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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, 2010, the related statement of activities for the 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*

March 1, 2010

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Statement of Financial Position  
January 31, 2010

ASSETS	
Cash on deposit	\$ 95,492
Investments - operating fund	325,445
Investments - life membership fund	86,982
Investments - legislative fund	368
Investments - reserve fund	102,429
Accounts receivable	151,766
Prepaid expenses	7,632
Property and equipment	<u>8,524</u>
 TOTAL ASSETS	 <u>\$ 778,638</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 8,747
Accrued leave payable	18,459
Other current liabilities	<u>5,659</u>
 TOTAL LIABILITIES	 <u>32,865</u>
NET ASSETS	
Unrestricted net assets:	
Current operation	625,765
Board designated for special purposes	118,148
Temporarily restricted net assets	<u>1,860</u>
 TOTAL NET ASSETS	 <u>745,773</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 778,638</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Seven Months Ended January 31, 2010

	<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	\$ 342,439	\$ 1,080	\$ -	\$ 343,519
Convention registration	83,984	-	-	83,984
Sponsorship and awards	24,950	-	-	24,950
Merchandise sales	5,042	-	-	5,042
Contributions	-	-	700	700
Management fees	-	-	-	-
Net realized and unrealized	-	-	-	-
gains (losses) on securities	55,142	-	-	55,142
Interest and dividends	4,997	-	-	4,997
FFA Foundation projects	119,511	-	-	119,511
Other income	<u>81,572</u>	<u>-</u>	<u>-</u>	<u>81,572</u>
 Total Revenue, Gains and Losses	 717,637	 1,080	 700	 719,417
 Net Assets Released from Restrictions	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total Revenue, Gains and Losses and Reclassifications	 <u>717,637</u>	 <u>1,080</u>	 <u>700</u>	 <u>719,417</u>
 Expenses				
General expenses	333,288	-	-	333,288
FFA Foundation projects	107,649	-	-	107,649
Convention expenses	<u>90,710</u>	<u>-</u>	<u>-</u>	<u>90,710</u>
 Total expenses	 <u>531,647</u>	 <u>-</u>	 <u>-</u>	 <u>531,647</u>
 INCREASE (DECREASE) IN NET ASSETS	 185,990	 1,080	 700	 187,770
 NET ASSETS AT BEGINNING OF PERIOD	 <u>439,775</u>	 <u>117,068</u>	 <u>1,160</u>	 <u>558,003</u>
 NET ASSETS AT END OF PERIOD	 <u>\$ 625,765</u>	 <u>\$ 118,148</u>	 <u>\$ 1,860</u>	 <u>\$ 745,773</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Schedule of Actual vs. Budget  
For the Seven Months Ended January 31, 2010

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
<b>REVENUE</b>						
Member dues	\$ 21,000	\$ 32,322	\$ (11,322)	\$ 327,519	\$ 387,860	\$ (60,341)
Corporate membership dues	750	2,688	(1,938)	16,000	32,250	(16,250)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	-	58	(58)	290	700	(410)
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	14	500	(486)	4,191	6,000	(1,809)
Net realized and unrealized gains (losses) on securities	(13,988)	-	(13,988)	55,142	-	55,142
Merchandise sales	158	708	(550)	5,042	8,500	(3,458)
Investment income, Life Fund	64	125	(61)	806	1,500	(694)
Contributions, Legislative Fund	-	-	-	700	-	700
Miscellaneous income	-	167	(167)	3,000	2,000	1,000
National Teach Ag Campaign	1,500	-	1,500	23,106	-	23,106
Teacher crisis fund	100	-	100	671	-	671
Risk management education	-	1,000	(1,000)	14,376	12,000	2,376
Webinar revenue	-	2,083	(2,083)	4,100	25,000	(20,900)
FFA Foundation project - TTTK	-	4,658	(4,658)	56,300	55,900	400
FFA Foundation project - OPAP	-	1,075	(1,075)	11,404	12,900	(1,496)
FFA Foundation project - OMSP	-	1,250	(1,250)	10,879	15,000	(4,121)
FFA Foundation project - OT	-	1,075	(1,075)	10,465	12,900	(2,435)
FFA Foundation project - OYM	-	1,075	(1,075)	9,963	12,900	(2,937)
FFA Foundation project - Greenhouse	-	-	-	20,500	-	20,500
Convention net income	14,743	4,563	10,180	54,253	44,750	9,503
<b>TOTAL REVENUE</b>	<b>24,341</b>	<b>53,972</b>	<b>(29,631)</b>	<b>628,707</b>	<b>637,660</b>	<b>(8,953)</b>
<b>EXPENSES</b>						
Salaries	15,036	18,914	(3,878)	139,513	226,962	(87,449)
Taxes and benefits	4,231	4,654	(423)	33,334	55,843	(22,509)
Computer service	98	125	(27)	198	1,500	(1,302)
Telephone	229	333	(104)	2,693	4,000	(1,307)
Accounting	450	1,000	(550)	3,150	12,000	(8,850)
Depreciation	549	583	(34)	3,847	7,000	(3,153)
Rent	-	625	(625)	7,500	7,500	-
Insurance	238	500	(262)	3,067	6,000	(2,933)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	11	417	(406)	3,691	5,000	(1,309)
Bank charges and investment fees	-	8	(8)	593	100	493
Printing, general	-	458	(458)	748	5,500	(4,752)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	-	5	(5)	-	60	(60)
Membership and contributions	1,397	1,000	397	10,186	12,000	(1,814)
Travel, staff	-	1,856	(1,856)	16,286	22,275	(5,989)
Promotion and marketing	4,333	2,083	2,250	19,283	25,000	(5,717)
Merchandise and diaries	-	833	(833)	1,373	10,000	(8,627)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	264	333	(69)	2,851	4,000	(1,149)
Professional liability insurance	-	3,075	(3,075)	-	36,905	(36,905)
Public relations	-	42	(42)	153	500	(347)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, regional secretaries	-	713	(713)	10,382	8,550	1,832
Travel, board of directors	341	3,083	(2,742)	12,975	37,000	(24,025)
Nat'l Teach Ag Campaign	1,500	-	1,500	24,606	-	24,606
FFA Foundation project - TTTK	8,515	4,658	3,857	69,851	55,900	13,951
FFA Foundation project - OPAP	-	1,075	(1,075)	9,847	12,900	(3,053)
FFA Foundation project - OMSP	-	1,250	(1,250)	9,401	15,000	(5,599)
FFA Foundation project - OT	-	1,075	(1,075)	9,612	12,900	(3,288)
FFA Foundation project - OYM	-	1,075	(1,075)	8,938	12,900	(3,962)
FFA Foundation project - Greenhouse	-	-	-	18,000	-	18,000
NPS expense	-	667	(667)	-	8,000	(8,000)
Webinar expense	-	583	(583)	693	7,000	(6,307)
Teacher crisis fund	-	-	-	500	-	500
Communities of practice expense	-	333	(333)	6,416	4,000	2,416
Miscellaneous	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>37,192</b>	<b>52,155</b>	<b>(14,963)</b>	<b>440,937</b>	<b>625,895</b>	<b>(184,958)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (12,851)</b>	<b>\$ 1,817</b>	<b>\$ (14,668)</b>	<b>\$ 187,770</b>	<b>\$ 11,765</b>	<b>\$ 176,005</b>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Convention Revenue and Expenses

For the Seven Months Ended January 31, 2010

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>\$VARIANCE</u>	YEAR TO DATE <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>\$VARIANCE</u>
<b>REVENUE</b>						
Convention, registration	\$ 14,743	\$ 6,396	\$ 8,347	\$ 83,984	\$ 76,750	\$ 7,234
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	1,500	-	1,500
Convention - Ideas Unlimited	-	-	-	5,000	-	5,000
Convention - Teacher Mentor	-	-	-	4,250	-	4,250
Convention scholarship fund	-	-	-	1,667	-	1,667
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	15,040	25,000	(9,960)
Convention, host state social	-	-	-	8,572	-	8,572
Convention, sponsorships	-	2,000	(2,000)	24,950	24,000	950
<b>TOTAL REVENUE</b>	<b>14,743</b>	<b>10,479</b>	<b>4,264</b>	<b>144,963</b>	<b>125,750</b>	<b>19,213</b>
<b>EXPENSES</b>						
Convention, plaques and trophies	-	208	(208)	1,467	2,500	(1,033)
Convention, printing	-	125	(125)	3,416	1,500	1,916
Conventions, miscellaneous	-	-	-	1,475	-	1,475
Convention, awards	-	-	-	8,365	10,000	(1,635)
Convention, photography	-	-	-	28	-	28
Conventions, meal functions	-	1,000	(1,000)	10,612	12,000	(1,388)
Convention, promotion and marketing	-	125	(125)	516	1,500	(984)
Convention, postage and shipping	-	167	(167)	583	2,000	(1,417)
Convention, equipment rental	-	500	(500)	8,616	6,000	2,616
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	8,572	-	8,572
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	125	(125)	2,527	1,500	1,027
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	20,903	25,000	(4,097)
Convention, travel/board of directors	-	917	(917)	14,844	11,000	3,844
Convention, staff travel	-	583	(583)	8,786	7,000	1,786
Convention, other travel	-	83	(83)	-	1,000	(1,000)
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>5,916</b>	<b>(5,916)</b>	<b>90,710</b>	<b>81,000</b>	<b>9,710</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 14,743</b>	<b>\$ 4,563</b>	<b>\$ 10,180</b>	<b>\$ 54,253</b>	<b>\$ 44,750</b>	<b>\$ 9,503</b>

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