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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 June 30, 2009, the related statement of activities for the one and twelve 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*

August 19, 2009

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

June 30, 2009

ASSETS	
Cash on deposit	\$ 51,262
Investments - operating fund	377,908
Investments - life membership fund	77,452
Investments - legislative fund	368
Accounts receivable	68,793
Prepaid expenses	25,691
Property and equipment	<u>11,194</u>
 TOTAL ASSETS	 <u>\$ 612,668</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 28,046
Accrued leave payable	18,459
Other current liabilities	<u>8,159</u>
 TOTAL LIABILITIES	 <u>54,664</u>
 NET ASSETS	
Unrestricted net assets:	
Current operation	439,776
Board designated for special purposes	117,068
Temporarily restricted net assets	<u>1,160</u>
 TOTAL NET ASSETS	 <u>558,004</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 612,668</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Twelve Months Ended June 30, 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	\$ 417,919	\$ 1,860	\$ -	\$ 419,779
Convention registration	76,751	-	-	76,751
Sponsorship and awards	21,700	-	-	21,700
Merchandise sales	10,335	-	-	10,335
Contributions	-	-	1,160	1,160
Management fees	3,600	-	-	3,600
Net realized and unrealized				
gains (losses) on securities	(123,524)	-	-	(123,524)
Interest and dividends	9,965	-	-	9,965
FFA Foundation projects	119,226	-	-	119,226
Other income	83,736	-	-	83,736
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue, Gains and Losses	619,708	1,860	1,160	622,728
Net Assets Released from Restrictions	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	<hr/>	<hr/>	<hr/>	<hr/>
	619,708	1,860	1,160	622,728
Expenses				
General expenses	524,255	-	-	524,255
FFA Foundation projects	136,603	-	-	136,603
Convention expenses	84,452	-	-	84,452
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	745,310	-	-	745,310
INCREASE (DECREASE) IN NET ASSETS	(125,602)	1,860	1,160	(122,582)
NET ASSETS AT BEGINNING OF PERIOD	<hr/>	<hr/>	<hr/>	<hr/>
	565,378	115,208	-	680,586
NET ASSETS AT END OF PERIOD	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 439,776	\$ 117,068	\$ 1,160	\$ 558,004

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Twelve Months Ended June 30, 2009

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE TWELVE MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
<b>REVENUE</b>						
Member dues	\$ 2,080	\$ 31,524	\$ (29,444)	\$ 391,279	\$ 378,290	\$ 12,989
Corporate membership dues	6,750	2,375	4,375	28,500	28,500	-
Delmar scholarships	-	625	(625)	7,500	7,500	-
Foundation management fees	-	-	-	3,600	-	3,600
MBNA affinity credit card program	-	58	(58)	800	700	100
Toyota vehicle lease management fee	(250)	466	(716)	2,732	5,590	(2,858)
Interest and dividends	2,050	1,667	383	8,716	20,000	(11,284)
Net realized and unrealized gains (losses) on securities	(1,390)	-	(1,390)	(123,524)	-	(123,524)
Merchandise sales	2,689	500	2,189	10,335	6,000	4,335
Investment income, Life Fund	86	208	(122)	1,249	2,500	(1,251)
Contributions, Legislative Fund	-	-	-	1,160	-	1,160
AIM business manager stipend	4,000	-	4,000	4,000	-	4,000
Risk management education	8,124	-	8,124	8,124	-	8,124
Miscellaneous income	-	167	(167)	5,726	2,000	3,726
Teacher crisis fund	1,300	-	1,300	1,681	-	1,681
Webinar revenue	-	833	(833)	9,382	10,000	(618)
Hurricane relief	(1,300)	-	(1,300)	-	-	-
NPS Nat'l Ag Ed leadership dinner	-	-	-	3,280	-	3,280
FFA Foundation project - TTTK	-	4,658	(4,658)	58,315	55,900	2,415
FFA Foundation project - OPAP	1,500	1,075	425	14,443	12,900	1,543
FFA Foundation project - OMSP	1,500	1,250	250	13,621	15,000	(1,379)
FFA Foundation project - OT	1,500	1,075	425	15,567	12,900	2,667
FFA Foundation project - OYM	1,534	1,075	459	13,239	12,900	339
FFA Foundation project - nursery/landscape	-	342	(342)	4,041	4,100	(59)
Convention net income	(4,500)	6,049	(10,549)	54,510	62,587	(8,077)
<b>TOTAL REVENUE</b>	<b>25,673</b>	<b>53,947</b>	<b>(28,274)</b>	<b>538,276</b>	<b>637,367</b>	<b>(99,091)</b>
<b>EXPENSES</b>						
Salaries	14,244	18,631	(4,387)	223,751	223,568	183
Taxes and benefits	3,321	4,522	(1,201)	47,015	54,267	(7,252)
Computer service	761	125	636	1,986	1,500	486
Telephone	308	333	(25)	3,957	4,000	(43)
Accounting	450	1,000	(550)	11,900	12,000	(100)
Depreciation	591	458	133	6,654	5,500	1,154
Rent	-	625	(625)	7,500	7,500	-
Insurance	(252)	500	(752)	5,025	6,000	(975)
Legal	1,445	167	1,278	1,445	2,000	(555)
Office Supplies	358	417	(59)	5,430	5,000	430
Bank charges and investment fees	-	8	(8)	254	100	154
Printing, general	163	500	(337)	5,910	6,000	(90)
Staff training	-	83	(83)	590	1,000	(410)
Taxes and licenses	-	13	(13)	68	150	(82)
Membership and contributions	45	1,250	(1,205)	13,775	15,000	(1,225)
Travel, staff	2,356	1,856	500	25,266	22,275	2,991
Promotion and marketing	2,372	1,500	872	32,186	18,000	14,186
Merchandise and diaries	2,789	500	2,289	16,177	6,000	10,177
Photocopying	-	21	(21)	63	250	(187)
Postage, general	732	333	399	4,493	4,000	493
Professional liability insurance	-	3,079	(3,079)	36,895	36,945	(50)
Public relations	211	83	128	521	1,000	(479)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, special project	-	83	(83)	734	1,000	(266)
Travel, regional secretaries	2,376	713	1,663	11,541	8,550	2,991
Travel, board of directors	7,284	3,083	4,201	35,444	37,000	(1,556)
FFA Foundation project - TTTK	-	4,658	(4,658)	76,612	55,900	20,712
FFA Foundation project - OPAP	1,500	1,075	425	13,710	12,900	810
FFA Foundation project - OMSP	1,500	1,250	250	13,383	15,000	(1,617)
FFA Foundation project - OT	1,500	1,075	425	15,494	12,900	2,594
FFA Foundation project - OYM	2,284	1,075	1,209	14,154	12,900	1,254
FFA Foundation project - nursery/landscape	-	342	(342)	3,250	4,100	(850)
NPS expense	-	667	(667)	6,462	8,000	(1,538)
Webinar expense	99	833	(734)	3,003	10,000	(6,997)
Communities of practice expense	-	167	(167)	3,960	2,000	1,960
Toyota lease management expens	(250)	-	(250)	-	-	-
Ag Ed Magazine business manager stipend	4,000	-	4,000	-	-	-
Teacher crisis fund	-	-	-	1,000	-	1,000
Miscellaneous	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>50,187</b>	<b>51,650</b>	<b>(1,463)</b>	<b>660,858</b>	<b>619,805</b>	<b>41,053</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (24,514)</b>	<b>\$ 2,297</b>	<b>\$ (26,811)</b>	<b>\$ (122,582)</b>	<b>\$ 17,562</b>	<b>\$ (140,144)</b>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Convention Revenue and Expenses

For the One and Twelve Months Ended June 30, 2009

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	\$VARIANCE	TWELVE MONTHS	BUDGET	\$VARIANCE
				ACTUAL		
REVENUE						
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	(1,500)	2,083	(3,583)	18,426	25,000	(6,574)
Convention, host state social	-	-	-	8,424	-	8,424
Convention, sponsorships	(2,250)	1,667	(3,917)	21,700	20,000	1,700
TOTAL REVENUE	(3,750)	12,443	(16,193)	138,962	149,315	(10,353)
EXPENSES						
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	750	-	750	11,120	10,000	1,120
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention, photography	-	-	-	28	-	28
Conventions, meal functions	(17,404)	1,000	(18,404)	12,845	12,000	845
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	-	-	-	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	17,404	2,083	15,321	18,426	25,000	(6,574)
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)
TOTAL EXPENSES	750	6,394	(5,644)	84,452	86,728	(2,276)
NET INCOME (LOSS)	\$ (4,500)	\$ 6,049	\$ (10,549)	\$ 54,510	\$ 62,587	\$ (8,077)

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