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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 October 31, 2009, the related statement of activities for the four 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

November 19, 2009

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

October 31, 2009

ASSETS	
Cash on deposit	\$ 111,303
Investments - operating fund	413,125
Investments - life membership fund	84,270
Investments - legislative fund	368
Accounts receivable	60,008
Prepaid expenses	14,693
Property and equipment	<u>9,027</u>
 TOTAL ASSETS	 <u>\$ 692,794</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 23,228
Accrued leave payable	18,459
Other current liabilities	<u>4,810</u>
 TOTAL LIABILITIES	 <u>46,497</u>
 NET ASSETS	
Unrestricted net assets:	
Current operation	526,289
Board designated for special purposes	118,148
Temporarily restricted net assets	<u>1,860</u>
 TOTAL NET ASSETS	 <u>646,297</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 692,794</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Statement of Activities
For the Four Months Ended October 31, 2009

	<u>Unrestricted</u>			<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>	<u>Temporarily Restricted</u>	
Revenue, Gains and Losses				
Membership dues	\$ 199,665	\$ 1,080	\$ -	\$ 200,745
Convention registration	(3,505)	-	-	(3,505)
Sponsorship and awards	6,700	-	-	6,700
Merchandise sales	3,544	-	-	3,544
Contributions	-	-	700	700
Management fees	-	-	-	-
Net realized and unrealized gains (losses) on securities	41,251	-	-	41,251
Interest and dividends	956	-	-	956
FFA Foundation projects	47,337	-	-	47,337
Other income	37,742	-	-	37,742
Total Revenue, Gains and Losses	333,690	1,080	700	335,470
Net Assets Released from Restrictions	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	333,690	1,080	700	335,470
Expenses				
General expenses	188,103	-	-	188,103
FFA Foundation projects	47,337	-	-	47,337
Convention expenses	11,736	-	-	11,736
Total expenses	247,176	-	-	247,176
INCREASE (DECREASE) IN NET ASSETS	86,514	1,080	700	88,294
NET ASSETS AT BEGINNING OF PERIOD	439,775	117,068	1,160	558,003
NET ASSETS AT END OF PERIOD	\$ 526,289	\$ 118,148	\$ 1,860	\$ 646,297

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the Four Months Ended October 31, 2009

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	SVARIANCE	FOUR MONTHS ACTUAL	BUDGET	SVARIANCE
REVENUE						
Member dues	\$ 44,270	\$ 32,322	\$ 11,948	\$ 191,495	\$ 387,860	\$ (196,365)
Corporate membership dues	1,000	2,688	(1,688)	9,250	32,250	(23,000)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	-	58	(58)	140	700	(560)
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	9	500	(491)	854	6,000	(5,146)
Net realized and unrealized gains (losses) on securities	(10,133)	-	(10,133)	41,251	-	41,251
Merchandise sales	228	708	(480)	3,544	8,500	(4,956)
Investment income, Life Fund	-	125	(125)	102	1,500	(1,398)
Contributions, Legislative Fund	-	-	-	700	-	700
Miscellaneous income	-	167	(167)	-	2,000	(2,000)
National Teach Ag Campaign	4,025	-	4,025	12,095	-	12,095
Teacher crisis fund	-	-	-	141	-	141
Risk management education	-	1,000	(1,000)	14,376	12,000	2,376
Webinar revenue	-	2,083	(2,083)	-	25,000	(25,000)
FFA Foundation project - TTTK	-	4,658	(4,658)	33,083	55,900	(22,817)
FFA Foundation project - OPAP	-	1,075	(1,075)	3,462	12,900	(9,438)
FFA Foundation project - OMSP	-	1,250	(1,250)	3,386	15,000	(11,614)
FFA Foundation project - OT	-	1,075	(1,075)	3,683	12,900	(9,217)
FFA Foundation project - OYM	-	1,075	(1,075)	3,723	12,900	(9,177)
Convention net income	(3,535)	4,563	(8,098)	2,449	44,750	(42,301)
TOTAL REVENUE	35,864	53,972	(18,108)	323,734	637,660	(313,926)
EXPENSES						
Salaries	19,444	18,914	530	79,880	226,962	(147,082)
Taxes and benefits	4,620	4,654	(34)	20,333	55,843	(35,510)
Computer service	-	125	(125)	-	1,500	(1,500)
Telephone	307	333	(26)	1,342	4,000	(2,658)
Accounting	450	1,000	(550)	1,800	12,000	(10,200)
Depreciation	542	583	(41)	2,166	7,000	(4,834)
Rent	-	625	(625)	7,500	7,500	-
Insurance	310	500	(190)	1,784	6,000	(4,216)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	16	417	(401)	1,928	5,000	(3,072)
Bank charges and investment fees	150	8	142	150	100	50
Printing, general	25	458	(433)	55	5,500	(5,445)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	-	5	(5)	-	60	(60)
Membership and contributions	-	1,000	(1,000)	8,375	12,000	(3,625)
Travel, staff	162	1,856	(1,694)	6,721	22,275	(15,554)
Promotion and marketing	2,109	2,083	26	7,874	25,000	(17,126)
Merchandise and diaries	707	833	(126)	1,373	10,000	(8,627)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	248	333	(85)	1,393	4,000	(2,607)
Professional liability insurance	-	3,075	(3,075)	-	36,905	(36,905)
Public relations	-	42	(42)	-	500	(500)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, regional secretaries	-	713	(713)	2,568	8,550	(5,982)
Travel, board of directors	1,787	3,083	(1,296)	12,303	37,000	(24,697)
Nat'l Teach Ag Campaign	2,475	-	2,475	12,095	-	12,095
FFA Foundation project - TTTK	-	4,658	(4,658)	33,083	55,900	(22,817)
FFA Foundation project - OPAP	-	1,075	(1,075)	3,462	12,900	(9,438)
FFA Foundation project - OMSP	-	1,250	(1,250)	3,386	15,000	(11,614)
FFA Foundation project - OT	-	1,075	(1,075)	3,683	12,900	(9,217)
FFA Foundation project - OYM	-	1,075	(1,075)	3,723	12,900	(9,177)
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	-	583	(583)	297	7,000	(6,703)
Teacher crisis fund	500	-	500	500	-	500
Communities of practice expense	-	333	(333)	6,416	4,000	2,416
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	33,852	52,155	(18,303)	235,440	625,895	(390,455)
NET INCOME (LOSS)	\$ 2,012	\$ 1,817	\$ 195	\$ 88,294	\$ 11,765	\$ 76,529

SEE ACCOMPANYING ACCOUNTANT'S REPORT

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

	MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	\$VARIANCE	FOUR MONTHS ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
Convention, registration	\$ 200	\$ 6,396	\$ (6,196)	\$ (3,505)	\$ 76,750	\$ (80,255)
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	600	-	600	900	-	900
Convention - Ideas Unlimited	-	-	-	5,000	-	5,000
Convention - Teacher Mentor	-	-	-	4,250	-	4,250
Convention scholarship fund	-	-	-	-	-	-
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	-	25,000	(25,000)
Convention, host state social	750	-	750	840	-	840
Convention, sponsorships	-	2,000	(2,000)	6,700	24,000	(17,300)
TOTAL REVENUE	1,550	10,479	(8,929)	14,185	125,750	(111,565)
EXPENSES						
Convention, plaques and trophies	-	208	(208)	-	2,500	(2,500)
Convention, printing	-	125	(125)	-	1,500	(1,500)
Conventions, miscellaneous	-	-	-	-	-	-
Convention, awards	5,085	-	5,085	7,995	10,000	(2,005)
Convention, photography	-	-	-	-	-	-
Conventions, meal functions	-	1,000	(1,000)	-	12,000	(12,000)
Convention, promotion and marketing	-	125	(125)	-	1,500	(1,500)
Convention, postage and shipping	-	167	(167)	-	2,000	(2,000)
Convention, equipment rental	-	500	(500)	-	6,000	(6,000)
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	125	(125)	-	1,500	(1,500)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	-	25,000	(25,000)
Convention, travel/board of directors	-	917	(917)	2,601	11,000	(8,399)
Convention, staff travel	-	583	(583)	1,140	7,000	(5,860)
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	5,085	5,916	(831)	11,736	81,000	(69,264)
NET INCOME (LOSS)	\$ (3,535)	\$ 4,563	\$ (8,098)	\$ 2,449	\$ 44,750	\$ (42,301)

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