



**National Peanut Board**

**FINANCIAL STATEMENTS**

**October 31, 2024**

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# REPORT





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## INDEPENDENT AUDITOR'S REPORT

To the Governing Board of the  
National Peanut Board

### Opinion

We have audited the accompanying financial statements of National Peanut Board (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of October 31, 2024, and the related statements of revenues, expenditures and changes in net assets - modified cash basis, functional expenses - modified cash basis and cash flows - modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of National Peanut Board as of October 31, 2024, and its revenues, expenditures, and changes in net assets for the year then ended in accordance with the modified cash basis of accounting as described in Note 2.

### 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 Financial Statements section of our report. We are required to be independent of National Peanut Board 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 opinion.

### Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 National Peanut Board'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Peanut Board'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* and the standards contained in AMS-USDA Guidelines for AMS Oversight of Commodity Research and Promotion Programs (January 2020), issued by the Agricultural Marketing Service Agency of the United States Department of Agriculture (AMS), we have also issued our report dated March 17, 2025, on our consideration of the National Peanut Board'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the standards of the Agricultural Marketing Service Agency of the United States Department of Agriculture in considering the National Peanut Board's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, L.L.C.

Atlanta, Georgia

March 17, 2025



# FINANCIAL STATEMENTS



**National Peanut Board**  
**Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis**

<i>October 31,</i>	<i>2024</i>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 5,195,660
Investments - short term treasuries	9,048,693
Other current assets	468
<hr/>	
Total current assets	14,244,821
Non-current assets	
Property and equipment	
Furniture, fixtures and equipment	23,636
Accumulated depreciation	(23,636)
<hr/>	
Property and equipment, net	-
Other assets	7,802
<hr/>	
Total non-current assets	7,802
<hr/>	
<b>Total assets</b>	<b>\$ 14,252,623</b>
<hr/> <hr/>	
<b>Liabilities and Net Assets</b>	
Current liabilities	
Credit card payable	\$ 2,444
<hr/>	
Total liabilities	2,444
Net assets	
Without donor restrictions	14,250,179
<hr/>	
Total net assets	14,250,179
<hr/>	
<b>Total liabilities and net assets</b>	<b>\$ 14,252,623</b>
<hr/> <hr/>	

*The accompanying notes are an integral part of these financial statements.*

**National Peanut Board**  
**Statement of Revenues, Expenditures and**  
**Changes in Net Assets – Modified Cash Basis**

<i>For the year ended October 31, 2024</i>	Current Budget Year	All Other Budget Years	Total
<b>Revenue and Other Support</b>			
Assessments	\$ 10,330,480	\$ 155,670	\$ 10,486,150
Interest income	546,022	-	546,022
Other income	7,463	194	7,657
<b>Total revenue and other support</b>	<b>10,883,965</b>	<b>155,864</b>	<b>11,039,829</b>
<b>Expenditures</b>			
<i>Program expenditures</i>			
Promotion and market development			
Domestic promotion program	5,457,885	1,484,242	6,942,127
Export promotion program	425,707	13,788	439,495
Grower communications	550,074	66,584	616,658
Allergy research	122,072	108,594	230,666
<b>Total promotion and market development</b>	<b>6,555,738</b>	<b>1,673,208</b>	<b>8,228,946</b>
Production research	564,661	2,078,815	2,643,476
<b>Total program expenditures</b>	<b>7,120,399</b>	<b>3,752,023</b>	<b>10,872,422</b>
<i>Administrative expenditures</i>			
Administrative - office	686,593	54,953	741,546
Administrative - board	134,012	16,620	150,632
<b>Total administrative expenditures</b>	<b>820,605</b>	<b>71,573</b>	<b>892,178</b>
<i>Other expenditures</i>			
AMS expenditures	133,390	-	133,390
Program evaluation	39,000	-	39,000
<b>Total other expenditures</b>	<b>172,390</b>	<b>-</b>	<b>172,390</b>
<b>Total expenditures</b>	<b>8,113,394</b>	<b>3,823,596</b>	<b>11,936,990</b>
Change in net assets	2,770,571	(3,667,732)	(897,161)
Net assets at beginning of year	-	-	15,147,340
<b>Net assets at end of year</b>	<b>\$ 2,770,571</b>	<b>\$ (3,667,732)</b>	<b>\$ 14,250,179</b>

*The accompanying notes are an integral part of these financial statements.*

**National Peanut Board**  
**Statement of Functional Expenses - Modified Cash Basis**

For the year ended October 31, 2024

	Program Services						Administrative Expenditures		Other Expenditures		Total
	Domestic Promotions	Export Promotions	Grower Communications	Allergy Research	Production Research	Programs Subtotal	Office	Board	AMS Expenditures	Program Evaluation	
Salaries	\$ 645,974	\$ 38,263	\$ 225,983	\$ -	\$ -	\$ 910,220	\$ 345,193	\$ -	\$ -	\$ -	\$ 1,255,413
Payroll taxes and benefits	95,089	5,614	40,883	-	-	141,586	90,372	-	-	-	231,958
Travel	242,088	70,371	57,924	-	-	370,383	26,909	146,810	-	-	544,102
Telephone	3,424	195	289	-	-	3,908	397	-	-	-	4,305
Promotional expense	44,868	-	41,870	-	-	86,738	-	-	-	-	86,738
Postage and printing	17,129	-	13,132	-	-	30,261	410	-	-	-	30,671
Website	17,755	-	-	-	-	17,755	-	-	-	-	17,755
Office expense	5,029	-	425	-	-	5,454	56,348	-	-	-	61,802
Professional fees	5,832,645	325,052	223,443	-	-	6,381,140	124,949	-	-	-	6,506,089
Research	-	-	-	230,666	2,643,476	2,874,142	-	-	-	-	2,874,142
Insurance	-	-	-	-	-	-	14,217	-	-	-	14,217
Rent	38,126	-	12,709	-	-	50,835	80,103	-	-	-	130,938
USDA expenditures	-	-	-	-	-	-	-	-	133,390	-	133,390
Other	-	-	-	-	-	-	2,648	3,822	-	39,000	45,470
<b>Total</b>	<b>\$ 6,942,127</b>	<b>\$ 439,495</b>	<b>\$ 616,658</b>	<b>\$ 230,666</b>	<b>\$ 2,643,476</b>	<b>\$ 10,872,422</b>	<b>\$ 741,546</b>	<b>\$ 150,632</b>	<b>\$ 133,390</b>	<b>\$ 39,000</b>	<b>\$ 11,936,990</b>

The accompanying notes are an integral part of these financial statements.

**National Peanut Board**  
**Statement of Cash Flows - Modified Cash Basis**

<i>For the year ended October 31,</i>	<i>2024</i>
<hr/>	
<b>Operating Activities</b>	
Change in net assets	\$ (897,161)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Changes in operating assets and liabilities	
Other current assets	805
Credit card payable	(23,430)
<hr/>	
Net cash provided by (used in) operating activities	(919,786)
<b>Investing Activities</b>	
Proceeds from maturity of investments	6,107,946
Purchase of investments	(9,148,316)
<hr/>	
Net cash provided by (used in) investing activities	(3,040,370)
<hr/>	
Net change in cash and cash equivalents	(3,960,156)
Cash and cash equivalents, at beginning of year	9,155,816
<hr/>	
Cash and cash equivalents, at end of year	<u>\$ 5,195,660</u>

*The accompanying notes are an integral part of these financial statements.*

## National Peanut Board Notes to Financial Statements

### Note 1: DESCRIPTION OF THE ORGANIZATION

The National Peanut Board (the Board) was established on July 31, 1999, pursuant to the Commodity Promotion, Research, and Information Act of 1996 (7 U.S.C. 7401-7425, the Act) and began operating upon the enactment of the Peanut Promotion, Research, and Information Order (7 CFR Part 1216, the Order) subsequent to the peanut producers voting in favor of the program in a national referendum.

The purpose of the Board is to establish an effective and coordinated program of research, promotion, and consumer education designed to strengthen the position of the peanut industry in the marketplace and maintain, develop, and expand markets for peanuts.

As stipulated by the Act, the Secretary of Agriculture must conduct a referendum every five years to determine if the peanut producers favor the continuation or termination of the Order. A fifth reaffirmation occurred during 2024, and the peanut producers voted at that time to continue the Peanut Promotion, Research, and Information Order.

The National Peanut Board is governed by the Agricultural Marketing Service (AMS) Agency of the United States Department of Agriculture (USDA). In January 2020, AMS issued revised Guidelines for Financial Audits, which are applicable to all research and promotion boards governed by AMS under the Specialty Crops Program. These financial statements are prepared in accordance with these guidelines.

The National Peanut Board provides monetary sponsorship and resources to the American Peanut Council (APC). In addition, six Board members serve on the APC board that approves the Peanut Industry's United Export Strategy, and three Board members serve on the APC Export Committee that directs and implements that strategy. The American Peanut Council is a cooperator with the Foreign Agriculture Service of the USDA. For the year ended October 31, 2024, the Board sponsorship to the APC was \$300,000 with an additional resource support of \$125,707. These expenditures are included in the export promotion development line of the statement of revenues, expenditures and changes in net assets – modified cash basis.

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***Basis of Accounting***

The Board maintains its accounting records and presents its financial statements on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, revenues are recognized as collected. Expenses are recognized when paid. Accounts receivable, right-of-use assets, accounts payable, lease liabilities, and accrued expenses are not reported under this basis. The Board records investments at cost, records fixed assets and depreciation expense, and credit card payable.

#### ***Budget Basis of Accounting***

The Board's annual budget is also prepared on the modified cash basis of accounting, except for the following:

- Capital expenditures are treated as administrative expenditures for budget purposes and depreciation is not included.
- Specific collections and disbursements occurring in subsequent periods are recognized.

## National Peanut Board Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Use of Estimates*

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to useful lives of depreciable assets and the allocation of functional expenses.

#### *Cash and Cash Equivalents*

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

#### *Investments*

The Board is required to follow the AMS investment policy. Accordingly, the Board is authorized to invest in securities consisting of obligations issued or fully insured or guaranteed by the U.S. or any U.S. government agency, including obligations of government-sponsored corporations, and must mature within two years or less. The Board reports investments at their cost in the statement of assets, liabilities, and net assets – modified cash basis. Total investments at costs at October 31, 2024, was \$9,048,693. Under the modified cash basis of accounting, investment income is recorded when cash is received. No unrealized gains or losses are included in the statement of revenues, expenditures and changes in net assets – modified cash basis.

#### *Property and Equipment*

All acquisitions of property and equipment in excess of \$10,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lines of the assets. The estimated useful life of furniture, fixtures and equipment is five years. All assets have been fully depreciated since October 31, 2011.

#### *Net Assets*

The Board reports information regarding its assets, liabilities, and net assets and revenues, expenditures and changes in net assets according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Board, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The Board has designated, from net assets without donor restrictions, net assets for contingencies, state research programs, allergy research programs and genomics and other research funding as of October 31, 2024.

## National Peanut Board Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Net Assets (continued)***

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. The Board had no net assets with donor restrictions as of October 31, 2024.

#### ***Revenue Recognition***

Revenues are recognized when received in accordance with the modified cash basis of accounting. Assessment revenue is generated by a mandatory assessment of farmers' stock peanuts sold. For Segregation 1 peanuts the rate is \$3.55 per ton sold. For Segregation 2 and 3 peanuts the rate is \$1.25 per ton sold. For producers who have not placed peanuts in the government Marketing Assistance Loan (MAL) program, the first handlers collect the assessments from the producers and remit them to the Board. For producers who placed peanuts in the government MAL program, the USDA or its agent collects and remits the assessment to the Board. Approximately 79% of assessment collections for Crop Year 23 were remitted by the USDA and the other 21% were remitted by first handlers.

#### ***Functional Allocation of Expenses***

The costs of providing the various programs and other activities are summarized on a functional basis in the statement of revenues, expenditures, and changes in net assets – modified cash basis. The statement of functional expenses – modified cash basis present the natural classification detail of expenses by function.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses reported by the Board are directly attributed to the program benefited.

#### ***Program Expenditures***

Program expenditures include payments to subcontractors in conjunction with the Board's research, promotion, and consumer education projects. Additionally, a portion of the Board's expenses, salaries and wages, payroll taxes and worker's compensation, employee insurance and benefits, employee benefit plan contributions and office expenditures are recorded as program expenditures.

**National Peanut Board**  
**Notes to Financial Statements**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Marketing and Advertising Costs***

The Board recognizes advertising costs as paid in the statement of functional expenses – modified cash basis. For the year ended October 31, 2024, the Board paid approximately \$3,650,000 for advertising and promotion and is included in promotional expense and professional fees on the statement of functional expenses – modified cash basis.

***Income Taxes***

The Board is considered an instrumentality of the U.S. Department of Agriculture. As such, the Office of Chief Counsel of the Internal Revenue Service has ruled that organizations such as the Board are not subject to federal income taxation and are generally exempt from other forms of taxation such as state income taxes, personal and real property taxes, and sales taxes.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 17, 2025, and determined there were no events that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

The Board maintains its financial assets primarily in cash and cash equivalents and investments to provide liquidity to ensure funds are available as the Board’s expenditures come due. The following reflects the Board’s financial assets as of the statement of assets, liabilities and net assets, reduced by amounts not available for general use within one year of the statement of assets, liabilities and net assets – modified cash basis date, because of contractual, board designated, or donor-imposed restrictions.

<u>October 31,</u>	<u>2024</u>
Total assets at year end	\$ 14,252,623
Less non-financial assets	
Other assets	(8,270)
<hr/>	
Financial assets at year-end	14,244,353
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	
Board designations	(6,341,937)
<hr/>	
Financial assets available to meet cash needs for general expenditures within one year	\$ 7,902,416
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The Board is principally supported by assessments collected on peanuts produced throughout the United States of America. The Board may choose to remove the designations of net assets when necessary.

**National Peanut Board**  
**Notes to Financial Statements**

**Note 4: NET ASSETS**

A summary of net assets without donor restrictions consists of the following:

<i>October 31,</i>	2024
Undesignated	\$ 7,908,242
Designated	
Contingencies	1,400,000
State research programs	3,768,391
Allergy research programs	1,041,477
Genomics and other research funding	132,069
Total designated	6,341,937
Total net assets without donor restrictions	\$ 14,250,179

**Note 5: RELATED PARTIES**

Under the provisions of the Act and the Order, the Board is required to pay the USDA for certain administrative and monitoring costs which are recorded as AMS expenditures totaling \$133,390 for the year ended October 31, 2024.

**Note 6: DEFINED CONTRIBUTION PLAN**

On January 1, 2008, the Board adopted a Safe Harbor 401(k) plan for the Board’s employees who have attained 90 days of service. The Board contributes a match up to 4% of each eligible employee’s annual compensation, which will vest immediately. Matching contributions to the plan totaled \$45,942 for the year ended October 31, 2024.

**Note 7: CONCENTRATIONS**

At October 31, 2024, the Board’s bank balances, including certificates of deposit, totaled \$5,250,481. Balances at respective banks were covered by federal depository insurance up to \$250,000 with each bank including amounts held under an Insured Cash Sweep (ICS) service.

**Note 8: COMMITMENTS**

The Board has entered into various funding agreements and contracts with various vendors and contractors during the year ended October 31, 2024, in order to carry out the Board’s activities.

The Board leases certain office equipment and office space accounted for as operating leases. The leases expire in various years through 2032.

**National Peanut Board**  
**Notes to Financial Statements**

**Note 8: COMMITMENTS (Continued)**

Minimum lease payments under noncancellable operating leases are as follows:

*For the years ending October 31,*

2025	\$ 131,926
2026	135,182
2027	138,520
2028	141,942
2029	143,788
Thereafter	401,363
<hr/>	
Total future minimum lease payments	<u>\$ 1,092,721</u>

Rent expense for the year ended October 31, 2024, was \$130,938.



# SUPPLEMENTARY INFORMATION





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## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Governing Board of the  
National Peanut Board

We have audited the financial statements of the National Peanut Board as of and for the year ended October 31, 2024, and have issued our report thereon dated March 17, 2025, which contained an unmodified opinion of those financial statements, and appears on page one. The financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented on pages 15 through 21 is presented for purposes of additional analysis and is not a required part of the basic 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.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, L.L.C.

Atlanta, Georgia  
March 17, 2025

**National Peanut Board**  
**Schedule of Revenues and Expenditures Actual**  
**Compared to Budget - Budget Basis**

<i>For the year ended October 31, 2024</i>	Current Year Budget	Expended Current Year Actual	Actual Over (Under) Budget
<b>Revenues</b>			
Assessments	\$ 10,800,000	\$ 10,330,480	\$ (469,520)
Expense savings	1,900,000	-	(1,900,000)
Interest income	200,000	546,022	346,022
Other income	-	7,463	7,463
<b>Total revenues</b>	<b>12,900,000</b>	<b>10,883,965</b>	<b>(2,016,035)</b>
<b>Expenditures</b>			
Program expenditures	11,731,000	7,120,399	(4,610,601)
Administrative expenditures	927,000	820,605	(106,395)
<b>Total program and administrative expenditures</b>	<b>12,658,000</b>	<b>7,941,004</b>	<b>(4,716,996)</b>
Other expenditures			
AMS - USDA oversight	200,000	133,390	(66,610)
5 year ROI program evaluation	42,000	39,000	(3,000)
<b>Total other expenditures</b>	<b>242,000</b>	<b>172,390</b>	<b>(69,610)</b>
<b>Total expenditures</b>	<b>12,900,000</b>	<b>8,113,394</b>	<b>(4,786,606)</b>
<b>Excess of revenues over expenditures - budget basis</b>	<b>\$ -</b>	<b>\$ 2,770,571</b>	<b>\$ 2,770,571</b>

**National Peanut Board**  
**Schedule of Program Expenditures Actual**  
**Compared to Budget - Budget Basis**

<i>For the year ended October 31, 2024</i>	Current Year Budget	Expended Current Year Actual	Actual Over (Under) Budget
<b>Program Expenditures</b>			
Domestic promotion program:			
Marketing and advertising	\$ 2,915,000	\$ 1,772,276	\$ (1,142,724)
Reputation management	1,570,000	1,097,140	(472,860)
NPB Marketing	1,107,372	918,631	(188,741)
NPB Reputation Management	640,474	470,830	(169,644)
Allergy/Nutrition research	444,750	122,072	(322,678)
Measurement	305,000	232,704	(72,296)
Program management	1,236,000	966,304	(269,696)
<b>Total domestic promotion program</b>	<b>8,218,596</b>	<b>5,579,957</b>	<b>(2,638,639)</b>
Export promotion development:			
APC - UES	300,000	300,000	-
Program management	168,000	125,707	(42,293)
<b>Total export promotion development</b>	<b>468,000</b>	<b>425,707</b>	<b>(42,293)</b>
Grower communications:			
Industry meeting support	10,000	9,750	(250)
Peanut institute	5,000	5,000	-
Peanut profitability award	10,000	10,000	-
Peanut Proud	10,000	-	(10,000)
Quarterly newsletter	35,000	18,659	(16,341)
State and industry meeting support	11,000	10,000	(1,000)
State co-promo and trade advertising	77,000	30,000	(47,000)
Peanut industry trade ads	62,000	57,225	(4,775)
Peanut industry outreach	12,000	9,769	(2,231)
Diversity outreach	32,000	33,303	1,303
State organization marketing support	5,000	4,295	(705)
Field to market membership	5,000	5,000	-
Program management	420,000	357,073	(62,927)
<b>Total grower communications</b>	<b>694,000</b>	<b>550,074</b>	<b>(143,926)</b>
Production research	1,843,404	175,389	(1,668,015)
Germplasm funding	7,000	-	(7,000)
Replacement wild species	15,000	4,272	(10,728)
NIFA/Other research	250,000	250,000	-
TPRF Precision Breeding Phase II	200,000	100,000	(100,000)
Sustainability support	35,000	35,000	-
<b>Total program expenditures - budget basis</b>	<b>\$ 11,731,000</b>	<b>\$ 7,120,399</b>	<b>\$ (4,610,601)</b>

**National Peanut Board**  
**Schedule of Administrative Expenditures Actual**  
**Compared to Budget - Budget Basis**

<i>For the year ended October 31, 2024</i>	Current Year Budget	Expended Current Year Actual	Actual Over (Under) Budget
<b>Administrative expenditures:</b>			
Salaries, benefits, and payroll taxes	\$ 393,000	\$ 359,682	\$ (33,318)
Accounting/audit	54,000	40,000	(14,000)
Insurance	20,000	16,556	(3,444)
Other administrative	150,000	137,241	(12,759)
Legal	50,000	56,861	6,861
Rent	80,000	76,253	(3,747)
Board meetings expense	180,000	134,012	(45,988)
<b>Total administrative expenditures - budget basis</b>	<b>\$ 927,000</b>	<b>\$ 820,605</b>	<b>\$ (106,395)</b>
<b>Other expenses:</b>			
AMS oversight	\$ 200,000	\$ 133,390	\$ (66,610)
5 year ROI prog eval	42,000	39,000	(3,000)
<b>Total other expenditures - modified cash basis</b>	<b>\$ 242,000</b>	<b>\$ 172,390</b>	<b>\$ (69,610)</b>

**National Peanut Board**  
**Schedule of Program Expenditures Current Year**  
**Compared to Prior Year - Budget Basis**

<i>For the years ended October 31,</i>	<b>Expended 2024</b>	Expended 2023	Increase (Decrease)
<b>Program Expenditures</b>			
Domestic promotion program:			
Marketing and advertising	\$ 1,772,276	\$ 1,772,507	\$ (231)
Reputation management	1,097,140	913,574	183,566
NPB Marketing	918,631	1,184,775	(266,144)
NPB Reputation Management	470,830	593,208	(122,378)
Allergy/nutrition research	122,072	124,775	(2,703)
Measurement	232,704	153,867	78,837
Program management	966,304	880,949	85,355
<b>Total domestic promotion program</b>	<b>5,579,957</b>	5,623,655	(43,698)
Export promotion development:			
APC - UES	300,000	300,000	-
Export support	-	49,686	(49,686)
Program management	125,707	99,557	26,150
<b>Total export promotion development</b>	<b>425,707</b>	449,243	(23,536)
Grower communications:			
Industry meeting support	9,750	7,550	2,200
Peanut institute	5,000	5,000	-
Peanut profitability award	10,000	10,000	-
Peanut Proud	-	10,000	(10,000)
Quarterly newsletter	18,659	35,367	(16,708)
State and industry meeting support	10,000	8,000	2,000
State co-promo and trade advertising	30,000	48,000	(18,000)
Peanut industry trade ads	57,225	42,600	14,625
Peanut industry outreach	9,769	5,133	4,636
Diversity outreach	33,303	13,367	19,936
State organization marketing support	4,295	999	3,296
Field to market membership	5,000	-	5,000
Program management	357,073	330,800	26,273
<b>Total grower communications</b>	<b>550,074</b>	516,816	33,258
Production research	175,389	168,637	6,752
Replacement wild species	4,272	-	4,272
NIFA/Other research	250,000	250,000	-
TPRF precision breeding phase II	100,000	200,000	(100,000)
Sustainability support	35,000	35,000	-
<b>Total program expenditures - budget basis</b>	<b>\$ 7,120,399</b>	\$ 7,243,351	\$ (122,952)

**National Peanut Board**  
**Schedule of Administrative Expenditures Current Year**  
**Compared to Prior Year - Budget Basis**

<i>For the years ended October 31,</i>	<b>Expended 2024</b>	Expended 2023	Increase (Decrease)
Administrative expenditures:			
Salaries, benefits, and payroll taxes	\$ 359,682	\$ 330,617	\$ 29,065
Accounting/audit	40,000	32,221	7,779
Insurance	16,556	14,143	2,413
Other administrative	137,241	109,533	27,708
CEO search costs	-	122,496	(122,496)
Legal	56,861	70,554	(13,693)
Rent	76,253	59,025	17,228
Board meetings expense	134,012	118,427	15,585
<b>Total administrative expenditures - budget basis</b>	<b>\$ 820,605</b>	<b>\$ 857,016</b>	<b>\$ (36,411)</b>
Other expenditures:			
USDA expenditures	\$ 133,390	\$ 152,236	\$ (18,846)
5 year program evaluation	39,000	-	39,000
<b>Total other expenditures - budget basis</b>	<b>\$ 172,390</b>	<b>\$ 152,236</b>	<b>\$ 20,154</b>

**National Peanut Board**  
**Schedule of Cash Receipts and Disbursements**  
**Budget Basis – All Budget Years**

<i>For the year ended October 31,</i>	<i>2024</i>
<hr/>	
<b>Receipts</b>	
Assessments	\$ 10,486,150
Interest income	546,022
Other income	8,462
<hr/>	
Total receipts	11,040,634
<b>Disbursements</b>	
Administrative	
Office	764,976
Board	150,632
<hr/>	
Total administrative disbursements	915,608
Program	
Domestic promotion	6,942,127
Export promotion development	439,495
Grower communications	616,658
Allergy research	230,666
<hr/>	
Total promotion and market development disbursements	8,228,946
Production research disbursements	2,643,476
Other disbursements:	
USDA expenditures	133,390
5 year program evaluation	39,000
<hr/>	
Total other disbursements	172,390
<hr/>	
Total disbursements	11,960,420
<hr/>	
Excess (deficit) of receipts over disbursements	(919,786)
Cash and cash equivalents, beginning of year	15,164,139
<hr/>	
Cash and cash equivalents, end of year	\$ 14,244,353
<hr/> <hr/>	

**National Peanut Board**  
**Schedule of Property and Equipment - Modified Cash Basis**

	Date Acquired	Original Cost
<b>Furniture, Fixtures, and Equipment</b>		
Conference table	04/01	\$ 1,069
Cylinder bases (2)	04/01	762
Conference chairs (2)	04/01	1,796
Conference room plasma TV	03/06	2,461
Office furniture	02/06	11,548
Conference table	03/06	6,000
<b>Total furniture, fixtures and equipment</b>		<b>\$ 23,636</b>



# COMPLIANCE REPORT





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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND  
THE STANDARDS OF THE AGRICULTURAL MARKETING SERVICE AGENCY OF  
THE UNITED STATES DEPARTMENT OF AGRICULTURE**

To the Governing Board of the  
National Peanut Board

We have audited, in accordance with the 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, and the standards applicable to financial audits contained in the AMS-USDA Guidelines for AMS Oversight of Commodity Research and Promotion Programs (January 2020), issued by the Agricultural Marketing Service Agency of the United States Department of Agriculture, the financial statements of the National Peanut Board which comprise the Statement of Assets, Liabilities, and Net Assets (modified cash basis) as of October 31, 2024, and the related Statement of Revenues, Expenditures, and Changes in Net Assets (modified cash basis), Statement of Functional Expenses (modified cash basis), and Cash Flows (modified cash basis) for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 17, 2025. The financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**Reporting on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards* and the standards of the Agricultural Marketing Service Agency of the United States Department of Agriculture.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance and the standards of the Agricultural Marketing Service Agency of the United States Department of Agriculture. Accordingly, this communication is not suitable for any other purpose.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, L.L.C.

Atlanta, Georgia  
March 17, 2025



CARR, RIGGS & INGRAM, L.L.C.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL  
CONTROL OVER COMPLIANCE WITH STANDARDS OF THE AGRICULTURAL  
MARKETING SERVICE AGENCY OF THE UNITED STATES  
DEPARTMENT OF AGRICULTURE**

To the Governing Board of the  
National Peanut Board

**Report on Compliance**

We have audited National Peanut Board's compliance with the types of compliance requirements contained in the standards of the Agricultural Marketing Service Agency of the United States Department of Agriculture (AMS-USDA).

**Management's Responsibility**

Management is responsible for compliance with the requirements of the standards of the AMS-USDA, specifically as stated under Opinion on Compliance below.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance based on our audit of the types of compliance requirements referred to below. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the AMS-USDA Guidelines for AMS Oversight of Commodity Research and Promotion Programs (January 2020). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to below that could have a direct and material effect occurred. An audit includes examining, on a test basis, evidence about National Peanut Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of National Peanut Board's compliance.

**Opinion on Compliance**

In our opinion, National Peanut Board complied, in all material respects, with the types of compliance requirements as indicated below.

In connection with our audit, nothing came to our attention, insofar as it relates to accounting matters, that causes us to believe that the National Peanut Board:

- Failed to comply with laws and regulations applicable to the National Peanut Board;
- Expended assessment funds for purposes other than those authorized by the Commodity Promotion, Research and Information Act of 1996 and the Peanut Promotion, Research, and Information Order;
- Expended or obligated funds on any projects prior to the fiscal year of authorization;
- Did not obtain AMS-USDA's approval for all contracts;
- Did not obtain a written contract or agreement with persons or entities providing goods or services to the National Peanut Board, both program and administrative;
- Failed to comply with the Peanut Promotion, Research, and Information Order, relating to the limitations on the types of investments which may be purchased by the National Peanut Board and the insurance or collateral that must be obtained for all National Peanut Board deposits and investments;
- Failed to comply with disclosure requirements for lease commitments;
- Failed to comply with the By-laws of the National Peanut Board or any other policy of the National Peanut Board, specifically as they relate to all financial matters, including time and attendance, and travel;
- Failed to comply with Section 1216.49 of the Peanut Promotion, Research, and Information Order, relating to the use of assessment funds for the purpose of influencing legislation or governmental policy or action;
- Failed to adhere to the AMS investment policy;
- Failed to comply with auditing standards for internal controls over funds;
- Did not use funds only for project and other expenses authorized by the AMS-USDA approved original or amended Budget and Marketing Plan for the year ended October 31, 2024;
- Failed to use funds in accordance with Guidelines for AMS Oversight of Commodity Research and Promotion Programs.

### **Internal Control over Compliance**

Management of National Peanut Board is responsible for establishing and maintaining effective internal control over compliance requirements referred to above. In planning and performing our audit of compliance, we considered National Peanut Board's internal control over compliance to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the standards of the AMS-USDA, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of National Peanut Board's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the AMS-USDA on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the AMS-USDA will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the AMS-USDA that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the standards of the Specialty Crops Program of the AMS-USDA. Accordingly, this report is not suitable for any other purpose.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, L.L.C.

Atlanta, Georgia  
March 17, 2025