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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 March 31, 2010, the related statement of activities for the nine 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

April 20, 2010

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

March 31, 2010

ASSETS

Cash on deposit	\$ 144,929
Investments - operating fund	353,355
Investments - life membership fund	92,931
Investments - legislative fund	368
Investments - reserve fund	103,404
Accounts receivable	44,320
Prepaid expenses	16,313
Property and equipment	<u>8,128</u>

TOTAL ASSETS \$ 763,748

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 11,794
Accrued leave payable	18,459
Other current liabilities	<u>4,908</u>

TOTAL LIABILITIES 35,161

NET ASSETS

Unrestricted net assets:	
Current operation	608,459
Board designated for special purposes	118,268
Temporarily restricted net assets	<u>1,860</u>

TOTAL NET ASSETS 728,587

TOTAL LIABILITIES AND NET ASSETS \$ 763,748

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Nine Months Ended March 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	\$ 399,514	\$ 1,200	\$ -	\$ 400,714
Convention registration	83,892	-	-	83,892
Sponsorship and awards	24,950	-	-	24,950
Merchandise sales	6,462	-	-	6,462
Contributions	-	-	700	700
Management fees	-	-	-	-
Net realized and unrealized				
gains (losses) on securities	90,322	-	-	90,322
Interest and dividends	5,734	-	-	5,734
FFA Foundation projects	119,511	-	-	119,511
Other income	98,682	-	-	98,682
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Total Revenue, Gains and Losses	829,067	1,200	700	830,967
Net Assets Released from Restrictions	-	-	-	-
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Total Revenue, Gains and Losses and Reclassifications	829,067	1,200	700	830,967
Expenses				
General expenses	461,262	-	-	461,262
FFA Foundation projects	108,021	-	-	108,021
Convention expenses	91,100	-	-	91,100
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Total expenses	660,383	-	-	660,383
INCREASE (DECREASE) IN NET ASSETS	168,684	1,200	700	170,584
NET ASSETS AT BEGINNING OF PERIOD	439,775	117,068	1,160	558,003
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NET ASSETS AT END OF PERIOD	\$ 608,459	\$ 118,268	\$ 1,860	\$ 728,587

SEE ACCOMPANYING ACCOUNTANT'S REPORT

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

	MONTH <u>ACTUAL</u>	MONTH <u>BUDGET</u>	MONTH <u>SVARIANCE</u>	YEAR TO DATE <u>ACTUAL</u>	YEAR <u>BUDGET</u>	YEAR <u>SVARIANCE</u>
REVENUE						
Member dues	\$ 19,420	\$ 32,322	\$ (12,902)	\$ 376,464	\$ 387,860	\$ (11,396)
Corporate membership dues	8,250	2,688	5,562	24,250	32,250	(8,000)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	206	58	148	496	700	(204)
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	559	500	59	4,765	6,000	(1,235)
Net realized and unrealized gains (losses) on securities	25,258	-	25,258	90,322	-	90,322
Merchandise sales	304	708	(404)	6,462	8,500	(2,038)
Investment income, Life Fund	113	125	(12)	969	1,500	(531)
Contributions, Legislative Fund	-	-	-	700	-	700
Miscellaneous income	-	167	(167)	3,000	2,000	1,000
National Teach Ag Campaign	9,279	-	9,279	40,010	-	40,010
Teacher crisis fund	-	-	-	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	193	4,563	(4,370)	53,771	44,750	9,021
TOTAL REVENUE	63,582	53,972	9,610	739,867	637,660	102,207
EXPENSES						
Salaries	19,673	18,914	759	178,041	226,962	(48,921)
Taxes and benefits	7,561	4,654	2,907	45,283	55,843	(10,560)
Computer service	-	125	(125)	198	1,500	(1,302)
Telephone	416	333	83	3,416	4,000	(584)
Accounting	450	1,000	(550)	11,050	12,000	(950)
Depreciation	564	583	(19)	4,975	7,000	(2,025)
Rent	-	625	(625)	7,500	7,500	-
Insurance	827	500	327	4,358	6,000	(1,642)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	175	417	(242)	4,543	5,000	(457)
Bank charges and investment fees	1,028	8	1,020	1,621	100	1,521
Printing, general	-	458	(458)	748	5,500	(4,752)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	38	5	33	48	60	(12)
Membership and contributions	500	1,000	(500)	10,726	12,000	(1,274)
Travel, staff	180	1,856	(1,676)	18,714	22,275	(3,561)
Promotion and marketing	833	2,083	(1,250)	20,116	25,000	(4,884)
Merchandise and diaries	-	833	(833)	1,373	10,000	(8,627)
Photocopying	-	8	(8)	-	100	(100)
Postage, general	95	333	(238)	3,677	4,000	(323)
Professional liability insurance	-	3,075	(3,075)	37,125	36,905	220
Public relations	-	42	(42)	153	500	(347)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, regional secretaries	-	713	(713)	10,523	8,550	1,973
Travel, board of directors	752	3,083	(2,331)	18,032	37,000	(18,968)
Nat'l Teach Ag Campaign	8,041	-	8,041	40,922	-	40,922
FFA Foundation project - TTTK	97	4,658	(4,561)	69,948	55,900	14,048
FFA Foundation project - OPAP	-	1,075	(1,075)	9,847	12,900	(3,053)
FFA Foundation project - OMSP	275	1,250	(975)	9,676	15,000	(5,324)
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	6,000	-	6,000	18,000	-	18,000
NPS expense	1,162	667	495	1,162	8,000	(6,838)
Webinar expense	-	583	(583)	792	7,000	(6,208)
Teacher crisis fund	-	-	-	500	-	500
Communities of practice expense	-	333	(333)	6,416	4,000	2,416
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	48,667	52,155	(3,488)	569,283	625,895	(56,612)
NET INCOME (LOSS)	\$ 14,915	\$ 1,817	\$ 13,098	\$ 170,584	\$ 11,765	\$ 158,819

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the Nine Months Ended March 31, 2010

	<u>MONTH</u> <u>ACTUAL</u>	<u>MONTH</u> <u>BUDGET</u>	<u>MONTH</u> <u>\$VARIANCE</u>	<u>YEAR TO DATE</u> <u>ACTUAL</u>	<u>YEAR</u> <u>BUDGET</u>	<u>YEAR</u> <u>\$VARIANCE</u>
REVENUE						
Convention, registration	\$ 193	\$ 6,396	\$ (6,203)	\$ 83,892	\$ 76,750	\$ 7,142
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
TOTAL REVENUE	193	10,479	(10,286)	144,871	125,750	19,121
EXPENSES						
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)	15,234	11,000	4,234
Convention, staff travel	-	583	(583)	8,786	7,000	1,786
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	-	5,916	(5,916)	91,100	81,000	10,100
NET INCOME (LOSS)	\$ 193	\$ 4,563	\$ (4,370)	\$ 53,771	\$ 44,750	\$ 9,021

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