

**AMERICAN PECAN PROMOTION BOARD
COMPILED FINANCIAL STATEMENTS
FOR THE ONE-MONTH AND EIGHT-MONTHS ENDED
MAY 31, 2026**



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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
American Pecan Promotion Board
Fort Worth, Texas

Management is responsible for the accompanying financial statements of the American Pecan Promotion Board, which comprise the statement of financial position as of May 31, 2026, and the related statements of activities, functional expenses and cash flows for the one-month period and eight-month period then ended May 31, 2026, 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. Accordingly, 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 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 financial position, changes in its net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying operating budget for the one-month period and eight-month period then ended May 31, 2026, and the year ending September 30, 2026, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to the American Pecan Promotion Board.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
June 22, 2026

AMERICAN PECAN PROMOTION BOARD
STATEMENT OF FINANCIAL POSITION
AS OF MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 6,543,647
Fixed Income Investments - Treasury Notes	2,984,429
Accounts Receivable	4,544,525
Accounts Receivable Allowance	(3,728,480)
Accounts Receivable, Net of Allowance	<u>816,045</u>
Accrued Interest	44,372
Prepaid Expenses	<u>692,592</u>
Total Current Assets	<u>11,081,085</u>

TOTAL ASSETS	\$ 11,081,085
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 22,608
Accrued Expenses	<u>167,874</u>
Total Current Liabilities	<u>190,482</u>
Total Liabilities	<u>190,482</u>

Net Assets

Net Assets Without Donor Restrictions	<u>10,890,603</u>
Total Net Assets	<u>10,890,603</u>

TOTAL LIABILITIES AND NET ASSETS	\$ 11,081,085
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AMERICAN PECAN PROMOTION BOARD
STATEMENT OF ACTIVITIES
FOR THE ONE MONTH ENDED MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:			
Assessment Income - Domestic	\$ 410,427	\$ -	\$ 410,427
Assessment Income - Imports	267,979	-	267,979
Penalties and Interest	-	-	-
Investment Income	22,277	-	22,277
	<u>700,683</u>	<u>-</u>	<u>700,683</u>
Total Revenue			
	<u>700,683</u>	<u>-</u>	<u>700,683</u>
EXPENSES:			
Program Services	556,233	-	556,233
Compliance	211,550	-	211,550
USDA Services	7,629	-	7,629
Management and General Services	71,518	-	71,518
	<u>846,930</u>	<u>-</u>	<u>846,930</u>
Total Expenses			
	<u>846,930</u>	<u>-</u>	<u>846,930</u>
OTHER REVENUES AND EXPENSES			
Assessment Refunds	(90,446)	-	(90,446)
	<u>(90,446)</u>	<u>-</u>	<u>(90,446)</u>
Change in Net Assets	(236,693)	-	(236,693)
	<u>(236,693)</u>	<u>-</u>	<u>(236,693)</u>
Net Assets, Beginning	11,127,296	-	11,127,296
	<u>11,127,296</u>	<u>-</u>	<u>11,127,296</u>
Net Assets, Ending	\$ 10,890,603	\$ -	\$ 10,890,603
	<u>\$ 10,890,603</u>	<u>\$ -</u>	<u>\$ 10,890,603</u>

AMERICAN PECAN PROMOTION BOARD
STATEMENT OF ACTIVITIES
FOR THE EIGHT MONTHS ENDED MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:			
Assessment Income - Domestic	\$ 6,351,424	\$ -	\$ 6,351,424
Assessment Income - Imports	2,130,230	-	2,130,230
Penalties and Interest	8,971	-	8,971
Investment Income	127,839	-	127,839
	<u>8,618,464</u>	<u>-</u>	<u>8,618,464</u>
Total Revenue	<u>8,618,464</u>	<u>-</u>	<u>8,618,464</u>
EXPENSES:			
Program Services	6,051,924	-	6,051,924
Compliance	238,869	-	238,869
USDA Services	74,268	-	74,268
Management and General Services	680,391	-	680,391
	<u>7,045,452</u>	<u>-</u>	<u>7,045,452</u>
Total Expenses	<u>7,045,452</u>	<u>-</u>	<u>7,045,452</u>
OTHER REVENUES AND EXPENSES			
Assessment Refunds	(91,556)	-	(91,556)
	<u>1,481,456</u>	<u>-</u>	<u>1,481,456</u>
Change in Net Assets	<u>1,481,456</u>	<u>-</u>	<u>1,481,456</u>
Net Assets, Beginning	<u>9,409,147</u>	<u>-</u>	<u>9,409,147</u>
Net Assets, Ending	<u>\$ 10,890,603</u>	<u>\$ -</u>	<u>\$ 10,890,603</u>

AMERICAN PECAN PROMOTION BOARD
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE ONE MONTH ENDED MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Program Service	Supporting Services			Total
	Promotion	Compliance	USDA Services	Management and General	
Accounting	\$ -	\$ -	\$ -	\$ 7,570	\$ 7,570
Industry Audits	-	28,784	-	-	28,784
Bank Fees	-	-	-	323	323
Insurance	-	-	-	921	921
Marketing Research	61,092	-	-	-	61,092
Office Equipment	-	-	-	357	357
Program Management	34,309	-	-	-	34,309
Printing, Forms, & Postage	-	161	-	68	229
Promotion	383,193	-	-	-	383,193
Rent	-	-	-	2,310	2,310
Research	77,639	-	-	-	77,639
Staff	-	-	-	57,549	57,549
Software	-	3,575	-	-	3,575
Subscriptions	-	-	-	107	107
Supplies	-	-	-	32	32
Telephone/Mobile/Interest	-	-	-	1,267	1,267
Travel Office	-	-	-	1,014	1,014
USDA User Fee	-	-	7,629	-	7,629
Non-Assessable Credits	-	179,030	-	-	179,030
Total Expenses	<u>\$ 556,233</u>	<u>\$ 211,550</u>	<u>\$ 7,629</u>	<u>\$ 71,518</u>	<u>\$ 846,930</u>

**AMERICAN PECAN PROMOTION BOARD
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE EIGHT MONTHS MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)**

	Program Service	Supporting Services			Total
	Promotion	Compliance	USDA Services	Management and General	
Accounting	\$ -	\$ -	\$ -	\$ 66,370	\$ 66,370
Audit Financial	-	-	-	25,500	25,500
Audit Industry	-	55,845	-	-	55,845
Bank Fees	-	-	-	1,192	1,192
Board Meetings	-	-	-	15,360	15,360
Insurance	-	-	-	4,462	4,462
Legal	-	-	-	15,480	15,480
Marketing Research	721,543	-	-	-	721,543
Office Equipment	-	-	-	2,725	2,725
Program Management	282,674	-	-	-	282,674
Printing, Forms, & Postage	-	184	-	8,438	8,622
Promotion	4,501,392	-	-	-	4,501,392
Rent	-	-	-	18,333	18,333
Research	545,005	-	-	-	545,005
Staff	-	-	-	372,029	372,029
Software	635	3,810	-	-	4,445
Subscriptions	-	-	-	1,107	1,107
Supplies	-	-	-	1,064	1,064
Telephone/Mobile/Interest	-	-	-	15,562	15,562
Travel Office	-	-	-	34,499	34,499
Financial/Industry Relations	675	-	-	4,604	5,279
Miscellaneous	-	-	-	2,923	2,923
Maintenance/Buildout	-	-	-	743	743
USDA User Fee	-	-	74,268	-	74,268
Non-Assessable Credits	-	179,030	-	-	179,030
Independent Evaluations	-	-	-	90,000	90,000
Total Expenses	<u>\$ 6,051,924</u>	<u>\$ 238,869</u>	<u>\$ 74,268</u>	<u>\$ 680,391</u>	<u>\$ 7,045,452</u>

AMERICAN PECAN PROMOTION BOARD
STATEMENT OF CASH FLOWS
FOR THE ONE MONTH AND EIGHT MONTHS ENDED MAY 31, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>One Month</u>	<u>Eight Months</u>
Cash Flow From Operating Activities		
Cash Received from Assessments	\$ 809,338	\$ 8,677,652
Cash Received from Penalties and Interest	-	8,971
Cash Paid for Operating Expenses	(715,441)	(7,554,643)
Cash Paid for Assessment Refunds	<u>(90,446)</u>	<u>(91,556)</u>
Net Cash Used by Operating Activities	<u>3,451</u>	<u>1,040,424</u>
 Cash Flows From Investing Activities		
Cash Received from Interest Earned	13,678	91,463
Cash Paid for Fixed Income Investment Purchases	<u>-</u>	<u>(2,992,425)</u>
Net Cash Provided by Investing Activities	<u>13,678</u>	<u>(2,900,962)</u>
 Net Change in Cash	<u>17,129</u>	<u>(1,860,538)</u>
 Cash, Beginning of Period	<u>6,526,518</u>	<u>8,404,185</u>
 Cash, End of Period	<u><u>\$ 6,543,647</u></u>	<u><u>\$ 6,543,647</u></u>
 Reconciliation of Change In Net Assets		
to Net Cash Used by Operating Activities		
Change in Net Assets	\$ (236,693)	\$ 1,481,456
Net Cash Provided (Used) by Operating Activities:		
Interest Revenue	(22,277)	(127,839)
Changes in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	130,932	195,998
Decrease (Increase) in Prepaid Expenses	248,963	(392,576)
(Decrease) Increase in Accounts Payable	(149,637)	(132,316)
(Decrease) Increase in Accrued Expenses	<u>32,163</u>	<u>15,701</u>
Net Cash Used by Operating Activities	<u><u>\$ 3,451</u></u>	<u><u>\$ 1,040,424</u></u>

SUPPLEMENTARY INFORMATION

AMERICAN PECAN PROMOTION BOARD
OPERATING BUDGET
FOR THE ONE MONTH AND EIGHT MONTHS ENDED MAY 31, 2026 AND YEAR ENDING SEPTEMBER 30, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One Month Ended May 31, 2026		Eight Months Ended May 31, 2026		Fiscal Year Ending September 30, 2026
	Actual	Budget	Actual	Budget	Operating Budget
Revenue:					
Assessment - Domestic	\$ 410,427	\$ 450,000	\$ 6,351,424	\$ 3,600,000	\$ 5,400,000
Assessment - Imports	267,979	291,667	2,130,230	2,333,336	3,500,000
Contributions/Unrestricted Cash	-	494,228	-	3,953,824	5,930,733
Total Revenue	678,406	1,235,895	8,481,654	9,887,160	14,830,733
Program Expenses:					
Program Management	34,309	66,667	282,674	533,336	800,000
Marketing Research	61,092	100,625	721,543	805,000	1,207,500
Promotion	383,193	553,792	4,501,392	4,430,336	6,645,500
Research	77,639	102,892	545,005	823,136	1,234,700
Software	-	-	635	-	-
Financial/Industry Relations	-	-	675	-	-
Contingency Fund	-	41,667	-	333,336	500,000
Total Program Expenses	556,233	865,643	6,051,924	6,925,144	10,387,700
Expenses:					
Compliance:					
Industry Audits	28,784	13,750	55,845	110,000	165,000
Printing, Forms, & Postage	161	417	184	3,336	5,000
Software	3,575	2,500	3,810	20,000	30,000
Non-Assessable Credits	179,030	-	179,030	-	-
Total Compliance Expenses	211,550	16,667	238,869	133,336	200,000
USDA Services					
USDA User Fees	7,629	16,667	74,268	133,336	200,000
Total USDA Services	7,629	16,667	74,268	133,336	200,000
General Administration:					
Accounting	7,570	8,333	66,370	66,664	100,000
Financial Audit	-	2,500	25,500	20,000	30,000
Bank Fees	323	58	1,192	464	700
Board Meetings	-	4,750	15,360	38,000	57,000
Insurance	921	2,083	4,462	16,664	25,000
Legal	-	7,917	15,480	63,336	95,000
Maintenance/Buildout	-	417	743	3,336	5,000
Office Equipment	357	667	2,725	5,336	8,000
Printing, Forms, & Postage	68	1,142	8,438	9,136	13,700
Rent	2,310	2,917	18,333	23,336	35,000
Staff	57,549	36,217	372,029	289,736	434,600
Subscriptions	107	167	1,107	1,336	2,000
Supplies	32	417	1,064	3,336	5,000
Telephone/Mobile/Interest	1,267	1,917	15,562	15,336	23,000
Travel Office	1,014	3,333	34,499	26,664	40,000
Financial/Industry Relations	-	-	4,604	-	-
Miscellaneous	-	83	2,923	664	1,000
Independent Evaluations	-	8,331	90,000	66,648	100,000
Total General Administration	71,518	81,249	680,391	649,992	975,000
Total Supporting Services Expenses	290,697	114,583	993,528	916,664	1,375,000
Total Expenses	846,930	980,226	7,045,452	7,841,808	11,762,700

AMERICAN PECAN PROMOTION BOARD
OPERATING BUDGET
FOR THE ONE MONTH AND EIGHT MONTHS ENDED MAY 31, 2026 AND YEAR ENDING SEPTEMBER 30, 2026
(SEE ACCOUNTANTS' COMPILATION REPORT)

	One Month Ended May 31, 2026		Eight Months Ended May 31, 2026		Fiscal Year Ending September 30, 2026
	Actual	Budget	Actual	Budget	Operating Budget
Other Revenue and Expenses					
Penalties and Interest	-	-	8,971	-	-
Investment Income	22,277	-	127,839	-	-
Assessment Refunds	(90,446)	(64,583)	(91,556)	(516,664)	(775,000)
Prior Year Carry-Over	-	53,142	-	425,136	637,700
Unrestricted Cash	-	(244,228)	-	(1,953,824)	(2,930,733)
Total Other Revenues and Expense	(68,169)	(255,669)	45,254	(2,045,352)	(3,068,033)
Change in Net Assets	\$ (236,693)	\$ -	\$ 1,481,456	\$ -	\$ -



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