

STEPHEN D. SCHNETTLER, PLLC

Certified Public Accountant

300 W. Maxwell Street

Lexington, Kentucky 40508

Telephone: (859) 389-7022

Fax: (859) 252-1545

Member
American Institute of
Certified Public Accountants

Member
Kentucky Society of
Certified Public Accountants

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, 2010, the related statement of activities for the 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

October 15, 2010

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

June 30, 2010

ASSETS

Cash on deposit	\$ 27,394
Investments - operating fund	333,184
Investments - life membership fund	109,379
Investments - legislative fund	368
Investments - reserve fund	103,900
Accounts receivable	93,741
Prepaid expenses	13,317
Property and equipment	<u>10,709</u>

TOTAL ASSETS \$ 691,992

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 51,624
Accrued leave payable	21,314
Other current liabilities	<u>9,113</u>

TOTAL LIABILITIES 82,051

NET ASSETS

Unrestricted net assets:	
Current operation	471,066
Board designated for special purposes	118,808
Temporarily restricted net assets	1,860
CASE Project	<u>18,207</u>

TOTAL NET ASSETS 609,941

TOTAL LIABILITIES AND NET ASSETS \$ 691,992

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Twelve Months Ended June 30, 2010

	<u>Unrestricted</u>				
	<u>Current</u>	<u>Board</u>	<u>Temporarily</u>	<u>CASE</u>	<u>Total</u>
	<u>Operations</u>	<u>Designated</u>	<u>Restricted</u>	<u>Project</u>	
Revenue, Gains and Losses					
Membership dues	\$ 430,364	\$ 1,740	\$ -	\$ -	\$ 432,104
Convention registration	83,892	-	-	-	83,892
Sponsorship and awards	47,229	-	-	-	47,229
Merchandise sales	9,676	-	-	-	9,676
Contributions	-	-	700	-	700
Management fees	-	-	-	-	-
Net realized and unrealized	-	-	-	-	-
gains (losses) on securities	43,759	-	-	-	43,759
Interest and dividends	7,778	-	-	-	7,778
FFA Foundation projects	129,788	-	-	-	129,788
Case Program income	-	-	-	43,350	43,350
Other income	115,744	-	-	-	115,744
	<u>868,230</u>	<u>1,740</u>	<u>700</u>	<u>43,350</u>	<u>914,020</u>
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
	<u>868,230</u>	<u>1,740</u>	<u>700</u>	<u>43,350</u>	<u>914,020</u>
Total Revenue, Gains and Losses and Reclassifications					
Expenses					
General expenses	602,679	-	-	-	602,679
FFA Foundation projects	117,897	-	-	-	117,897
CASE Program expenses	-	-	-	25,143	-
Convention expenses	116,363	-	-	-	116,363
	<u>836,939</u>	<u>-</u>	<u>-</u>	<u>25,143</u>	<u>836,939</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	31,291	1,740	700	18,207	51,938
NET ASSETS AT BEGINNING OF PERIOD	<u>439,775</u>	<u>117,068</u>	<u>1,160</u>	<u>-</u>	<u>558,003</u>
NET ASSETS AT END OF PERIOD	<u>\$ 471,066</u>	<u>\$ 118,808</u>	<u>\$ 1,860</u>	<u>\$ 18,207</u>	<u>\$ 609,941</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the Twelve Months Ended June 30, 2010

	MONTH ACTUAL	MONTH BUDGET	MONTH VARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR VARIANCE
REVENUE						
Member dues	\$ 20,150	\$ 32,322	\$ (12,172)	\$ 400,854	\$ 387,860	\$ 12,994
Corporate membership dues	6,750	2,688	4,062	31,250	32,250	(1,000)
Delmar scholarships	7,500	625	6,875	7,500	7,500	-
Foundation management fees	-	-	-	-	-	-
MBNA affinity credit card program	576	58	518	1,072	700	372
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	1,798	500	1,298	6,590	6,000	590
Net realized and unrealized gains (losses) on securities	(16,181)	-	(16,181)	43,759	-	43,759
Merchandise sales	2,994	708	2,286	9,676	8,500	1,176
Investment income, Life Fund	114	125	(11)	1,188	1,500	(312)
Contributions, Legislative Fund	-	-	-	700	-	700
Miscellaneous income	-	167	(167)	3,000	2,000	1,000
National Teach Ag Campaign	-	-	-	46,721	-	46,721
Teacher crisis fund	525	-	525	1,196	-	1,196
Risk management education	-	1,000	(1,000)	14,376	12,000	2,376
AEM business manager stipend	4,000	-	4,000	4,000	-	4,000
Webinar revenue	-	2,083	(2,083)	4,100	25,000	(20,900)
FFA Foundation project - TTTK	3,401	4,658	(1,257)	59,701	55,900	3,801
FFA Foundation project - OPAP	1,740	1,075	665	13,144	12,900	244
FFA Foundation project - OMSP	1,698	1,250	448	12,577	15,000	(2,423)
FFA Foundation project - OT	1,740	1,075	665	12,205	12,900	(695)
FFA Foundation project - OYM	1,698	1,075	623	11,661	12,900	(1,239)
FFA Foundation project - Greenhouse	-	-	-	20,500	-	20,500
CASE program net income	20,294	-	20,294	18,207	-	18,207
Convention net income	(2,837)	4,563	(7,400)	48,537	44,750	3,787
TOTAL REVENUE	55,960	53,972	1,988	772,514	637,660	134,854
EXPENSES						
Salaries	25,216	18,914	6,302	239,124	226,962	12,162
Taxes and benefits	5	4,654	(4,649)	54,635	55,843	(1,208)
Computer service	440	125	315	713	1,500	(787)
Telephone	417	333	84	5,000	4,000	1,000
Accounting	450	1,000	(550)	12,400	12,000	400
Depreciation	590	583	7	6,718	7,000	(282)
Rent	-	625	(625)	7,500	7,500	-
Insurance	2,484	500	1,984	7,546	6,000	1,546
Legal	-	83	(83)	-	1,000	(1,000)
Office Supplies	596	417	179	6,866	5,000	1,866
Bank charges and investment fees	-	8	(8)	1,653	100	1,553
Printing, general	-	458	(458)	2,290	5,500	(3,210)
Staff training	467	83	384	522	1,000	(478)
Taxes and licenses	-	5	(5)	48	60	(12)
Membership and contributions	(53)	1,000	(1,053)	11,283	12,000	(717)
Travel, staff	6,129	1,856	4,273	31,501	22,275	9,226
Promotion and marketing	988	2,083	(1,095)	25,598	25,000	598
Board operations	(3,839)	-	(3,839)	-	-	-
Merchandise and diaries	100	833	(733)	4,134	10,000	(5,866)
Photocopying	-	8	(8)	15	100	(85)
Postage, general	1,016	333	683	5,885	4,000	1,885
Professional liability insurance	-	3,075	(3,075)	37,125	36,905	220
Public relations	169	42	127	386	500	(114)
Scholarships	-	625	(625)	11,250	7,500	3,750
Travel, regional secretaries	931	713	218	12,575	8,550	4,025
Travel, board of directors	13,706	3,083	10,623	32,191	37,000	(4,809)
Nat'l Teach Ag Campaign	250	-	250	46,720	-	46,720
FFA Foundation project - TTTK	3,000	4,658	(1,658)	72,948	55,900	17,048
FFA Foundation project - OPAP	1,740	1,075	665	11,587	12,900	(1,313)
FFA Foundation project - OMSP	1,698	1,250	448	11,374	15,000	(3,626)
FFA Foundation project - OT	1,740	1,075	665	11,352	12,900	(1,548)
FFA Foundation project - OYM	1,698	1,075	623	10,636	12,900	(2,264)
FFA Foundation project - Greenhouse	-	-	-	18,000	-	18,000
Ag Ed opportunity fund	(250)	-	(250)	-	-	-
NPS expense	-	667	(667)	7,397	8,000	(603)
Webinar expense	99	583	(484)	1,188	7,000	(5,812)
Teacher crisis fund	-	-	-	1,500	-	1,500
Communities of practice expense	-	333	(333)	6,416	4,000	2,416
A/R write off	4,500	-	4,500	4,500	-	4,500
Miscellaneous	-	-	-	-	-	-
TOTAL EXPENSES	64,287	52,155	12,132	720,576	625,895	94,681
NET INCOME (LOSS)	\$ (8,327)	\$ 1,817	\$ (10,144)	\$ 51,938	\$ 11,765	\$ 40,173

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Convention Revenue and Expenses
For the Twelve Months Ended June 30, 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	(2,250)	2,083	(4,333)	12,790	25,000	(12,210)
Convention, host state social	-	-	-	8,572	-	8,572
Convention, sponsorships	24,279	2,000	22,279	47,229	24,000	23,229
TOTAL REVENUE	<u>22,029</u>	<u>10,479</u>	<u>11,550</u>	<u>164,900</u>	<u>125,750</u>	<u>39,150</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	24,279	1,000	23,279	34,891	12,000	22,891
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)	15,629	11,000	4,629
Convention, staff travel	587	583	4	9,375	7,000	2,375
Convention, other travel	-	83	(83)	-	1,000	(1,000)
TOTAL EXPENSES	<u>24,866</u>	<u>5,916</u>	<u>18,950</u>	<u>116,363</u>	<u>81,000</u>	<u>35,363</u>
NET INCOME (LOSS)	<u>\$ (2,837)</u>	<u>\$ 4,563</u>	<u>\$ (7,400)</u>	<u>\$ 48,537</u>	<u>\$ 44,750</u>	<u>\$ 3,787</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of CASE Program Revenue and Expenses
For the Twelve Months Ended June 30, 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>
REVENUE						
CI fees	\$ 50	\$ -	\$ 50	\$ 50	\$ -	\$ 50
New Jersey	33,400	-	33,400	33,400	-	33,400
FFA Foundation	<u>9,900</u>	<u>-</u>	<u>9,900</u>	<u>9,900</u>	<u>-</u>	<u>9,900</u>
TOTAL REVENUE	<u>43,350</u>	<u>-</u>	<u>43,350</u>	<u>43,350</u>	<u>-</u>	<u>43,350</u>
EXPENSES						
Legal and professional	-	-	-	1,635	-	1,635
Travel	4,377	-	4,377	4,829	-	4,829
Supplies	-	-	-	-	-	-
Promotion	-	-	-	-	-	-
Printing	39	-	39	39	-	39
Postage	161	-	161	161	-	161
Field test	5,879	-	5,879	5,879	-	5,879
Vernier	8,308	-	8,308	8,308	-	8,308
Carthage	4,292	-	4,292	4,292	-	4,292
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>23,056</u>	<u>-</u>	<u>23,056</u>	<u>25,143</u>	<u>-</u>	<u>25,143</u>
NET INCOME (LOSS)	<u>\$ 20,294</u>	<u>\$ -</u>	<u>\$ 20,294</u>	<u>\$ 18,207</u>	<u>\$ -</u>	<u>\$ 18,207</u>

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