



**ARMSTRONG BACKUS & CO., LLP**

Certified Public Accountants

**AMERICAN PECAN PROMOTION BOARD**

**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 Promotion Board

**ACCOUNTANTS' COMPILATION REPORT**

Management is responsible for the accompanying financial statements of American Pecan Promotion Board (a nonprofit organization), which comprise the statement of financial position as of January 31, 2025, and the related statement of activities, functional expenses, and cash flows for the one month and four months 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.

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 organization'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 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. We 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 Promotion Board.

*Armstrong, Backus & Co., L.L.P.*

San Angelo, Texas  
February 18, 2025

# AMERICAN PECAN PROMOTION BOARD

## Statement of Financial Position

**As of January 31, 2025**

### ASSETS

**Current Assets:**

Cash and Cash Equivalents	\$	9,203,912
Accounts Receivable, Net of Allowance for Doubtful Accounts		3,354,243
Prepaid Expenses		841,146
		<hr/>
Total Current Assets	\$	13,399,301

**Noncurrent Assets:**

Right of Use Assets	\$	104,029
Right of Use Assets - Accumulated Amortization	(	86,969)
		<hr/>
Total Noncurrent Assets	\$	17,060

**TOTAL ASSETS**

\$ 13,416,361

### LIABILITIES AND NET ASSETS

**Current Liabilities:**

Accounts Payable	\$	176,655
Credit Cards Payable		901
Current Portion of Lease Obligations Payable		17,060
		<hr/>
Total Current Liabilities	\$	194,616

**Long-term Liabilities:**

Lease Obligations Payable	\$	17,372
Less: Current Portion of Lease Liability	(	17,060)
		<hr/>
Total Long-term Liabilities	\$	312
		<hr/>
Total Liabilities	\$	194,928

**Net Assets:**

Without Contractual Restrictions	\$	13,221,433
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Total Net Assets	\$	13,221,433

**TOTAL LIABILITIES AND NET ASSETS**

\$ 13,416,361

See Accountants' Compilation Report.

**AMERICAN PECAN PROMOTION BOARD****Statement of Activities****For the One Month Ended January 31, 2025**

	<b>Without Contractual Restrictions</b>	<b>With Contractual Restrictions</b>	<b>Total</b>
<b>Revenues:</b>			
Assessment Income - Domestic	\$ 934,853	\$ -0-	\$ 934,853
Assessment Income - Imports	522,470	-0-	522,470
Interest Earned	13,269	-0-	13,269
Total Revenue	<u>\$ 1,470,592</u>	<u>\$ -0-</u>	<u>\$ 1,470,592</u>
<b>Expenses:</b>			
Program Services	\$ 1,238,286	\$ -0-	\$ 1,238,286
Compliance	4,125	-0-	4,125
Management and General Services	62,727	-0-	62,727
USDA Services	27,197	-0-	27,197
Total Expenses	<u>\$ 1,332,335</u>	<u>\$ -0-</u>	<u>\$ 1,332,335</u>
Change in Net Assets	<u>\$ 138,257</u>	<u>\$ -0-</u>	<u>\$ 138,257</u>
Net Assets, Beginning	<u>\$ 13,083,176</u>	<u>\$ -0-</u>	<u>\$ 13,083,176</u>
Net Assets, Ending	<u><u>\$ 13,221,433</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 13,221,433</u></u>

See Accountants' Compilation Report.

# AMERICAN PECAN PROMOTION BOARD

## Statement of Activities

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

	<b>Without Contractual Restrictions</b>	<b>With Contractual Restrictions</b>	<b>Total</b>
<b>Revenues:</b>			
Assessment Income - Domestic	\$ 2,323,397	\$ -0-	\$ 2,323,397
Assessment Income - Imports	1,494,364	-0-	1,494,364
Interest Income	59,126	-0-	59,126
Total Revenue	<u>\$ 3,876,887</u>	<u>\$ -0-</u>	<u>\$ 3,876,887</u>
<b>Expenses:</b>			
Program Services	\$ 2,912,801	\$ -0-	\$ 2,912,801
Compliance	31,054	-0-	31,054
Management and General Services	249,301	-0-	249,301
USDA Services	27,197	-0-	27,197
Total Expenses	<u>\$ 3,220,353</u>	<u>\$ -0-</u>	<u>\$ 3,220,353</u>
Change in Net Assets	<u>\$ 656,534</u>	<u>\$ -0-</u>	<u>\$ 656,534</u>
Net Assets, Beginning	<u>\$ 12,564,899</u>	<u>\$ -0-</u>	<u>\$ 12,564,899</u>
Net Assets, Ending	<u><u>\$ 13,221,433</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 13,221,433</u></u>

See Accountants' Compilation Report.

# AMERICAN PECAN PROMOTION BOARD

## Statement of Functional Expenses

**For the One Month Ended January 31, 2025**

	<b>Program Services</b>		<b>Support Services</b>			
	<b>Promotion</b>	<b>Compliance</b>	<b>Management and General</b>	<b>USDA</b>	<b>Total</b>	
Accounting	\$ -0-	\$ -0-	\$ 15,000	\$ -0-	\$ 15,000	
Audit Financial	-0-	-0-	9,250	-0-	9,250	
Audit Industry	-0-	4,105	-0-	-0-	4,105	
Board Meetings/Travel	-0-	-0-	369	-0-	369	
Insurance	-0-	-0-	42	-0-	42	
Legal	-0-	-0-	3,913	-0-	3,913	
Marketing Research	108,615	-0-	-0-	-0-	108,615	
Miscellaneous	-0-	-0-	180	-0-	180	
Office Equipment	-0-	-0-	474	-0-	474	
Postage	-0-	20	226	-0-	246	
Program Management	34,747	-0-	-0-	-0-	34,747	
Promotion	1,086,591	-0-	-0-	-0-	1,086,591	
Rent	-0-	-0-	563	-0-	563	
Rent Amortization	-0-	-0-	2,861	-0-	2,861	
Research	8,333	-0-	-0-	-0-	8,333	
Staff	-0-	-0-	27,592	-0-	27,592	
Subscriptions	-0-	-0-	80	-0-	80	
Telephone/Mobile/Internet	-0-	-0-	1,555	-0-	1,555	
Travel Office	-0-	-0-	622	-0-	622	
USDA User Fee	-0-	-0-	-0-	27,197	27,197	
	<u>\$ 1,238,286</u>	<u>\$ 4,125</u>	<u>\$ 62,727</u>	<u>\$ 27,197</u>	<u>\$ 1,332,335</u>	

See Accountants' Compilation Report.

# AMERICAN PECAN PROMOTION BOARD

## Statement of Functional Expenses

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

	Program Services		Support Services			Total
	Promotion	Compliance	Management and General	USDA		
Accounting	\$ -0-	\$ -0-	\$ 50,975	\$ -0-	\$ 50,975	
Audit Financial	-0-	-0-	25,000	-0-	25,000	
Audit Industry	-0-	30,834	-0-	-0-	30,834	
Bank Fees	-0-	-0-	267	-0-	267	
Board Meetings/Travel	-0-	-0-	6,568	-0-	6,568	
Insurance	-0-	-0-	731	-0-	731	
Legal	-0-	-0-	9,758	-0-	9,758	
Marketing Research	362,333	-0-	-0-	-0-	362,333	
Miscellaneous	-0-	-0-	425	-0-	425	
Office Equipment	-0-	-0-	4,958	-0-	4,958	
Postage	-0-	220	713	-0-	933	
Program Management	153,596	-0-	-0-	-0-	153,596	
Promotion	2,310,139	-0-	-0-	-0-	2,310,139	
Rent	-0-	-0-	2,252	-0-	2,252	
Rent Amortization	-0-	-0-	11,442	-0-	11,442	
Research	86,733	-0-	-0-	-0-	86,733	
Staff	-0-	-0-	123,871	-0-	123,871	
Subscriptions	-0-	-0-	323	-0-	323	
Subscriptions Interest Expense	-0-	-0-	( 22)	-0-	( 22)	
Supplies	-0-	-0-	316	-0-	316	
Telephone/Mobile/Internet	-0-	-0-	5,443	-0-	5,443	
Travel Office	-0-	-0-	6,281	-0-	6,281	
USDA User Fee	-0-	-0-	-0-	27,197	27,197	
	\$ 2,912,801	\$ 31,054	\$ 249,301	\$ 27,197	\$ 3,220,353	

See Accountants' Compilation Report.

# AMERICAN PECAN PROMOTION BOARD

## Statement of Cash Flows

**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	\$ 1,326,800	\$ 3,266,453
Cash Paid for Operating Expenses	( 386,974)	( 4,102,396)
Net Cash Used by Operating Activities	<u>\$ 939,826</u>	<u>(\$ 835,943)</u>
<b>Cash Flows From Investing Activities:</b>		
Cash Received from Interest Earned	<u>\$ 13,269</u>	<u>\$ 59,126</u>
Net Cash Provided by Investing Activities	<u>\$ 13,269</u>	<u>\$ 59,126</u>
Net Decrease in Cash	\$ 953,095	(\$ 776,817)
Cash, Beginning of Period:		
FFB - Escrow	\$ 1,337,330	\$ 1,330,864
FFB - Reserve	6,913,487	8,649,887
Total Cash - Beginning of Period	<u>\$ 8,250,817</u>	<u>\$ 9,980,751</u>
Cash, End of Period:		
FFB - Checking	\$ 922,747	\$ 922,747
FFB - Escrow	1,339,405	1,339,405
FFB - Reserve	6,941,760	6,941,760
Total Cash - End of Period	<u><u>\$ 9,203,912</u></u>	<u><u>\$ 9,203,912</u></u>
<b>Reconciliation of Increase (Decrease) In Net Assets to Net Cash Provided (Used) by Operating Activities:</b>		
Increase (Decrease) in Net Assets	\$ 124,988	\$ 597,408
Net Cash Provided (Used) by Operating Activities:		
Amortization Expense	2,819	11,237
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	( 130,522)	( 551,307)
(Increase) Decrease in Prepaid Expenses	833,987	( 578,127)
Increase (Decrease) in Accounts Payable	112,148	( 303,351)
Increase (Decrease) in Credit Cards Payable	( 723)	( 358)
Increase (Decrease) in Lease Liability	<u>( 2,871)</u>	<u>( 11,445)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 939,826</u></u>	<u><u>(\$ 835,943)</u></u>

See Accountants' Compilation Report.



**AMERICAN PECAN PROMOTION BOARD**

**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	Budget	Actual	Budget	Operating Budget
<b>Revenue:</b>					
Assessments - Domestic	\$ 934,853	\$ 490,102	\$ 2,323,397	\$ 1,960,404	\$ 5,881,210
Assessments - Imports	522,470	341,137	1,494,364	1,364,550	4,093,650
Contributions/Unrestricted Cash	-0-	764,512	-0-	3,058,048	9,174,144
<b>Total Revenue</b>	<b>\$ 1,457,323</b>	<b>\$ 1,595,751</b>	<b>\$ 3,817,761</b>	<b>\$ 6,383,002</b>	<b>\$ 19,149,004</b>
<b>Program Expenses:</b>					
Program Management	\$ 34,747	\$ 68,112	\$ 153,596	\$ 272,450	\$ 817,350
Marketing/Research	108,615	127,083	362,333	508,333	1,525,000
Promotion	1,086,591	631,043	2,310,139	2,524,170	7,572,509
Research	8,333	82,000	86,733	328,000	984,000
Contingency Fund	-0-	83,333	-0-	333,333	1,000,000
<b>Total Program Expenses</b>	<b>\$ 1,238,286</b>	<b>\$ 991,571</b>	<b>\$ 2,912,801</b>	<b>\$ 3,966,286</b>	<b>\$ 11,898,859</b>
<b>Expenses:</b>					
Compliance:					
Industry Audits	\$ 4,105	\$ 14,167	\$ 30,834	\$ 56,667	\$ 170,000
Printing, Forms, & Postage	20	417	220	1,667	5,000
Software	-0-	2,500	-0-	10,000	30,000
<b>Total Compliance Expenses</b>	<b>\$ 4,125</b>	<b>\$ 17,084</b>	<b>\$ 31,054</b>	<b>\$ 68,334</b>	<b>\$ 205,000</b>
General Administration:					
Accounting	\$ 15,000	\$ 12,500	\$ 50,975	\$ 50,000	\$ 150,000
Audit Financial	9,250	2,500	25,000	10,000	30,000
Bank Fees	-0-	58	267	233	700
Board Meetings/Travel	369	5,417	6,568	21,667	65,000
Insurance	42	2,083	731	8,333	25,000
Legal	3,913	7,917	9,758	31,667	95,000
Maintenance/Buildout	-0-	417	-0-	1,667	5,000
Miscellaneous	180	83	425	333	1,000
Office Equipment	474	417	4,958	1,667	5,000
Postage	226	225	713	3,333	2,700
Printing	-0-	833	-0-	900	10,000
Rent	563	3,750	2,252	15,000	45,000
Rent Amortization	2,861	-0-	11,442	-0-	-0-
Staff	27,592	26,700	123,871	106,800	320,400
Subscriptions Interest Expense	-0-	-0-	( 22)	-0-	-0-
Subscriptions/Dues	80	100	323	400	1,200
Supplies	-0-	417	316	1,667	5,000
Telephone/Mobile/Internet	1,555	1,500	5,443	6,000	18,000
Travel Office	622	2,167	6,281	8,667	26,000
<b>Total General Administration</b>	<b>\$ 62,727</b>	<b>\$ 67,084</b>	<b>\$ 249,301</b>	<b>\$ 268,334</b>	<b>\$ 805,000</b>

See Accountants' Compilation Report.

**AMERICAN PECAN PROMOTION BOARD**

**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
USDA Charges:					
USDA User Fee	\$ 27,197	\$ 16,667	\$ 27,197	\$ 66,667	\$ 200,000
Total USDA Charges	\$ 27,197	\$ 16,667	\$ 27,197	\$ 66,667	\$ 200,000
<b>Total Expenses</b>	\$ 94,049	\$ 100,835	\$ 307,552	\$ 403,335	\$ 1,210,000
<b>Total Program and Expenses</b>	\$ 1,332,335	\$ 1,092,406	\$ 3,220,353	\$ 4,369,621	\$ 13,108,859
<b>Other Revenues and Expenses:</b>					
Interest Income	\$ 13,269	\$ -0-	\$ 59,126	\$ -0-	\$ -0-
Prior Year Carry-Over	-0-	11,167	-0-	44,667	134,000
Unrestricted Cash	-0-	( 514,512)	-0-	( 2,058,048)	( 6,174,145)
<b>Total Other Revenues and Expense</b>	\$ 13,269	(\$ 503,345)	\$ 59,126	(\$ 2,013,381)	(\$ 6,040,145)
<b>Change in Net Assets</b>	\$ 138,257	\$ -0-	\$ 656,534	\$ -0-	\$ -0-

See Accountants' Compilation Report.