024 Improved	\$ 2,610,000	\$ 2,610,000	\$ 2,800,209	\$ 190,209
Total Operating Revenue	\$ 2,610,000	\$ 2,610,000	\$ 2,800,209	\$ 190,209
Operating Expenses:				
General Administration:				
Administration	\$ 573,000	\$ 573,000	\$ 474,584	\$ 98,416
Compliance	250,000	250,000	159,044	90,956
Other General Administrative	420,800	420,800	275,637	145,163
Total General Administration	\$ 1,243,800	\$ 1,243,800	\$ 909,265	\$ 334,535
Contingency Fund	\$ 477,308	\$ 477,308	\$ -0-	\$ 477,308
Industry Relations	505,000	505,000	291,098	213,902
International Relations	2,625,000	2,625,000	1,973,965	651,035
Marketing:	529,000	529,000	237,851	291,149
Prior Year Carry-Over - Health Research	385,000	385,000	347,288	37,712
Total Marketing	\$ 914,000	\$ 914,000	\$ 585,139	\$ 328,861
Grades and Standards	\$ 80,000	\$ 80,000	(\$ 52,500)	\$ 132,500
Total Operating Expenses	\$ 5,845,108	\$ 5,845,108	\$ 3,706,967	\$ 2,138,141
Operating Income (Loss)	(\$ 3,235,108)	(\$ 3,235,108)	(\$ 906,758)	\$ 2,328,350
Nonoperating Revenues and Expenses:				
Interest Earned	\$ -0-	\$ -0-	\$ 69,325	\$ 69,325
Past Outstanding	400,000	400,000	-0-	(400,000)
Prior Year Carry-over - 2023 Expense Offset	635,108	635,108	-0-	(635,108)
Other Income:				
Emerging Market Program Funding (EMP)	500,000	500,000	425,000	(75,000)
Marketing Access Program (MAP)	1,700,000	1,700,000	670,195	(1,029,805)
Total Nonoperating Revenue	\$ 3,235,108	\$ 3,235,108	\$ 1,164,520	(\$ 2,070,588)
Change in Net Position	\$ -0-	\$ -0-	\$ 257,762	\$ 257,762

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Year Ended September 30, 2024

	One Month Ended September 30, 2024		Year Ended September 30, 2024	
	Actual	Operating Budget	Actual	Operating Budget
Operating Revenue:				
2023-2024 Improved	\$ 70,802	\$ 217,500	\$ 2,800,209	\$ 2,610,000
Total Operating Revenue	\$ 70,802	\$ 217,500	\$ 2,800,209	\$ 2,610,000
Operating Expenses:				
General Administration:				
Administration	\$ 48,475	\$ 47,750	\$ 474,584	\$ 573,000
Compliance	42,624	20,833	159,044	250,000
Other General Administration	28,090	35,067	275,637	420,800
Total General Administration	\$ 119,189	\$ 103,650	\$ 909,265	\$ 1,243,800
Contingency Fund	\$ -0-	\$ 39,776	\$ -0-	\$ 477,308
Industry Relations	10,850	42,083	291,098	505,000
International Relations	563,813	218,750	1,973,965	2,625,000
Marketing:	2,000	44,083	237,851	529,000
Prio Year Carry-Over - Health Research	-0-	32,083	347,288	385,000
Total Marketing	\$ 2,000	\$ 76,167	\$ 585,139	\$ 914,000
Grades and Standards	(\$ 52,500)	\$ 6,667	(\$ 52,500)	\$ 80,000
Total Operating Expenses	\$ 643,352	\$ 487,092	\$ 3,706,967	\$ 5,845,108
Operating Income (Loss)	(\$ 572,550)	(\$ 269,592)	(\$ 906,758)	(\$ 3,235,108)
Nonoperating Revenues and Expenses:				
Interest Earned	\$ 6,757	\$ -0-	\$ 69,325	\$ -0-
Past Outstanding	-0-	33,333	-0-	400,000
Prior Year Carry-over - 2023 Expense Offset	-0-	52,926	-0-	635,108
Other Income:		-0-		
Emerging Market Program Funding (EMP)	212,500	41,667	425,000	500,000
Marketing Access Program (MAP)	-0-	141,667	670,195	1,700,000
Total Nonoperating Revenue	\$ 219,257	\$ 269,592	\$ 1,164,520	\$ 3,235,108
Change in Net Position	(\$ 353,293)	\$ -0-	\$ 257,762	\$ -0-

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