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Member  
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To the Board of Directors  
National Association of  
Agricultural Educators, Inc.  
Lexington, Kentucky 40546

I have compiled the accompanying statement of financial position of the National Association of Agricultural Educators, Inc. as of January 31, 2009, the related statement of activities for the one and seven months then ended, and the accompanying supplementary information contained in the Schedule of Actual vs. Budgeted Amounts and Convention Revenue and Expenses, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. I have not audited or reviewed the accompanying financial statements and supplementary schedules and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of functional expenses and cash flows required by generally accepted accounting principles. If the omitted disclosures and statements of functional expenses and cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Stephen D. Schnettler, PLLC*

February 16, 2009

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

January 31, 2009

ASSETS	
Cash on deposit	\$ 85,428
Investments - operating fund	333,136
Investments - life membership fund	68,407
Investments - legislative fund	368
Accounts receivable	144,089
Prepaid expenses	11,810
Property and equipment	<u>14,151</u>
 TOTAL ASSETS	 \$ <u>657,389</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 25,971
Accrued leave payable	18,351
Other current liabilities	<u>5,560</u>
 TOTAL LIABILITIES	 <u>49,882</u>
 NET ASSETS	
Unrestricted net assets:	
Current operation	489,499
Board designated for special purposes	117,068
Temporarily restricted net assets	<u>940</u>
 TOTAL NET ASSETS	 <u>607,507</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u>657,389</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Seven Months Ended January 31, 2009

	Unrestricted			
	Current Operations	Board Designated	Temporarily Restricted	Total
Revenue, Gains and Losses				
Membership dues	\$ 347,666	\$ 1,860	\$ -	\$ 349,526
Convention registration	76,751	-	-	76,751
Sponsorship and awards	23,950	-	-	23,950
Merchandise sales	5,412	-	-	5,412
Contributions	-	-	940	940
Management fees	3,600	-	-	3,600
Net realized and unrealized gains (losses) on securities	(173,785)	-	-	(173,785)
Interest and dividends	6,356	-	-	6,356
FFA Foundation projects	112,281	-	-	112,281
Other income	53,483	-	-	53,483
	455,714	1,860	940	458,514
Total Revenue, Gains and Losses				
Net Assets Released from Restrictions	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	455,714	1,860	940	458,514
Expenses				
General expenses	333,032	-	-	333,032
FFA Foundation projects	121,983	-	-	121,983
Convention expenses	76,578	-	-	76,578
	531,593	-	-	531,593
Total expenses				
INCREASE (DECREASE) IN NET ASSETS	(75,879)	1,860	940	(73,079)
NET ASSETS AT BEGINNING OF PERIOD	565,378	115,208	-	680,586
NET ASSETS AT END OF PERIOD	\$ 489,499	\$ 117,068	\$ 940	\$ 607,507

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Seven Months Ended January 31, 2009

	MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	\$VARIANCE	SEVEN MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
<b>REVENUE</b>						
Member dues	\$ 27,445	\$ 31,524	\$ (4,079)	\$ 336,776	\$ 378,290	\$ (41,514)
Corporate membership dues	3,000	2,375	625	12,750	28,500	(15,750)
FL. Dept. of Citrus, freshman scholars	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	3,600	-	3,600	3,600	-	3,600
MBNA affinity credit card program	-	58	(58)	337	700	(363)
Toyota vehicle lease management fee	2,982	466	2,516	2,982	5,590	(2,608)
Interest and dividends	1,229	1,667	(438)	5,408	20,000	(14,592)
Net realized and unrealized gains (losses) on securities	(21,130)	-	(21,130)	(173,785)	-	(173,785)
Merchandise sales	46	500	(454)	5,412	6,000	(588)
Investment income, Life Fund	33	208	(175)	948	2,500	(1,552)
Contributions, Legislative Fund	-	-	-	940	-	940
Miscellaneous income	-	167	(167)	1,200	2,000	(800)
Pioneer Leadership Academy	-	-	-	-	-	-
Teacher crisis fund	-	-	-	371	-	371
Webinar revenue	-	833	(833)	5,282	10,000	(4,718)
Hurricane relief	970	-	970	1,300	-	1,300
FFA Foundation project - TTTK	873	4,658	(3,785)	58,315	55,900	2,415
FFA Foundation project - OPAP	1,150	1,075	75	12,032	12,900	(868)
FFA Foundation project - OMSP	1,621	1,250	371	12,121	15,000	(2,879)
FFA Foundation project - OT	1,000	1,075	(75)	14,067	12,900	1,167
FFA Foundation project - OYM	-	1,075	(1,075)	11,705	12,900	(1,195)
FFA Foundation project - nursery/landscape	-	342	(342)	4,041	4,100	(59)
Convention net income	111,799	6,049	105,750	66,134	62,587	3,547
<b>TOTAL REVENUE</b>	<b>134,618</b>	<b>53,947</b>	<b>80,671</b>	<b>381,936</b>	<b>637,367</b>	<b>(255,431)</b>
<b>EXPENSES</b>						
Salaries	18,604	18,631	(27)	130,767	223,568	(92,801)
Taxes and benefits	3,889	4,522	(633)	25,149	54,267	(29,118)
Computer service	-	125	(125)	732	1,500	(768)
Telephone	281	333	(52)	2,406	4,000	(1,594)
Accounting	450	1,000	(550)	9,650	12,000	(2,350)
Depreciation	591	458	133	3,697	5,500	(1,803)
Rent	-	625	(625)	7,500	7,500	-
Insurance	692	500	192	2,217	6,000	(3,783)
Legal	-	167	(167)	-	2,000	(2,000)
Office Supplies	154	417	(263)	3,397	5,000	(1,603)
Bank charges and investment fees	-	8	(8)	254	100	154
Printing, general	684	500	184	2,382	6,000	(3,618)
Staff training	-	83	(83)	75	1,000	(925)
Taxes and licenses	-	13	(13)	-	150	(150)
Membership and contributions	262	1,250	(988)	9,527	15,000	(5,473)
Travel, staff	50	1,856	(1,806)	15,772	22,275	(6,503)
Promotion and marketing	833	1,500	(667)	23,243	18,000	5,243
Merchandise and diaries	887	500	387	9,717	6,000	3,717
Photocopying	-	21	(21)	63	250	(187)
Postage, News & Views Mailings	-	-	-	-	-	-
Postage, general	315	333	(18)	2,507	4,000	(1,493)
Professional liability insurance	-	3,079	(3,079)	36,895	36,945	(50)
Public relations	-	83	(83)	98	1,000	(902)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, special project	-	83	(83)	-	1,000	(1,000)
Travel, regional secretaries	370	713	(343)	9,165	8,550	615
Travel, board of directors	179	3,083	(2,904)	18,851	37,000	(18,149)
Board operations	-	-	-	-	-	-
Pioneer Leadership Academy	-	-	-	-	-	-
FFA Foundation project - TTTK	4,043	4,658	(615)	69,687	55,900	13,787
FFA Foundation project - OPAP	-	1,075	(1,075)	11,299	12,900	(1,601)
FFA Foundation project - OMSP	-	1,250	(1,250)	11,883	15,000	(3,117)
FFA Foundation project - OT	927	1,075	(148)	13,994	12,900	1,094
FFA Foundation project - OYM	-	1,075	(1,075)	11,870	12,900	(1,030)
FFA Foundation project - nursery/landscape	-	342	(342)	3,250	4,100	(850)
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	99	833	(734)	2,508	10,000	(7,492)
Communities of practice expense	-	167	(167)	3,960	2,000	1,960
Toyota lease management expense	-	-	-	250	-	250
Teacher crisis fund	-	-	-	1,000	-	1,000
Miscellaneous	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>33,310</b>	<b>51,650</b>	<b>(18,340)</b>	<b>455,015</b>	<b>619,805</b>	<b>(164,790)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 101,308</b>	<b>\$ 2,297</b>	<b>\$ 99,011</b>	<b>\$ (73,079)</b>	<b>\$ 17,562</b>	<b>\$ (90,641)</b>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Schedule of Convention Revenue and Expenses  
For the One and Seven Months Ended January 31, 2009

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>SVARIANCE</u>	YEAR TO DATE SEVEN MONTHS <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>SVARIANCE</u>
<b>REVENUE</b>						
Convention, registration	\$ 74,321	\$ 8,693	\$ 65,628	\$ 76,751	\$ 104,315	\$ (27,564)
Convention, tickets/workshops	-	-	-	1,215	-	1,215
Convention, trade show	-	-	-	300	-	300
Convention - Ideas Unlimited	-	-	-	5,000	-	5,000
Convention - Teacher Mentor	-	-	-	5,000	-	5,000
Convention scholarship fund	-	-	-	2,146	-	2,146
Convention, sponsorships - FFA Foundation	19,926	2,083	17,843	19,926	25,000	(5,074)
Convention, host state social	-	-	-	8,424	-	8,424
Convention, sponsorships	-	1,667	(1,667)	23,950	20,000	3,950
<b>TOTAL REVENUE</b>	<u>94,247</u>	<u>12,443</u>	<u>81,804</u>	<u>142,712</u>	<u>149,315</u>	<u>(6,603)</u>
<b>EXPENSES</b>						
Convention, plaques and trophies	-	208	(208)	3,841	2,500	1,341
Convention, printing	-	117	(117)	3,847	1,400	2,447
Conventions, miscellaneous	-	23	(23)	-	278	(278)
Convention, awards	-	-	-	10,370	10,000	370
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention, photography	28	-	28	28	-	28
Conventions, meal functions	(14,981)	1,000	(15,981)	30,249	12,000	18,249
Convention, promotion and marketing	-	125	(125)	1,840	1,500	340
Convention, postage and shipping	-	250	(250)	658	3,000	(2,342)
Convention, equipment rental	(2,000)	417	(2,417)	5,971	5,000	971
Convention, workshops	-	-	-	564	-	564
Convention, host state social	-	-	-	1,300	-	1,300
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	702	-	702
Convention, committee expense	-	88	(88)	1,228	1,050	178
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	1,022	25,000	(23,978)
Convention, travel/board of directors	-	1,167	(1,167)	8,007	14,000	(5,993)
Convention, staff travel	-	833	(833)	6,459	10,000	(3,541)
Convention, other travel	(599)	83	(682)	492	1,000	(508)
<b>TOTAL EXPENSES</b>	<u>(17,552)</u>	<u>6,394</u>	<u>(23,946)</u>	<u>76,578</u>	<u>86,728</u>	<u>(10,150)</u>
<b>NET INCOME (LOSS)</b>	<u>\$ 111,799</u>	<u>\$ 6,049</u>	<u>\$ 105,750</u>	<u>\$ 66,134</u>	<u>\$ 62,587</u>	<u>\$ 3,547</u>

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