



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants



AMERICAN PECAN COUNCIL

Compiled Financial Statements

For the One Month and Two Months Ended

November 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 November 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 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. 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 America 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 two months ended November 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
January 10, 2025



AMERICAN PECAN COUNCIL

Statement of Net Position - Enterprise Fund

As of November 30, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	2,951,804
Accounts Receivable		978,398
Prepaid Expenses		74,145
Total Current Assets	\$	4,004,347

Noncurrent Assets:

Depreciable Capital Assets	\$	185,908
Accumulated Depreciation and Amortization	(157,425)
Total Noncurrent Assets	\$	28,483

Other Assets:

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

TOTAL ASSETS

\$ 4,038,705

LIABILITIES AND NET POSITION

Current Liabilities:

Accounts Payable	\$	51,151
Noncurrent Lease Obligations Payable		23,048
Total Current Liabilities	\$	74,199
Total Liabilities	\$	74,199

Net Position:

Net Investment in Capital Assets	\$	5,435
Unrestricted		3,959,071
Total Net Position	\$	3,964,506

TOTAL LIABILITIES AND NET POSITION

\$ 4,038,705

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

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

	<u>One Month</u>	<u>Two Months</u>
Operating Revenue:		
2024-2025 Improved	\$ 250,175	\$ 653,475
Total Operating Revenue	<u>\$ 250,175</u>	<u>\$ 653,475</u>
Operating Expenses:		
General Administration:		
Administration:		
Contract Labor	\$ 53,139	\$ 115,578
Total Administration	<u>\$ 53,139</u>	<u>\$ 115,578</u>
Insurance:		
Travel	\$ 664	\$ 1,964
General	660	1,320
D&O/Members	875	1,320
Total Insurance	<u>\$ 2,199</u>	<u>\$ 4,604</u>
Compliance:		
Attorney/Crisis Management	\$ -0-	\$ 9,565
Sheller/Handler Audits	1,566	4,676
Printing/Forms/Postage	468	762
Total Compliance	<u>\$ 2,034</u>	<u>\$ 15,003</u>
Rent:	\$ 563	\$ 1,126
Interest Expense	72	152
Amortization Expense	2,985	5,970
Total Rent	<u>\$ 3,620</u>	<u>\$ 7,248</u>
Accounting/Financials	\$ 4,000	\$ 9,450
Telephone/Mobile/Internet	1,246	2,280
Travel Committee	1,488	1,488
IT/Furniture/Software	1,774	7,090
Subscriptions	-0-	104
Depreciation	283	605
Miscellaneous	-0-	3
Total General Administration	<u>\$ 69,783</u>	<u>\$ 163,453</u>
Industry Relations:		
Association Sponsorship	\$ 250	\$ 1,611
Total Industry Relations Activities	<u>\$ 250</u>	<u>\$ 1,611</u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

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

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

	<u>One Month</u>	<u>Two Months</u>
Research Contingency:		
Land IQ	\$ -0-	19,758
Total Industry Research	\$ -0-	\$ 19,758
Total Industry Relations	\$ 250	\$ 21,369
International Relations:		
Unified Export Strategy	\$ 7,595	17,395
Market Access Program:	188	375
China	-0-	(2,907)
Total International Relations	\$ 7,783	\$ 14,863
Marketing:	\$ 1,927	\$ 3,854
APC Travel for Events	(8,200)	(8,200)
Influencer Marketing	500	1,000
Total Marketing	(\$ 5,773)	(\$ 3,346)
Grades and Standards:		
Quality Assurance Program	(\$ 52,500)	(\$ 105,000)
Total Grades and Standards	(\$ 52,500)	(\$ 105,000)
Total Operating Expenses	\$ 19,543	\$ 91,339
Operating Income	\$ 230,632	\$ 562,136
Nonoperating Revenues and Expenses:		
Interest Earned	\$ 5,027	\$ 11,165
Total Nonoperating Revenue	\$ 5,027	\$ 11,165
Change in Net Position	\$ 235,659	\$ 573,301
Net Position, Beginning as Previously Stated	\$ 3,467,646	\$ 3,554,988
Prior Period Adjustment	261,201	(163,783)
Net Position, Beginning as Restated	\$ 3,728,847	\$ 3,391,205
Net Position, Ending	<u>\$ 3,964,506</u>	<u>\$ 3,964,506</u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Statement of Cash Flows - Enterprise Fund

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

	<u>One Month</u>	<u>Two Months</u>
Cash Flows From Operating Activities:		
Cash Received from Assessments	\$ 83,934	\$ 122,751
Cash Paid for Operating Expenses	(496,849)	(1,284,189)
Net Cash Used by Operating Activities	(\$ 412,915)	(\$ 1,161,438)
Cash Flows From Investing Activities:		
Cash Received from Interest Earned	\$ 5,027	\$ 11,165
Net Cash Provided by Investing Activities	\$ 5,027	\$ 11,165
Net Decrease in Cash	(\$ 407,888)	(\$ 1,150,273)
Cash, Beginning of Period	3,359,692	4,102,077
Cash, End of Period	<u>\$ 2,951,804</u>	<u>\$ 2,951,804</u>
Reconciliation of Operating Income to Net Cash Used by Operating Activities:		
Operating Income	\$ 230,632	\$ 562,136
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:		
Depreciation Expense	283	605
Amortization Expense	3,607	7,214
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(166,241)	(530,724)
(Increase) Decrease in Prepaid Expenses	(3,230)	(26,464)
Increase (Decrease) in Accounts Payable	(475,126)	(1,168,533)
Increase (Decrease) in Operating Lease	(2,840)	(5,672)
Net Cash Used by Operating Activities	<u>(\$ 412,915)</u>	<u>(\$ 1,161,438)</u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Budgetary Comparison Schedule

For the Two Months Ended November 30, 2024

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Amended		
Operating Revenue:				
2023-2024 Improved	\$ 430,000	\$ 430,000	\$ 653,475	\$ 223,475
Total Operating Revenue	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 653,475</u>	<u>\$ 223,475</u>
Operating Expenses:				
General Administration:				
Administration	\$ 98,050	\$ 98,050	\$ 115,578	(\$ 17,528)
Compliance	64,584	64,584	15,003	49,581
Other General Administrative	57,916	57,916	32,872	25,044
Total General Administration	<u>\$ 220,550</u>	<u>\$ 220,550</u>	<u>\$ 163,453</u>	<u>\$ 57,097</u>
Contingency Fund	\$ 84,168	\$ 84,168	\$ -0-	\$ 84,168
Industry Relations	18,332	18,332	21,369	(3,037)
International Relations	241,888	241,888	14,863	227,025
Marketing	148,950	148,950	(3,346)	152,296
Grades and Standards	45,834	45,834	(105,000)	150,834
Total Operating Expenses	<u>\$ 759,722</u>	<u>\$ 759,722</u>	<u>\$ 91,339</u>	<u>\$ 668,383</u>
Operating Income (Loss)	<u>(\$ 329,722)</u>	<u>(\$ 329,722)</u>	<u>\$ 562,136</u>	<u>\$ 891,858</u>
Nonoperating Revenues and Expenses:				
Interest Earned	\$ -0-	\$ -0-	\$ 11,165	\$ 11,165
Past Outstanding	66,666	66,666	-0-	(66,666)
Carry Over - Health Research	57,500	57,500	-0-	(57,500)
Other Income:				
Emerging Marking Program (EMP)	41,666	41,666	-0-	(41,666)
Marketing Access Program (MAP)	108,334	108,334	-0-	(108,334)
Regional Agricultural Promotion Program (RAPP)	55,556	55,556	-0-	(55,556)
Total Nonoperating Revenue	<u>\$ 329,722</u>	<u>\$ 329,722</u>	<u>\$ 11,165</u>	<u>(\$ 318,557)</u>
Change in Net Position	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 573,301</u></u>	<u><u>\$ 573,301</u></u>

See Accountants' Compilation Report.

AMERICAN PECAN COUNCIL

Operating Budget

For the One Month and Two Months Ended November 30, 2024 and Year Ended September 30, 2025

	One Month Ended November 30, 2024		Two Months Ended November 30, 2024		Fiscal Year Ended September 30, 2025
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
Operating Revenue:					
2024-2025 Improved	\$ 250,175	\$ 215,000	\$ 653,475	\$ 430,000	\$ 2,580,000
Total Operating Revenue	\$ 250,175	\$ 215,000	\$ 653,475	\$ 430,000	\$ 2,580,000
Operating Expenses:					
General Administration:					
Administration	\$ 53,139	\$ 49,025	\$ 115,578	\$ 98,050	\$ 588,295
Compliance	2,034	32,292	15,003	64,584	387,500
Other General Administration	14,610	28,958	32,872	57,916	347,500
Total General Administration	\$ 69,783	\$ 110,275	\$ 163,453	\$ 220,550	\$ 1,323,295
Contingency Fund	\$ -0-	\$ 42,084	\$ -0-	\$ 84,168	\$ 505,005
Industry Relations	250	9,166	21,369	18,332	110,000
International Relations	7,783	120,944	14,863	241,888	1,451,333
Marketing	(5,773)	74,475	(3,346)	148,950	893,700
Grades and Standards	(52,500)	22,917	(105,000)	45,834	275,000
Total Operating Expenses	\$ 19,543	\$ 379,861	\$ 91,339	\$ 759,722	\$ 4,558,333
Operating Income (Loss)	\$ 230,632	(\$ 164,861)	\$ 562,136	(\$ 329,722)	(\$ 1,978,333)
Nonoperating Revenues and Expenses:					
Interest Earned	\$ 5,027	\$ -0-	\$ 11,165	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	-0-	66,666	400,000
Carry Over - Health Research	-0-	28,750	-0-	57,500	345,000
Other Income:					
Emerging Marking Program (EMP)	-0-	20,833	-0-	41,666	250,000
Marketing Access Program (MAP)	-0-	54,167	-0-	108,334	650,000
Regional Agricultural Promotion Program (RAPP)	-0-	27,778	-0-	55,556	333,333
Total Nonoperating Revenue	\$ 5,027	\$ 164,861	\$ 11,165	\$ 329,722	\$ 1,978,333
Change in Net Position	\$ 235,659	\$ -0-	\$ 573,301	\$ -0-	\$ -0-

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