

***MEXICAN HASS AVOCADO IMPORTERS’
ASSOCIATION
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024
WITH INDEPENDENT AUDITORS’ REPORT***



INDEPENDENT AUDITORS' REPORT

Board of Directors
Mexican Hass Avocado Importers' Association and Subsidiary
Fallston, Maryland

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mexican Hass Avocado Importers' Association and Subsidiary (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Mexican Hass Avocado Importers' Association and Subsidiary as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are required to be independent of Mexican Hass Avocado Importers' Association and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mexican Hass Avocado Importers' Association and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

Board of Directors
Mexican Hass Avocado Importers' Association and Subsidiary
Fallston, Maryland
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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mexican Hass Avocado Importers' Association and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mexican Hass Avocado Importers' Association and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2024, on our consideration of Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting and compliance.

Gruber and Lopez, Inc.

Gruber and Lopez, Inc.

Newport Beach, CA
September 20, 2024

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 15,842,483 *
Contributions receivable - HAB assessments	2,736,388
Contributions receivable - APEAM	1,062,883
Prepaid expenses and deposits	<u>148,256</u>

Total current assets 19,790,010

Non-current assets:

Restricted cash held for long-term purposes (Note 8)	1,915,577
Property and equipment	8,696,106
Less: accumulated depreciation	<u>(2,669,630)</u>
Net property and equipment	<u>6,026,476</u>

Total non-current assets 7,942,053

TOTAL ASSETS \$ 27,732,063

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable - trade	\$ 4,069,783
Credit payable - APEAM	-
Accrued liabilities	4,425,458
Leases payable - current (Note 4)	419,387
Accrued salaries, benefits, and vacation	<u>183,719</u>

Total current liabilities 9,098,347

Non-current liabilities:

Leases payable (Note 4)	5,263,166
Deferred compensation (Note 8)	<u>1,915,577</u>

TOTAL LIABILITIES 16,277,090

NET ASSETS (Note 10)

Without donor restrictions	-
With donor restrictions	<u>11,454,973</u>

TOTAL NET ASSETS 11,454,973

TOTAL LIABILITIES AND NET ASSETS \$ 27,732,063

* MHAIA's goal is to reserve 15% of HAB assessments in cash and cash equivalents which amounts to \$ 7,401,394

See accompanying notes to financial statements and independent auditors' report.

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

CONSOLIDATED STATEMENT OF ACTIVITIES, FUNCTIONAL EXPENSES, AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE AND OTHER SUPPORT			
Contributions from HAB assessments	\$ -	49,342,625	49,342,625
Contributions from APEAM	6,012,345	16,876,051	22,888,396
Interest income	-	11,721	11,721
TOTAL OPERATING REVENUE AND OTHER SUPPORT	6,012,345	66,230,397	72,242,742
NET ASSETS RELEASED FROM RESTRICTIONS (Note 10)	66,927,850	(66,927,850)	-
TOTAL REVENUE	72,940,195	(697,453)	72,242,742
EXPENSES			
Program services (Note 3):			
Direct marketing and promotional expenses:			
Consumer branding, digital, food service , market development, hispanic media & retail	31,640,232	-	31,640,232
Retail and trade, market development (shoppers and hispanic) - seasonal program	25,757,140	-	25,757,140
Total direct marketing and promotional expenses	57,397,372	-	57,397,372
Marketing and promotional administrative expenses:			
Marketing administrative- salaries, benefits, travel, consulting, other	9,198,217	-	9,198,217
AMS program fees	332,261	-	332,261
Total marketing and promotional administrative expenses	9,530,478	-	9,530,478
Total program services	66,927,850	-	66,927,850
Support services - management and general:			
Administrative salaries and benefits and related travel	1,536,304	-	1,536,304
Bank service charges and other fees	17,009	-	17,009
Office expense, telephone, web, and small equipment	158,067	-	158,067
Accounting, legal, and other professional fees	1,727,895	-	1,727,895
Insurance - directors and officers	167,817	-	167,817
Postage, licenses, taxes, dues, and miscellaneous	538,542	-	538,542
Rent, building and utilities (Note 4)	822,228	-	822,228
Rent- interest expense - contra	(362,452)	-	(362,452)
(Gain) Loss on disposal of assets	(2,000)	-	(2,000)
Board of director meetings, training, and related expenses	705,216	-	705,216
Amortization	398,491	-	398,491
Depreciation	305,228	-	305,228
Total support services - management and general	6,012,345	-	6,012,345
TOTAL EXPENSES	72,940,195	-	72,940,195
CHANGE IN NET ASSETS	-	(697,453)	(697,453)
NET ASSETS - BEGINNING OF PERIOD (as restated - Note 9)	-	12,152,426	12,152,426
NET ASSETS - END OF PERIOD	\$ -	11,454,973	11,454,973

See accompanying notes to financial statements and independent auditors' report.

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (697,453)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Amortization	398,491
Depreciation	305,228
Lease interest expense - contra	(367,768)
(Gain) Loss on disposal of assets	(2,000)
(Increase) decrease in operating assets:	
Contributions receivable - HAB assessments	1,197,016
Contributions receivable - APEAM	299,448
Contributions receivable - MHAIA	599,260
Accounts receivable - others	-
Prepaid expenses and deposits	(417)
Increase (decrease) in operating liabilities:	
Accounts payable - trade	1,202,433
Accounts payable - intercompany and APEAM	(482,371)
Accrued liabilities	(809,057)
Deferred compensation	621,085
Total adjustments	<u>2,961,348</u>
NET CASH PROVIDED BY (USED FROM) OPERATING ACTIVITIES	<u>2,263,895</u>
CASH FLOWS FROM (USED FROM) INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	<u>(93,300)</u>
NET CASH PROVIDED BY (USED FROM) INVESTING ACTIVITIES	<u>(93,300)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,170,595
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>15,587,465</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 17,758,060</u></u>
Cash and cash equivalents have been presented in the Combined Statement of Financial Position as follows:	
Cash and cash equivalents	\$ 15,842,483
Restricted cash held for long-term purposes	1,915,577
	<u><u>\$ 17,758,060</u></u>

There were no cash investing or financing activities for fiscal year ended June 30, 2024.

See accompanying notes to financial statements and independent auditors' report.

SUPPLEMENTARY INFORMATION



Independent Auditors' Report on Supplementary Information

To the Board of Directors of
Mexican Hass Avocado Importers Association

We have audited the consolidated financial statements of Mexican Hass Avocado Importers Association and Subsidiary (a nonprofit organization) as of and for the year ended June 30, 2024, and our report thereon dated September 20, 2024, which expressed an unmodified opinion on those consolidated financial statements, appears on Page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gruber and Lopez, Inc.
Gruber and Lopez, Inc.
Newport Beach, CA
September 20, 2024

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION

COMBINING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2024

	MHAIA	AFM	Intercompany Eliminations	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 9,817,112 *	6,025,371	-	15,842,483
Contributions receivable - HAB assessments	2,736,388	-	-	2,736,388
Accounts receivable - intercompany	-	1,607,465	(1,607,465)	-
Contributions receivable - APEAM	168,119	894,764	-	1,062,883
Prepaid expenses and deposits	63,005	85,251	-	148,256
Total current assets	12,784,624	8,612,851	(1,607,465)	19,790,010
Non-current assets:				
Restricted cash held for long-term purposes	-	1,915,577	-	1,915,577
Property and equipment	270,138	8,425,968	-	8,696,106
Less: accumulated depreciation	(270,138)	(2,399,492)	-	(2,669,630)
Net property and equipment	-	6,026,476	-	6,026,476
Total non-current assets	-	7,942,053	-	7,942,053
TOTAL ASSETS	\$ 12,784,624	16,554,904	(1,607,465)	27,732,063
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable - trade	\$ 69,954	3,999,829	-	4,069,783
Accounts payable - intercompany	1,607,465	-	(1,607,465)	-
Credit payable - APEAM	-	-	-	-
Accrued liabilities	53,452	4,372,006	-	4,425,458
Leases payable - current	-	419,387	-	419,387
Accrued salaries, benefits, and vacation	-	183,719	-	183,719
Total current liabilities	1,730,871	8,974,941	(1,607,465)	9,098,347
Non-current liabilities:				
Leases payable - long-term	-	5,263,166	-	5,263,166
Deferred compensation	-	1,915,577	-	1,915,577
	-	7,178,743	-	7,178,743
TOTAL LIABILITIES	1,730,871	16,153,684	(1,607,465)	16,277,090
NET ASSETS				
Without donor restrictions	-	-	-	-
With donor restrictions	11,053,753	401,220	-	11,454,973
TOTAL NET ASSETS	11,053,753	401,220	-	11,454,973
TOTAL LIABILITIES AND NET ASSETS	\$ 12,784,624	16,554,904	(1,607,465)	27,732,063

* MHAIA's policy is to reserve 15% of HAB assessments in cash and cash equivalents which amounts to

\$ 7,401,394

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION
COMBINING SCHEDULE OF ACTIVITIES, FUNCTIONAL EXPENSES,
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

	MHAI A	AFM	Intercompany Eliminations	Total
OPERATING REVENUE AND OTHER SUPPORT				
Contributions from HAB assessments	\$ 49,342,625	-	-	49,342,625
Contributions from APEAM	1,140,681	21,747,715	-	22,888,396
Contributions from MHAIA	-	47,776,792	(47,776,792)	-
Communications and analytics	-	8,282	(8,282)	-
Interest income	7,632	4,089	-	11,721
TOTAL OPERATING REVENUE AND OTHER SUPPORT	50,490,938	69,536,878	(47,785,074)	72,242,742
EXPENSES				
Program services:				
Direct marketing and promotional expenses:				
Consumer branding, digital, food service , market development, hispanic media & other events	23,039,124	31,532,392	(22,931,284)	31,640,232
Retail and trade, market development (shoppers and hispanic) - seasonal programs, exhibits &	19,186,166	25,757,140	(19,186,166)	25,757,140
Total direct marketing and promotional expenses	42,225,290	57,289,532	(42,117,450)	57,397,372
Marketing and promotional administrative expenses:				
Marketing administrative- salaries, benefits, travel, consulting, other	7,256,015	7,609,826	(5,667,624)	9,198,217
AMS program fees	332,261	-	-	332,261
Total marketing and promotional administrative expenses	7,588,276	7,609,826	(5,667,624)	9,530,478
Total program services	49,813,566	64,899,358	(47,785,074)	66,927,850
Support services - management and general:				
Administrative salaries and benefits and related travel	-	1,536,304	-	1,536,304
Bank service charges and other fees	8,736	8,273	-	17,009
Office expense, telephone, web, and small equipment	-	158,067	-	158,067
Accounting, legal, and other professional fees	833,654	894,241	-	1,727,895
Insurance - directors and officers	31,908	135,909	-	167,817
Postage, licenses, taxes, dues, and miscellaneous	127,386	411,156	-	538,542
Rent, building and utilities (Note 4)	-	822,228	-	822,228
Rent- interest expense - contra	-	(362,452)	-	(362,452)
(Gain) Loss on disposal of assets	-	(2,000)	-	(2,000)
Board of director meetings, training, and related expenses	135,029	570,187	-	705,216
Amortization	-	398,491	-	398,491
Depreciation	3,550	301,678	-	305,228
Total support services - management and general	1,140,263	4,872,082	-	6,012,345
TOTAL EXPENSES	50,953,829	69,771,440	(47,785,074)	72,940,195
CHANGE IN NET ASSETS	(462,891)	(234,562)	-	(697,453)
NET ASSETS - BEGINNING OF PERIOD (as restated - Note 9)	11,516,644	635,782	-	12,152,426
NET ASSETS - END OF PERIOD	\$ 11,053,753	401,220	-	11,454,973

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

**COMBINING SCHEDULE OF
PROPERTY AND EQUIPMENT**

JUNE 30, 2024

	MHAIA	AFM	Total
PROPERTY AND EQUIPMENT:			
Construction in process*	\$ -	-	-
Right-to-use lease asset	-	5,550,464	5,550,464
Leasehold improvements	-	2,022,714	2,022,714
Computer and accessories	16,973	220,354	237,327
Software	253,165	195,450	448,615
Work stations and furniture	-	436,986	436,986
	270,138	8,425,968	8,696,106
Total property and equipment	270,138	8,425,968	8,696,106
Less: accumulated depreciation	(270,138)	(2,399,492)	(2,669,630)
Net property and equipment	\$ -	6,026,476	6,026,476

*- Not depreciated.

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
DETAIL SCHEDULE OF ACTIVITIES -BUDGET vs ACTUAL-MHAIA
FOR THE YEAR ENDED JUNE 30, 2024
(EXCLUDES CONSOLIDATION ENTRIES)

	FY2024-Actual	FY2024- Budget	\$ Change
Operating Revenue and Other Support	50,490,937	51,619,382	(1,128,445)
Board Contribution	50,483,306	51,611,851	(1,128,545)
400001 APEAM Board Contribution	1,140,681	1,402,247	(261,566)
400003 HAB Contribution	49,342,625	50,209,604	(866,979)
Interest Income	7,631	7,531	100
406000 Interest Earned MHAIA	7,631	7,531	100
Marketing Expenses	49,813,565	51,592,680	(1,779,115)
AFM Marketing	47,785,072	49,266,217	(1,481,145)
Marketing Direct	42,117,449	42,998,660	(881,211)
Consumer Branding	11,143,932	11,620,090	(476,158)
Digital	5,297,120	5,422,999	(125,879)
Food Service	3,713,584	4,088,950	(375,366)
Market Development	13,010,852	13,177,519	(166,667)
Trade Retail Support	7,669,519	7,553,551	115,968
Crisis Management	1,282,442	1,135,551	146,891
Marketing Administrative	5,659,341	6,198,722	(539,381)
Marketing Admin (Salaries and Benefits, Travel)	5,495,447	5,991,621	(496,174)
Marketing Admin Others (Reserve for Marketing Oppurtunities)	163,894	207,101	(43,207)
MHAIA Communications and Analytics to AFM	8,282	68,835	(60,553)
MHAIA Marketing	2,028,493	2,326,463	(297,970)
MHAIA Marketing Direct	107,840	170,000	(62,160)
MHAIA Marketing Administrative	1,920,653	2,156,463	(235,810)
Administrative Expenses	1,140,263	1,353,218	(212,955)
Total Expenses	50,953,828	52,945,898	(1,992,070)
Net Change in Assets	(462,891)	(1,326,516)	863,625

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
DETAIL SCHEDULE OF FINANCIAL POSITION - CURRENT YEAR vs PRIOR YEAR - MHAIA
JUNE 30, 2024
(EXCLUDES CONSOLIDATION ENTRIES)

	June 30, 2024	June 30, 2023	\$ Change
Assets	\$ 12,784,624	13,664,843	(880,219)
Current Assets	12,784,624	13,664,843	(880,219)
Cash or Cash Equivalents	9,817,112	9,519,110	298,002
Accounts Receivable	2,904,507	4,083,146	(1,178,639)
Prepaid Expenses	63,005	62,587	418
Non-Current Assets	-	-	-
Fixed Assets, net	-	-	-
Software, net	-	-	-
Liabilities and Net Assets	12,784,624	13,664,843	(880,219)
Liabilities	1,730,871	2,148,199	(417,328)
Current Liabilities	1,730,871	2,148,199	(417,328)
Accounts Payable Trade	69,954	34,692	35,262
Accounts Payable Related Companies	1,607,465	2,089,836	(482,371)
Accounts Payable Others	53,452	23,671	29,781
Net Assets	11,053,753	11,516,644	(462,891)

**MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
 DETAIL SCHEDULE OF CASH FLOWS - MHAIA
 FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Total change in net assets	\$ (462,891)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Depreciation	3,550
(Increase) decrease in operating assets:	
Accounts receivable - HAB	1,197,016
Accounts receivable - Intercompany-APEAM	(18,377)
Prepaid expenses	(418)
Increase (decrease) in operating liabilities:	
Accounts payable - trade	35,261
Accounts payable - Intercompany-to and from AFM	(482,371)
Accrued liabilities	29,781
Total adjustments	<u>764,442</u>
NET CASH PROVIDED BY (USED FROM) OPERATING ACTIVITIES	<u>301,551</u>
CASH FLOWS PROVIDED BY (USED FROM) INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	<u>(3,549)</u>
NET CASH PROVIDED BY (USED FROM) INVESTING ACTIVITIES	<u>(3,549)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	298,002
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>9,519,110</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 9,817,112</u></u>

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF ACTIVITIES - BUDGET vs ACTUAL - AFM
FOR THE YEAR ENDED JUNE 30, 2024
(EXCLUDES CONSOLIDATION ENTRIES)

	<u>FY2024-Actual</u>	<u>FY2023- Budget</u>	<u>\$ Change</u>
Operating Revenue and Other Support	69,536,877	71,466,395	(1,929,518)
Board Contribution	69,524,507	71,393,827	(1,869,320)
APEAM Board Contribution	21,747,715	22,196,444	(448,729)
MHAIA Contribution	47,776,792	49,197,383	(1,420,591)
MHAIA Communications and Analytics to AFM	8,282	68,835	(60,553)
Interest Income	4,088	3,733	355
406000 Interest Earned MHAIA	4,088	3,733	355
Marketing Expenses	64,899,356	66,041,675	(1,142,319)
Marketing Direct	57,289,530	57,664,911	(375,381)
Consumer Branding	15,718,068	15,608,821	109,247
Digital	7,119,249	7,274,109	(154,860)
Food Service	4,969,740	5,465,265	(495,525)
Market Development	17,490,869	17,691,627	(200,758)
Trade Retail Support	10,271,358	10,103,099	168,259
Crisis Management	1,720,246	1,521,990	198,256
Marketing Administrative	7,601,544	8,307,929	(706,385)
Marketing Admin (Salaries and Benefits, Travel)	7,383,276	8,032,430	(649,154)
Marketing Admin Others (Reserve for Marketing Oppurtunities)	218,268	275,499	(57,231)
MHAIA Communications and Analytics to AFM	8,282	68,835	(60,553)
Administrative Expenses	4,872,083	5,639,807	(767,724)
Total Expenses	69,771,439	71,681,482	(1,910,043)
Net Change in Assets	(234,562)	(215,087)	(19,475)

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF FINANCIAL POSITION - CURRENT YEAR vs PRIOR YEAR - AFM
JUNE 30, 2024
(EXCLUDES CONSOLIDATION ENTRIES)

	As of Jun 30, 2024	As of Jun 30, 2023	\$ Change
Assets	\$ 16,554,904	\$ 16,202,499	352,405
Current Assets	10,528,428	9,572,921	955,507
Cash or Cash Equivalents	7,940,948	6,068,355	1,872,593
Accounts Receivable	894,764	1,212,589	(317,825)
Accounts Receivable-Others/Downpayment	-	-	-
Accounts Receivable - Affiliated	1,607,465	2,206,725	(599,260)
Prepaid Expenses	85,251	85,252	(1)
Non-Current Assets	6,026,476	6,629,578	(603,102)
Fixed Assets, net	6,026,476	6,629,578	(603,102)
Liabilities and Net Assets	16,554,904	15,856,187	698,717
Liabilities	16,153,684	15,220,405	933,279
Current Liabilities	10,471,131	15,220,405	(4,749,274)
Accounts Payable Trade	3,999,829	2,832,657	1,167,172
Accounts Payable Others	4,372,006	5,394,563	(1,022,557)
Other Liabilities	2,099,296	6,993,185	(4,893,889)
Net Assets	401,220	635,782	(234,562)

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF CASH FLOWS - AFM
FOR THE YEAR ENDED JUNE 30, 2024

	Total
CASH FLOWS FROM OPERATING ACTIVITIES	
Total change in net assets	\$ (234,562)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Amortization	398,491
Depreciation	301,678
Lease interest expense - contra	(367,768)
(Gain) loss on disposal of fixed assets	(2,000)
(Increase) decrease in operating assets:	
Accounts receivable - others	-
Accounts receivable - Intercompany-APEAM	317,825
Accounts receivable - Intercompany-MHAIA	599,260
Prepaid expenses	1
Increase (decrease) in operating liabilities:	
Accounts payable - trade	1,167,172
Accounts payable - Intercompany-MHAIA/APEAM	-
Accrued liabilities	(838,838)
Executive program, compensation package and payroll tax payable	621,085
Total adjustments	2,196,906
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVIT	1,962,344
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	(89,751)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(89,751)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,872,593
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	6,068,355
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 7,940,948
Cash and cash equivalents have been presented in the Combining Statement of Financial Position as follows:	
Cash and cash equivalents	6,025,371
Restricted cash held for long-term purposes	1,915,577
	7,940,948