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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 May 31, 2010, the related statement of activities for the ten 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

June 16, 2010

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

May 31, 2010

ASSETS

Cash on deposit	\$ 49,203
Investments - operating fund	346,344
Investments - life membership fund	111,799
Investments - legislative fund	368
Investments - reserve fund	102,591
Accounts receivable	37,754
Prepaid expenses	3,510
Property and equipment	<u>7,483</u>
 TOTAL ASSETS	 <u>\$ 659,052</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 13,327
Accrued leave payable	18,459
Other current liabilities	<u>5,652</u>
 TOTAL LIABILITIES	 <u>37,438</u>

NET ASSETS

Unrestricted net assets:	
Current operation	500,946
Board designated for special purposes	118,808
Temporarily restricted net assets	<u>1,860</u>
 TOTAL NET ASSETS	 <u>621,614</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 659,052</u>
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SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Eleven Months Ended May 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	\$ 404,964	\$ 1,740	\$ -	\$ 406,704
Convention registration	83,892	-	-	83,892
Sponsorship and awards	24,950	-	-	24,950
Merchandise sales	6,681	-	-	6,681
Contributions	-	-	700	700
Management fees	-	-	-	-
Net realized and unrealized				
gains (losses) on securities	59,939	-	-	59,939
Interest and dividends	5,865	-	-	5,865
FFA Foundation projects	119,511	-	-	119,511
Case Program income	-	-	-	-
Other income	105,393	-	-	105,393
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Total Revenue, Gains and Losses	811,195	1,740	700	813,635
Net Assets Released from Restrictions	-	-	-	-
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Total Revenue, Gains and Losses and Reclassifications	811,195	1,740	700	813,635
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Expenses				
General expenses	548,419	-	-	548,419
FFA Foundation projects	108,021	-	-	108,021
Case Program expenses	2,087	-	-	2,087
Convention expenses	91,497	-	-	91,497
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Total expenses	750,024	-	-	750,024
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INCREASE (DECREASE) IN NET ASSETS	61,171	1,740	700	63,611
NET ASSETS AT BEGINNING OF PERIOD	439,775	117,068	1,160	558,003
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NET ASSETS AT END OF PERIOD	\$ 500,946	\$ 118,808	\$ 1,860	\$ 621,614
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SEE ACCOMPANYING ACCOUNTANT'S REPORT

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

	MONTH ACTUAL	MONTH BUDGET	MONTH SVARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR SVARIANCE
REVENUE						
Member dues	\$ 2,040	\$ 32,322	\$ (30,282)	\$ 380,704	\$ 387,860	\$ (7,156)
Corporate membership dues	-	2,688	(2,688)	26,000	32,250	(6,250)
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	-	58	(58)	496	700	(204)
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	11	500	(489)	4,792	6,000	(1,208)
Net realized and unrealized gains (losses) on securities	(35,743)	-	(35,743)	59,939	-	59,939
Merchandise sales	-	708	(708)	6,681	8,500	(1,819)
Investment income, Life Fund	53	125	(72)	1,073	1,500	(427)
Contributions, Legislative Fund	-	-	-	700	-	700
Miscellaneous income	-	167	(167)	3,000	2,000	1,000
National Teach Ag Campaign	4,961	-	4,961	46,721	-	46,721
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
CASE program net income	(2,087)	-	(2,087)	(2,087)	-	(2,087)
Convention net income	(395)	4,563	(4,958)	53,374	44,750	8,624
TOTAL REVENUE	(31,160)	53,972	(85,132)	720,051	637,660	82,391
EXPENSES						
Salaries	17,456	18,914	(1,458)	213,909	226,962	(13,053)
Taxes and benefits	4,395	4,654	(259)	54,630	55,843	(1,213)
Computer service	-	125	(125)	273	1,500	(1,227)
Telephone	710	333	377	4,583	4,000	583
Accounting	450	1,000	(550)	11,950	12,000	(50)
Depreciation	590	583	7	6,129	7,000	(871)
Rent	-	625	(625)	7,500	7,500	-
Insurance	353	500	(147)	5,063	6,000	(937)
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	803	417	386	6,265	5,000	1,265
Bank charges and investment fees	-	8	(8)	1,653	100	1,553
Printing, general	14	458	(444)	2,290	5,500	(3,210)
Staff training	55	83	(28)	55	1,000	(945)
Taxes and licenses	-	5	(5)	48	60	(12)
Membership and contributions	610	1,000	(390)	11,336	12,000	(664)
Travel, staff	3,584	1,856	1,728	25,526	22,275	3,251
Promotion and marketing	1,381	2,083	(702)	24,610	25,000	(390)
Board operations	-	-	-	3,839	-	3,839
Merchandise and diaries	2,660	833	1,827	4,033	10,000	(5,967)
Photocopying	-	8	(8)	15	100	(85)
Postage, general	656	333	323	4,869	4,000	869
Professional liability insurance	-	3,075	(3,075)	37,125	36,905	220
Public relations	64	42	22	217	500	(283)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, regional secretaries	-	713	(713)	11,644	8,550	3,094
Travel, board of directors	453	3,083	(2,630)	18,485	37,000	(18,515)
Nat'l Teach Ag Campaign	-	-	-	46,470	-	46,470
FFA Foundation project - TTTK	-	4,658	(4,658)	69,948	55,900	14,048
FFA Foundation project - OPAP	-	1,075	(1,075)	9,847	12,900	(3,053)
FFA Foundation project - OMSP	-	1,250	(1,250)	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	-	-	-	18,000	-	18,000
Ag Ed opportunity fund	-	-	-	250	-	250
NPS expense	215	667	(452)	7,397	8,000	(603)
Webinar expense	198	583	(385)	1,089	7,000	(5,911)
Teacher crisis fund	500	-	500	1,500	-	1,500
Communities of practice expense	-	333	(333)	6,416	4,000	2,416
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	35,147	52,155	(17,008)	656,440	625,895	30,545
NET INCOME (LOSS)	\$ (66,307)	\$ 1,817	\$ (68,124)	\$ 63,611	\$ 11,765	\$ 51,846

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the Eleven Months Ended May 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	\$ -	\$ 6,396	\$ (6,396)	\$ 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	<u>-</u>	<u>10,479</u>	<u>(10,479)</u>	<u>144,871</u>	<u>125,750</u>	<u>19,121</u>
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	395	917	(522)	15,629	11,000	4,629
Convention, staff travel	-	583	(583)	8,788	7,000	1,788
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	<u>395</u>	<u>5,916</u>	<u>(5,521)</u>	<u>91,497</u>	<u>81,000</u>	<u>10,497</u>
NET INCOME (LOSS)	<u>\$ (395)</u>	<u>\$ 4,563</u>	<u>\$ (4,958)</u>	<u>\$ 53,374</u>	<u>\$ 44,750</u>	<u>\$ 8,624</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Case Program Revenue and Expenses

For the Eleven Months Ended May 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						
CI fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Jersey	-	-	-	-	-	-
FFA Foundation	-	-	-	-	-	-
TOTAL REVENUE	-	-	-	-	-	-
EXPENSES						
Legal and professional	1,635	-	1,635	1,635	-	1,635
Travel	452	-	452	452	-	452
Supplies	-	-	-	-	-	-
Promotion	-	-	-	-	-	-
Printing	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
TOTAL EXPENSES	2,087	-	2,087	2,087	-	2,087
NET INCOME (LOSS)	\$ (2,087)	\$ -	\$ (2,087)	\$ (2,087)	\$ -	\$ (2,087)

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