



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants



**AMERICAN PECAN COUNCIL**

**Compiled Financial Statements**

**For the One Month Ended**

**October 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 October 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 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 ended October 31, 2024 and the year ended September 30, 2025 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 3, 2024

**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of October 31, 2024**

**ASSETS**

**Current Assets:**

|                           |    |           |
|---------------------------|----|-----------|
| Cash and Cash Equivalents | \$ | 3,357,442 |
| Accounts Receivable       |    | 807,969   |
| Prepaid Expenses          |    | 70,915    |
|                           |    | <hr/>     |
| Total Current Assets      | \$ | 4,236,326 |

**Noncurrent Assets:**

|   |    |          |
|---|----|----------|
| Depreciable Capital Assets                | \$ | 185,908  |
| Accumulated Depreciation and Amortization | (  | 153,535) |
|   |    | <hr/>    |
| Total Noncurrent Assets                   | \$ | 32,373   |

**Other Assets:**

|                    |    |       |
|--------------------|----|-------|
| Security Deposit   | \$ | 5,875 |
|                    |    | <hr/> |
| Total Other Assets | \$ | 5,875 |

**TOTAL ASSETS**

\$ 4,274,574

**LIABILITIES AND NET POSITION**

**Current Liabilities:**

|                                      |    |         |
|--------------------------------------|----|---------|
| Accounts Payable                     | \$ | 507,653 |
| Noncurrent Lease Obligations Payable |    | 25,888  |
|                                      |    | <hr/>   |
| Total Current Liabilities            | \$ | 533,541 |
|                                      |    | <hr/>   |
| Total Liabilities                    | \$ | 533,541 |

**Net Position:**

|                                  |    |           |
|----------------------------------|----|-----------|
| Net Investment in Capital Assets | \$ | 6,485     |
| Unrestricted                     |    | 3,734,548 |
|                                  |    | <hr/>     |
| Total Net Position               | \$ | 3,741,033 |

**TOTAL LIABILITIES AND NET POSITION**

\$ 4,274,574

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

For the One Month Ended October 31, 2024

**Operating Revenue:**

|                                |    |                |
|--------------------------------|----|----------------|
| 2024-2025 Improved             | \$ | 403,217        |
| <b>Total Operating Revenue</b> | \$ | <b>403,217</b> |

**Operating Expenses:**

General Administration:

Administration:

|                      |    |        |
|----------------------|----|--------|
| Contract Labor       | \$ | 62,439 |
| Total Administration | \$ | 62,439 |

Insurance:

|                 |    |       |
|-----------------|----|-------|
| Travel          | \$ | 1,300 |
| General         |    | 660   |
| D&O/Members     |    | 445   |
| Total Insurance | \$ | 2,405 |

Compliance:

|                            |    |        |
|----------------------------|----|--------|
| Attorney/Crisis Management | \$ | 9,565  |
| Audit Financial            |    | 3,110  |
| Printing/Forms/Postage     |    | 294    |
| Total Compliance           | \$ | 12,969 |

Rent:

|                      |    |       |
|----------------------|----|-------|
| Interest Expense     | \$ | 563   |
| Amortization Expense |    | 81    |
|                      |    | 2,985 |
| Total Rent           | \$ | 3,629 |

Accounting/Financials

|                           |    |       |
|---------------------------|----|-------|
| Telephone/Mobile/Internet | \$ | 5,450 |
| IT/Furniture/Software     |    | 1,001 |
| Subscriptions             |    | 5,316 |
| Depreciation              |    | 104   |
| Miscellaneous             |    | 322   |
|                           |    | 3     |

|                              |    |        |
|------------------------------|----|--------|
| Total General Administration | \$ | 93,638 |
|------------------------------|----|--------|

Industry Relations Activities:

|                                     |      |        |
|-------------------------------------|------|--------|
| Quality Assurance Program           | (\$) | 52,500 |
| Association Sponsorship             |      | 1,361  |
| Total Industry Relations Activities | (\$) | 51,139 |

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

**For the One Month Ended October 31, 2024**

|  |              |
|--|--------------|
| Industry Research:                           |              |
| Land IQ                                      | \$ 19,758    |
| Total Industry Research                      | \$ 19,758    |
| Total Industry Relations                     | (\$ 31,381)  |
| International Relations:                     |              |
| Unified Export Strategy                      | \$ 9,800     |
| Market Access Program:                       | 188          |
| China  | ( 2,907)     |
| Total International Relations                | \$ 7,081     |
| Marketing:                                   | \$ 1,927     |
| Influencer Marketing                         | 500          |
| Total Marketing                              | \$ 2,427     |
| <b>Total Operating Expenses</b>              | \$ 71,765    |
| <b>Operating Income</b>                      | \$ 331,452   |
| <b>Nonoperating Revenues and Expenses:</b>   |              |
| Interest Earned                              | \$ 6,140     |
| Total Nonoperating Revenue                   | \$ 6,140     |
| Change in Net Position                       | \$ 337,592   |
| Net Position, Beginning as Previously Stated | \$ 3,554,987 |
| Prior Period Adjustment                      | ( 151,546)   |
| Net Position, Beginning as Restated          | \$ 3,403,441 |
| Net Position, Ending                         | \$ 3,741,033 |

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statement of Cash Flows - Enterprise Fund

**For the One Month Ended October 31, 2024**

|   |              |
|---|--------------|
| <b>Cash Flows From Operating Activities:</b>  |              |
| Cash Received from Assessments  | \$ 36,567    |
| Cash Paid for Operating Expenses  | ( 787,344)   |
|   | <hr/>        |
| Net Cash Used by Operating Activities   | (\$ 750,777) |
| <b>Cash Flows From Investing Activities:</b>  |              |
| Cash Received from Interest Earned  | \$ 6,140     |
|   | <hr/>        |
| Net Cash Provided by Investing Activities   | \$ 6,140     |
|   | <hr/>        |
| Net Decrease in Cash  | (\$ 744,637) |
|   | <hr/>        |
| Cash, Beginning of Period   | 4,102,079    |
|   | <hr/>        |
| Cash, End of Period   | \$ 3,357,442 |
|   | <hr/> <hr/>  |
| <b>Reconciliation of Operating Income to Net Cash<br/>Used by Operating Activities:</b> |              |
| Operating Income  | \$ 331,452   |
| Adjustments to Reconcile Operating Income to<br>Net Cash Used by Operating Activities:  |              |
| Depreciation Expense  | 322          |
| Amortization Expense  | 3,607        |
| Changes in Assets and Liabilities:  |              |
| Increase in Accounts Receivable   | ( 366,650)   |
| Increase in Prepaid Expenses  | ( 23,363)    |
| Decrease in Accounts Payable  | ( 693,313)   |
| Decrease in Operating Lease   | ( 2,832)     |
|   | <hr/>        |
| Net Cash Used by Operating Activities   | (\$ 750,777) |
|   | <hr/> <hr/>  |

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the One Month Ended October 31, 2024**

|  | Budget              |                     | Actual            | Variance                   |
|--|---------------------|---------------------|-------------------|----------------------------|
|  | Original            | Amended             |                   | Favorable<br>(Unfavorable) |
| <b>Operating Revenue:</b>                      |                     |                     |                   |                            |
| 2023-2024 Improved                             | \$ 215,000          | \$ 215,000          | \$ 403,217        | \$ 188,217                 |
| <b>Total Operating Revenue</b>                 | <b>\$ 215,000</b>   | <b>\$ 215,000</b>   | <b>\$ 403,217</b> | <b>\$ 188,217</b>          |
| <b>Operating Expenses:</b>                     |                     |                     |                   |                            |
| General Administration:                        |                     |                     |                   |                            |
| Administration                                 | \$ 49,025           | \$ 49,025           | \$ 62,439         | (\$ 13,414)                |
| Compliance                                     | 32,292              | 32,292              | 12,969            | 19,323                     |
| Other General Administrative                   | 28,958              | 28,958              | 18,230            | 10,728                     |
| Total General Administration                   | \$ 110,275          | \$ 110,275          | \$ 93,638         | \$ 16,637                  |
| Contingency Fund                               | \$ 42,084           | \$ 42,084           | \$ -0-            | \$ 42,084                  |
| Industry Relations                             | 9,166               | 9,166               | ( 31,381)         | 40,547                     |
| International Relations                        | 120,944             | 120,944             | 7,081             | 113,863                    |
| Marketing                                      | 74,475              | 74,475              | 2,427             | 72,048                     |
| Grades and Standards                           | 22,917              | 22,917              | -0-               | 22,917                     |
| <b>Total Operating Expenses</b>                | <b>\$ 379,861</b>   | <b>\$ 379,861</b>   | <b>\$ 71,765</b>  | <b>\$ 308,096</b>          |
| <b>Operating Income (Loss)</b>                 | <b>(\$ 164,861)</b> | <b>(\$ 164,861)</b> | <b>\$ 331,452</b> | <b>\$ 496,313</b>          |
| <b>Nonoperating Revenues and Expenses:</b>     |                     |                     |                   |                            |
| Interest Earned                                | \$ -0-              | \$ -0-              | \$ 6,140          | \$ 6,140                   |
| Past Outstanding                               | 33,333              | 33,333              | -0-               | ( 33,333)                  |
| Carry Over - Health Research                   | 28,750              | 28,750              | -0-               | ( 28,750)                  |
| Other Income:                                  |                     |                     |                   |                            |
| Emerging Marking Program (EMP)                 | 20,833              | 20,833              | -0-               | ( 20,833)                  |
| Marketing Access Program (MAP)                 | 54,167              | 54,167              | -0-               | ( 54,167)                  |
| Regional Agricultural Promotion Program (RAPP) | 27,778              | 27,778              | -0-               | ( 27,778)                  |
| <b>Total Nonoperating Revenue</b>              | <b>\$ 164,861</b>   | <b>\$ 164,861</b>   | <b>\$ 6,140</b>   | <b>(\$ 158,721)</b>        |
| <b>Change in Net Position</b>                  | <b>\$ -0-</b>       | <b>\$ -0-</b>       | <b>\$ 337,592</b> | <b>\$ 337,592</b>          |

See Accountants' Compilation Report.



# AMERICAN PECAN COUNCIL

## Operating Budget

**For the One Month Ended October 31, 2024 and  
Year Ended September 30, 2025**

|  | One Month Ended<br>October 31, 2024 |                  | Fiscal Year Ended<br>September 30, 2025 |
|--|-------------------------------------|------------------|---|
|  | Actual                              | Operating Budget | Operating Budget                        |
| <b>Operating Revenue:</b>                      |                                     |                  |   |
| 2024-2025 Improved                             | \$ 403,217                          | \$ 215,000       | \$ 2,580,000                            |
| <b>Total Operating Revenue</b>                 | \$ 403,217                          | \$ 215,000       | \$ 2,580,000                            |
| <b>Operating Expenses:</b>                     |                                     |                  |   |
| General Administration:                        |                                     |                  |   |
| Administration                                 | \$ 62,439                           | \$ 49,025        | \$ 588,295                              |
| Compliance                                     | 12,969                              | 32,292           | 387,500                                 |
| Other General Administration                   | 18,230                              | 28,958           | 347,500                                 |
| <b>Total General Administration</b>            | \$ 93,638                           | \$ 110,275       | \$ 1,323,295                            |
| Contingency Fund                               | \$ -0-                              | \$ 42,084        | \$ 505,005                              |
| Industry Relations                             | ( 31,381)                           | 9,166            | 110,000                                 |
| International Relations                        | 7,081                               | 120,944          | 1,451,333                               |
| Marketing                                      | 2,427                               | 74,475           | 893,700                                 |
| Grades and Standards                           | -0-                                 | 22,917           | 275,000                                 |
| <b>Total Operating Expenses</b>                | \$ 71,765                           | \$ 379,861       | \$ 4,558,333                            |
| <b>Operating Income (Loss)</b>                 | \$ 331,452                          | (\$ 164,861)     | (\$ 1,978,333)                          |
| <b>Nonoperating Revenues and Expenses:</b>     |                                     |                  |   |
| Interest Earned                                | \$ 6,140                            | \$ -0-           | \$ -0-                                  |
| Past Outstanding                               | -0-                                 | 33,333           | 400,000                                 |
| Carry Over - Health Research                   | -0-                                 | 28,750           | 345,000                                 |
| Other Income:                                  |                                     |                  |   |
| Emerging Marking Program (EMP)                 | -0-                                 | 20,833           | 250,000                                 |
| Marketing Access Program (MAP)                 | -0-                                 | 54,167           | 650,000                                 |
| Regional Agricultural Promotion Program (RAPP) | -0-                                 | 27,778           | 333,333                                 |
| <b>Total Nonoperating Revenue</b>              | \$ 6,140                            | \$ 164,861       | \$ 1,978,333                            |
| <b>Change in Net Position</b>                  | \$ 337,592                          | \$ -0-           | \$ -0-                                  |

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