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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 February 28, 2009, the related statement of activities for the one and eight 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*

March 23, 2009

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

February 28, 2009

ASSETS	
Cash on deposit	\$ 173,747
Investments - operating fund	314,162
Investments - life membership fund	65,021
Investments - legislative fund	368
Accounts receivable	50,029
Prepaid expenses	10,788
Property and equipment	<u>13,559</u>
TOTAL ASSETS	<u>\$ 627,674</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 32,194
Accrued leave payable	18,351
Other current liabilities	<u>4,736</u>
TOTAL LIABILITIES	<u>55,281</u>
NET ASSETS	
Unrestricted net assets:	
Current operation	454,365
Board designated for special purposes	117,068
Temporarily restricted net assets	<u>960</u>
TOTAL NET ASSETS	<u>572,393</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 627,674</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Eight Months Ended February 28, 2009

	<u>Unrestricted</u>			
	<u>Current</u>	<u>Board</u>	<u>Temporarily</u>	<u>Total</u>
	<u>Operations</u>	<u>Designated</u>	<u>Restricted</u>	
Revenue, Gains and Losses				
Membership dues	\$ 377,281	\$ 1,860	\$ -	\$ 379,141
Convention registration	76,751	-	-	76,751
Sponsorship and awards	23,950	-	-	23,950
Merchandise sales	5,531	-	-	5,531
Contributions	-	-	960	960
Management fees	3,600	-	-	3,600
Net realized and unrealized				
gains (losses) on securities	(196,664)	-	-	(196,664)
Interest and dividends	6,882	-	-	6,882
FFA Foundation projects	112,281	-	-	112,281
Other income	<u>57,896</u>	<u>-</u>	<u>-</u>	<u>57,896</u>
 Total Revenue, Gains and Losses	 467,508	 1,860	 960	 470,328
 Net Assets Released from Restrictions	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total Revenue, Gains and Losses and Reclassifications	 <u>467,508</u>	 <u>1,860</u>	 <u>960</u>	 <u>470,328</u>
 Expenses				
General expenses	365,911	-	-	365,911
FFA Foundation projects	128,908	-	-	128,908
Convention expenses	<u>83,702</u>	<u>-</u>	<u>-</u>	<u>83,702</u>
 Total expenses	 <u>578,521</u>	 <u>-</u>	 <u>-</u>	 <u>578,521</u>
 INCREASE (DECREASE) IN NET ASSETS	 (111,013)	 1,860	 960	 (108,193)
 NET ASSETS AT BEGINNING OF PERIOD	 <u>565,378</u>	 <u>115,208</u>	 <u>-</u>	 <u>680,586</u>
 NET ASSETS AT END OF PERIOD	 <u>\$ 454,365</u>	 <u>\$ 117,068</u>	 <u>\$ 960</u>	 <u>\$ 572,393</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Eight Months Ended February 28, 2009

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	VARIANCE	EIGHT MONTHS	BUDGET	VARIANCE
<b>REVENUE</b>						
Member dues	\$ 25,115	\$ 31,524	\$ (6,409)	\$ 361,891	\$ 378,290	\$ (16,399)
Corporate membership dues	3,750	2,375	1,375	17,250	28,500	(11,250)
FL. Dept. of Citrus, freshman scholars	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	3,600	-	3,600
MBNA affinity credit card program	313	58	255	650	700	(50)
Toyota vehicle lease management fee	-	466	(466)	2,982	5,590	(2,608)
Interest and dividends	441	1,667	(1,226)	5,845	20,000	(14,155)
Net realized and unrealized gains (losses) on securities	(22,879)	-	(22,879)	(196,664)	-	(196,664)
Merchandise sales	119	500	(381)	5,531	6,000	(469)
Investment income, Life Fund	89	208	(119)	1,037	2,500	(1,463)
Contributions, Legislative Fund	20	-	20	960	-	960
Miscellaneous income	-	167	(167)	1,200	2,000	(800)
Pioneer Leadership Academy	-	-	-	-	-	-
Teacher crisis fund	-	-	-	371	-	371
Webinar revenue	-	833	(833)	9,382	10,000	(618)
Hurricane relief	-	-	-	1,300	-	1,300
FFA Foundation project - TTTK	-	4,658	(4,658)	58,315	55,900	2,415
FFA Foundation project - OPAP	-	1,075	(1,075)	12,032	12,900	(868)
FFA Foundation project - OMSP	-	1,250	(1,250)	12,121	15,000	(2,879)
FFA Foundation project - OT	-	1,075	(1,075)	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	(7,124)	6,049	(13,173)	59,010	62,587	(3,577)
<b>TOTAL REVENUE</b>	<b>(156)</b>	<b>53,947</b>	<b>(54,103)</b>	<b>386,626</b>	<b>637,367</b>	<b>(250,741)</b>
<b>EXPENSES</b>						
Salaries	18,573	18,631	(58)	149,378	223,568	(74,190)
Taxes and benefits	4,640	4,522	118	29,789	54,267	(24,478)
Computer service	100	125	(25)	832	1,500	(668)
Telephone	293	333	(40)	2,700	4,000	(1,300)
Accounting	450	1,000	(550)	10,100	12,000	(1,900)
Depreciation	591	458	133	4,288	5,500	(1,212)
Rent	-	625	(625)	7,500	7,500	-
Insurance	2,452	500	1,952	4,669	6,000	(1,331)
Legal	-	167	(167)	-	2,000	(2,000)
Office Supplies	476	417	59	3,831	5,000	(1,169)
Bank charges and investment fees	-	8	(8)	254	100	154
Printing, general	-	500	(500)	2,382	6,000	(3,618)
Staff training	63	83	(20)	138	1,000	(862)
Taxes and licenses	8	13	(5)	8	150	(142)
Membership and contributions	419	1,250	(831)	9,945	15,000	(5,055)
Travel, staff	932	1,856	(924)	16,705	22,275	(5,570)
Promotion and marketing	1,633	1,500	133	24,876	18,000	6,876
Merchandise and diaries	-	500	(500)	9,717	6,000	3,717
Photocopying	-	21	(21)	63	250	(187)
Postage, News & Views Mailings	-	-	-	-	-	-
Postage, general	316	333	(17)	2,823	4,000	(1,177)
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	-	713	(713)	9,165	8,550	615
Travel, board of directors	5,836	3,083	2,753	24,688	37,000	(12,312)
Pioneer Leadership Academy	-	-	-	-	-	-
FFA Foundation project - TTTK	6,926	4,658	2,268	76,612	55,900	20,712
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	-	1,075	(1,075)	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)	2,607	10,000	(7,393)
Communities of practice expense	-	167	(167)	3,960	2,000	1,960
Toyota lease management expense	-	-	-	250	-	250
Ag Ed Magazine business manager stipend	(4,000)	-	(4,000)	(4,000)	-	(4,000)
Teacher crisis fund	-	-	-	1,000	-	1,000
Miscellaneous	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>39,807</b>	<b>51,650</b>	<b>(11,843)</b>	<b>494,819</b>	<b>619,805</b>	<b>(124,986)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (39,963)</b>	<b>\$ 2,297</b>	<b>\$ (42,260)</b>	<b>\$ (108,193)</b>	<b>\$ 17,562</b>	<b>\$ (125,755)</b>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Schedule of Convention Revenue and Expenses  
For the One and Eight Months Ended February 28, 2009

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE EIGHT MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
<b>REVENUE</b>						
Convention, registration	\$ -	\$ 8,693	\$ (8,693)	\$ 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	-	2,083	(2,083)	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>	<b>-</b>	<b>12,443</b>	<b>(12,443)</b>	<b>142,712</b>	<b>149,315</b>	<b>(6,603)</b>
<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
Conventions, meal functions	-	1,000	(1,000)	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	-	417	(417)	5,971	5,000	971
Convention, workshops	-	-	-	564	-	564
Convention, host state social	7,124	-	7,124	8,424	-	8,424
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	-	83	(83)	492	1,000	(508)
<b>TOTAL EXPENSES</b>	<b>7,124</b>	<b>6,394</b>	<b>730</b>	<b>83,702</b>	<b>86,728</b>	<b>(3,026)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (7,124)</b>	<b>\$ 6,049</b>	<b>\$ (13,173)</b>	<b>\$ 59,010</b>	<b>\$ 62,587</b>	<b>\$ (3,577)</b>

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