



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants



**AMERICAN PECAN COUNCIL**

**Compiled Financial Statements**

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

**January 31, 2025**

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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 January 31, 2025 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 four 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 four months ended January 31, 2025 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  
February 20, 2025

**AMERICAN PECAN COUNCIL**

**Statement of Net Position - Enterprise Fund**

**As of January 31, 2025**

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 3,360,381
Accounts Receivable	732,708
Prepaid Expenses	54,119
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Total Current Assets	\$ 4,147,208

**Noncurrent Assets:**

Depreciable Capital Assets	\$ 185,908
Accumulated Depreciation and Amortization	( 165,035)
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Total Noncurrent Assets	\$ 20,873

**Other Assets:**

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

<b>TOTAL ASSETS</b>	<b>\$ 4,173,956</b>
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**LIABILITIES AND NET POSITION**

**Current Liabilities:**

Accounts Payable	\$ 64,631
Noncurrent Lease Obligations Payable	17,339
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Total Current Liabilities	\$ 81,970
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Total Liabilities	\$ 81,970

**Net Position:**

Net Investment in Capital Assets	\$ 3,534
Unrestricted	4,088,452
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Total Net Position	\$ 4,091,986

<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 4,173,956</b>
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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 Four Months Ended January 31, 2025**

	<u>One Month</u>	<u>Four Months</u>
<b>Operating Revenue:</b>		
2024-2025 Improved	\$ 249,571	\$ 1,062,930
<b>Total Operating Revenue</b>	<u>\$ 249,571</u>	<u>\$ 1,062,930</u>
<b>Operating Expenses:</b>		
General Administration:		
Administration:		
Contract Labor	\$ 37,813	\$ 173,010
Total Administration	<u>\$ 37,813</u>	<u>\$ 173,010</u>
Insurance:		
Travel	\$ 67	\$ 8,675
General	660	2,640
D&O/Members	445	2,210
Total Insurance	<u>\$ 1,172</u>	<u>\$ 13,525</u>
Compliance:		
Attorney/Crisis Management	\$ 10,845	\$ 22,745
Audit Financial	15,000	15,000
Sheller/Handler Audits	2,750	7,426
Printing/Forms/Postage	294	1,351
Total Compliance	<u>\$ 28,889</u>	<u>\$ 46,522</u>
Rent:	\$ 563	\$ 2,252
Interest Expense	54	269
Amortization Expense	2,985	11,939
Total Rent	<u>\$ 3,602</u>	<u>\$ 14,460</u>
Accounting/Financials	\$ 8,250	\$ 23,100
Telephone/Mobile/Internet	1,054	4,772
Travel Committee	-0-	2,246
Printing	6,368	6,368
IT/Furniture/Software	2,703	12,314
Subscriptions	-0-	104
Depreciation	198	1,000
Miscellaneous	-0-	3
Total General Administration	<u>\$ 90,049</u>	<u>\$ 297,424</u>
Industry Relations Activities:		
Association Sponsorship	\$ 6,530	\$ 8,141
Compliance & Reporting Portal	<u>-0-</u>	<u>3,878</u>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

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

**For the One Month and Four Months Ended January 31, 2025**

	<b>One Month</b>	<b>Four Months</b>
Total Industry Relations	\$ 6,530	\$ 12,019
International Relations:	\$ -0-	\$ 5,113
Unified Export Strategy	11,025	35,035
Travel	3,167	4,169
Market Access Program:	188	750
Germany Marketing	-0-	330
China	-0-	( 2,907)
Total International Relations	\$ 14,380	\$ 42,490
Marketing:		
Marketing Support	\$ 13,432	\$ 58,728
APC Travel for Events	-0-	( 8,200)
Influencer Marketing	500	2,000
Total Marketing	\$ 13,932	\$ 52,528
Grades and Standards:		
Surveys	\$ -0-	\$ 19,757
Quality Assurance Program	-0-	( 157,500)
Total Grades and Standards	\$ -0-	(\$ 137,743)
<b>Total Operating Expenses</b>	<b>\$ 124,891</b>	<b>\$ 266,718</b>
<b>Operating Income</b>	<b>\$ 124,680</b>	<b>\$ 796,212</b>
<b>Nonoperating Revenues and Expenses:</b>		
Interest Earned	\$ 4,592	\$ 20,550
Total Nonoperating Revenue	\$ 4,592	\$ 20,550
Change in Net Position	\$ 129,272	\$ 816,762
Net Position, Beginning as Previously Stated	\$ 4,088,697	\$ 3,554,988
Prior Period Adjustment	( 125,983)	( 279,764)
Net Position, Beginning as Restated	\$ 3,962,714	\$ 3,275,224
Net Position, Ending	<u>\$ 4,091,986</u>	<u>\$ 4,091,986</u>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Statement of Cash Flows - Enterprise Fund

**For the One Month and Four Months Ended January 31, 2025**

	<u>One Month</u>	<u>Four Months</u>
<b>Cash Flows From Operating Activities:</b>		
Cash Received from Assessments	\$ 423,500	\$ 1,071,658
Cash Paid for Operating Expenses	( 492,508)	( 1,833,904)
	<hr/>	<hr/>
Net Cash Used by Operating Activities	(\$ 69,008)	(\$ 762,246)
	<hr/>	<hr/>
<b>Cash Flows From Investing Activities:</b>		
Cash Received from Interest Earned	\$ 4,592	\$ 20,550
	<hr/>	<hr/>
Net Cash Provided by Investing Activities	\$ 4,592	\$ 20,550
	<hr/>	<hr/>
Net Decrease in Cash	(\$ 64,416)	(\$ 741,696)
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Cash, Beginning of Period	3,424,797	4,102,077
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Cash, End of Period	<u>\$ 3,360,381</u>	<u>\$ 3,360,381</u>
	<hr/>	<hr/>
<b>Reconciliation of Operating Income to Net Cash</b>		
<b>Used by Operating Activities:</b>		
Operating Income	\$ 124,680	\$ 796,212
Adjustments to Reconcile Operating Income to		
Net Cash Used by Operating Activities:		
Depreciation Expense	198	1,000
Amortization Expense	3,607	2,186
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	173,929	8,728
(Increase) Decrease in Prepaid Expenses	5,991	( 6,438)
Increase (Decrease) in Accounts Payable	( 374,554)	( 1,552,553)
Increase (Decrease) in Operating Lease	( 2,859)	( 11,381)
	<hr/>	<hr/>
Net Cash Used by Operating Activities	<u>(\$ 69,008)</u>	<u>(\$ 762,246)</u>

See Accountants' Compilation Report.

# AMERICAN PECAN COUNCIL

## Budgetary Comparison Schedule

**For the Four Months Ended January 31, 2025**

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Amended		
<b>Operating Revenue:</b>				
2023-2024 Improved	\$ 860,000	\$ 860,000	\$ 1,062,930	\$ 202,930
<b>Total Operating Revenue</b>	<b>\$ 860,000</b>	<b>\$ 860,000</b>	<b>\$ 1,062,930</b>	<b>\$ 202,930</b>
<b>Operating Expenses:</b>				
General Administration:				
Administration	\$ 196,099	\$ 196,099	\$ 173,010	\$ 23,089
Compliance	129,168	129,168	46,522	82,646
Other General Administrative	115,832	115,832	77,892	37,940
Total General Administration	\$ 441,099	\$ 441,099	\$ 297,424	\$ 143,675
Contingency Fund	\$ 168,336	\$ 168,336	\$ -0-	\$ 168,336
Industry Relations	36,665	36,665	12,019	24,646
International Relations	483,776	483,776	42,490	441,286
Marketing	297,900	297,900	52,528	245,372
Grades and Standards	91,668	91,668	( 137,743)	229,411
<b>Total Operating Expenses</b>	<b>\$ 1,519,444</b>	<b>\$ 1,519,444</b>	<b>\$ 266,718</b>	<b>\$ 1,252,726</b>
<b>Operating Income (Loss)</b>	<b>(\$ 659,444)</b>	<b>(\$ 659,444)</b>	<b>\$ 796,212</b>	<b>\$ 1,455,656</b>
<b>Nonoperating Revenues and Expenses:</b>				
Interest Earned	\$ -0-	\$ -0-	\$ 20,550	\$ 20,550
Past Outstanding	133,332	133,332	-0-	( 133,332)
Carry Over - Health Research	115,000	115,000	-0-	( 115,000)
Other Income:				
Emerging Marking Program (EMP)	83,332	83,332	-0-	( 83,332)
Marketing Access Program (MAP)	216,668	216,668	-0-	( 216,668)
Regional Agricultural Promotion Program (RAPP)	111,112	111,112	-0-	( 111,112)
<b>Total Nonoperating Revenue</b>	<b>\$ 659,444</b>	<b>\$ 659,444</b>	<b>\$ 20,550</b>	<b>(\$ 638,894)</b>
<b>Change in Net Position</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 816,762</b>	<b>\$ 816,762</b>

See Accountants' Compilation Report.



# AMERICAN PECAN COUNCIL

## Operating Budget

### For the One Month and Four Months Ended January 31, 2025 and Year Ended September 30, 2025

	One Month Ended January 31, 2025		Four Months Ended January 31, 2025		Fiscal Year Ended September 30, 2025
	Actual	Operating Budget	Actual	Operating Budget	Operating Budget
<b>Operating Revenue:</b>					
2024-2025 Improved	\$ 249,571	\$ 215,000	\$ 1,062,930	\$ 860,000	\$ 2,580,000
<b>Total Operating Revenue</b>	<b>\$ 249,571</b>	<b>\$ 215,000</b>	<b>\$ 1,062,930</b>	<b>\$ 860,000</b>	<b>\$ 2,580,000</b>
<b>Operating Expenses:</b>					
General Administration:					
Administration	\$ 37,813	\$ 49,025	\$ 173,010	\$ 196,099	\$ 588,295
Compliance	28,889	32,292	46,522	129,168	387,500
Other General Administration	23,347	28,958	77,892	115,832	347,500
Total General Administration	\$ 90,049	\$ 110,275	\$ 297,424	\$ 441,099	\$ 1,323,295
Contingency Fund	\$ -0-	\$ 42,084	\$ -0-	\$ 168,336	\$ 505,005
Industry Relations	6,530	9,166	12,019	36,665	110,000
International Relations	14,380	120,944	42,490	483,776	1,451,333
Marketing	13,932	74,475	52,528	297,900	893,700
Grades and Standards	-0-	22,917	( 137,743)	91,668	275,000
<b>Total Operating Expenses</b>	<b>\$ 124,891</b>	<b>\$ 379,861</b>	<b>\$ 266,718</b>	<b>\$ 1,519,444</b>	<b>\$ 4,558,333</b>
<b>Operating Income (Loss)</b>	<b>\$ 124,680</b>	<b>(\$ 164,861)</b>	<b>\$ 796,212</b>	<b>(\$ 659,444)</b>	<b>(\$ 1,978,333)</b>
<b>Nonoperating Revenues and Expenses:</b>					
Interest Earned	\$ 4,592	\$ -0-	\$ 20,550	\$ -0-	\$ -0-
Past Outstanding	-0-	33,333	-0-	133,332	400,000
Carry Over - Health Research	-0-	28,750	-0-	115,000	345,000
Other Income:					
Emerging Marking Program (EMP)	-0-	20,833	-0-	83,332	250,000
Marketing Access Program (MAP)	-0-	54,167	-0-	216,668	650,000
Regional Agricultural Promotion Program (RAPP)	-0-	27,778	-0-	111,112	333,333
<b>Total Nonoperating Revenue</b>	<b>\$ 4,592</b>	<b>\$ 164,861</b>	<b>\$ 20,550</b>	<b>\$ 659,444</b>	<b>\$ 1,978,333</b>
<b>Change in Net Position</b>	<b>\$ 129,272</b>	<b>\$ -0-</b>	<b>\$ 816,762</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

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