

**STEPHEN D. SCHNETTLER, PLLC**

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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 National Association of Agricultural Educators, Inc. (a nonprofit organization) as of April 30, 2011 and the related statement of activities for the ten months then ended, and the accompanying supplementary information contained in the Schedule of Actual vs. Budget, Convention Revenue and Expenses, and Case Program Revenue and Expenses, which is presented only for supplementary purposes. I have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of 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*

May 19, 2011

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2011

ASSETS

Cash on deposit	\$ 68,291
Cash on deposit - CASE Program	50,513
Investments - operating fund	458,151
Investments - life membership fund	163,893
Investments - reserve fund	106,183
Accounts receivable	108,138
Prepaid expenses	10,887
Property and equipment	<u>12,424</u>
 TOTAL ASSETS	 <u>\$ 978,480</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 20,332
Accrued leave payable	21,314
Other current liabilities	<u>6,503</u>
 TOTAL LIABILITIES	 <u>48,149</u>

NET ASSETS

Unrestricted net assets:	
Current operation	643,412
Board designated for special purposes	123,128
Temporarily restricted net assets	1,909
CASE Project	<u>161,882</u>
 TOTAL NET ASSETS	 <u>930,331</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 978,480</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months Ended April 30, 2011

	Unrestricted				
	Current Operations	Board Designated	Temporarily Restricted	CASE Project	Total
Revenue, Gains and Losses					
Membership dues	\$ 376,115	\$ 4,320	\$ -	\$ -	\$ 380,435
Convention registration	99,693	-	-	-	99,693
Sponsorship and awards	54,214	-	-	-	54,214
Merchandise sales	5,503	-	-	-	5,503
Contributions	-	-	49	-	49
Management fees	57,657	-	-	-	57,657
Net realized and unrealized gains (losses) on securities	126,338	-	-	-	126,338
Interest and dividends	8,776	-	-	-	8,776
FFA Foundation projects	67,115	-	-	-	67,115
CASE Program income	-	-	-	342,850	342,850
Other income	106,601	-	-	-	106,601
	902,012	4,320	49	342,850	1,249,231
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenue, Gains and Losses and Reclassifications	902,012	4,320	49	342,850	1,249,231
Expenses					
General expenses	545,244	-	-	-	545,244
FFA Foundation projects	64,264	-	-	-	64,264
CASE Program expenses	-	-	-	492,173	-
Convention expenses	120,158	-	-	-	120,158
	729,666	-	-	492,173	729,666
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	172,346	4,320	49	(149,323)	27,392
NET ASSETS AT BEGINNING OF PERIOD	471,066	118,808	1,860	311,205	902,939
NET ASSETS AT END OF PERIOD	\$ 643,412	\$ 123,128	\$ 1,909	\$ 161,882	\$ 930,331

SEE ACCOMPANYING ACCOUNTANT'S REPORT

**NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.**

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2011

	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	ACTUAL	BUDGET	SVARIANCE	ACTUAL	BUDGET	SVARIANCE
<b>REVENUE</b>						
Member dues	\$ 30,300	\$ 32,438	\$ (2,138)	\$ 359,935	\$ 389,250	\$ (29,315)
Corporate membership dues	-	2,375	-	20,500	28,500	(8,000)
NSTA Dues	-	-	(2,375)	832	-	832
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	2,417	(2,417)	57,657	29,000	28,657
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	8	500	(492)	5,769	6,000	(231)
Net realized and unrealized gains (losses) on securities	17,002	1,250	15,752	126,338	15,000	111,338
Merchandise sales	54	708	(654)	5,503	8,500	(2,997)
Investment income, Life Fund	93	125	(32)	3,007	1,500	1,507
Contributions, Legislative Fund	-	-	-	49	-	49
Miscellaneous income	-	-	-	6,000	-	6,000
National Teach Ag Campaign	6,121	-	6,121	38,875	-	38,875
Teacher crisis fund	-	-	-	1,732	-	1,732
Risk management education	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
Lifetime achievement awards	-	279	(279)	-	3,350	(3,350)
GMAC SmartEdge program	-	3,417	(3,417)	-	41,000	(41,000)
Webinar revenue	-	1,367	(1,367)	-	16,400	(16,400)
DuPont Agriscience	2,583	-	2,583	23,439	-	23,439
FFA Foundation project - TTTK	-	4,025	(4,025)	39,157	48,300	(9,143)
FFA Foundation project - OPAP	-	997	(997)	4,305	11,965	(7,660)
FFA Foundation project - OMSP	-	946	(946)	7,009	11,350	(4,341)
FFA Foundation project - OT	-	997	(997)	5,898	11,965	(6,067)
FFA Foundation project - OYM	-	946	(946)	5,952	11,350	(5,398)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation teacher workshop	-	-	-	1,098	-	1,098
FFA Foundation internet café	-	-	-	2,484	-	2,484
FFA Foundation Pfizer classroom	-	-	-	1,212	-	1,212
CASE program net income	4,933	-	4,933	(149,323)	-	(149,323)
Convention net income	-	4,767	(4,767)	69,472	50,209	19,263
<b>TOTAL REVENUE</b>	<b>61,094</b>	<b>58,512</b>	<b>2,582</b>	<b>636,900</b>	<b>695,139</b>	<b>(58,239)</b>
<b>EXPENSES</b>						
Salaries	22,637	21,666	971	228,249	259,994	(31,745)
Taxes and benefits	4,416	5,546	(1,130)	52,922	66,551	(13,629)
Computer service	750	83	667	3,259	1,000	2,259
Telephone	412	333	79	3,827	4,000	(173)
Accounting	475	1,033	(558)	11,750	12,400	(650)
Depreciation	385	583	(198)	3,859	7,000	(3,141)
Rent	-	625	(625)	7,500	7,500	-
Insurance	382	500	(118)	4,831	6,000	(1,169)
Legal	-	83	(83)	1,744	1,000	744
Office Supplies	936	417	519	5,027	5,000	27
Bank charges and investment fees	-	8	(8)	-	100	(100)
Printing, general	322	417	(95)	3,340	5,000	(1,660)
Staff training	30	83	(53)	54	1,000	(946)
Taxes and licenses	-	5	(5)	82	60	22
Membership and contributions	770	1,250	(480)	19,927	15,000	4,927
Travel, staff	2,719	1,856	863	14,408	22,275	(7,867)
Promotion and marketing	-	2,083	(2,083)	7,707	25,000	(17,293)
Merchandise and diaries	-	833	(833)	3,231	10,000	(6,769)
Photocopying	-	8	(8)	210	100	110
Postage, general	169	333	(164)	4,892	4,000	892
Professional liability insurance	-	3,093	(3,093)	37,415	37,110	305
Public relations	(48)	42	(90)	2	500	(498)
Scholarships	-	938	(938)	12,000	11,250	750
Travel, regional secretaries	-	833	(833)	5,638	10,000	(4,362)
Travel, board of directors	5,446	2,917	2,529	22,973	35,000	(12,027)
Nat'l Teach Ag Campaign	6,704	-	6,704	46,298	-	46,298
FFA Foundation project - TTTK	-	4,025	(4,025)	36,846	48,300	(11,454)
FFA Foundation project - OPAP	-	997	(997)	4,305	11,965	(7,660)
FFA Foundation project - OMSP	-	946	(946)	7,009	11,350	(4,341)
FFA Foundation project - OT	-	997	(997)	5,750	11,965	(6,215)
FFA Foundation project - OYM	-	946	(946)	5,552	11,350	(5,798)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation project - LAA	-	-	-	155	-	155
FFA Foundation project - Smart Edge	-	-	-	400	-	400
FFA Foundation teacher workshop	-	-	-	216	-	216
FFA Foundation internet café	-	-	-	2,484	-	2,484
FFA Teachers world	-	-	-	1,547	-	1,547

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of Actual vs. Budget

For the One and Ten Months Ended April 30, 2011

	<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>
Lifetime achievement	-	279	(279)	-	3,350	(3,350)
DuPont Agriscience	6,620	-	6,620	22,500	-	22,500
GMAC SmartEdge program	-	833	(833)	-	10,000	(10,000)
NPS expense	-	667	(667)	7,378	8,000	(622)
Webinar expense	99	292	(193)	891	3,500	(2,609)
Teacher crisis fund	-	-	-	3,000	8,000	(5,000)
Communities of practice expense	-	-	-	9,239	-	9,239
Substitute teacher hire behinds	-	333	(333)	-	4,000	(4,000)
NSTA dues	-	-	-	896	-	896
Miscellaneous	-	-	-	195	-	195
TOTAL EXPENSES	<u>53,224</u>	<u>55,883</u>	<u>(2,659)</u>	<u>609,508</u>	<u>678,620</u>	<u>(70,659)</u>
NET INCOME (LOSS)	<u>\$ 7,870</u>	<u>\$ 2,629</u>	<u>\$ 5,241</u>	<u>\$ 27,392</u>	<u>\$ 16,519</u>	<u>\$ 12,420</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Schedule of Convention Revenue and Expenses  
For the One and Ten Months Ended April 30, 2011

	<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>
<b>REVENUE</b>						
Convention, registration	\$ -	\$ 6,975	\$ (6,975)	\$ 99,693	\$ 83,699	\$ 15,994
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	1,500	-	1,500
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	5,000	-	5,000
Convention scholarship fund	-	-	-	1,813	2,000	(187)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	27,410	25,000	2,410
Convention, host state social	-	-	-	-	-	-
Convention, sponsorships	-	2,079	(2,079)	54,214	24,950	29,264
<b>TOTAL REVENUE</b>	<u>-</u>	<u>11,137</u>	<u>(11,137)</u>	<u>189,630</u>	<u>135,649</u>	<u>53,981</u>
<b>EXPENSES</b>						
Convention, plaques and trophies	-	125	(125)	2,077	1,500	577
Convention, printing	-	167	(167)	394	2,000	(1,606)
Convention, miscellaneous	-	83	(83)	(75)	1,000	(1,075)
Convention, awards	-	-	-	8,340	9,000	(660)
Convention, photography	-	-	-	72	-	72
Conventions, meal functions	-	1,000	(1,000)	45,878	12,000	33,878
Convention, promotion and marketing	-	83	(83)	-	1,000	(1,000)
Convention, postage and shipping	-	167	(167)	5,183	2,000	3,183
Convention, equipment rental	-	667	(667)	20,139	8,000	12,139
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	-	-	-
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	2,109	2,940	(831)
Convention, sponsorships - FFA Foundation	-	2,083	(2,083)	7,765	25,000	(17,235)
Convention, travel/board of directors	-	1,000	(1,000)	11,586	12,000	(414)
Convention, staff travel	-	750	(750)	16,690	9,000	7,690
Convention, other travel	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<u>-</u>	<u>6,370</u>	<u>(6,370)</u>	<u>120,158</u>	<u>85,440</u>	<u>34,718</u>
<b>NET INCOME (LOSS)</b>	<u>\$ -</u>	<u>\$ 4,767</u>	<u>\$ (4,767)</u>	<u>\$ 69,472</u>	<u>\$ 50,209</u>	<u>\$ 19,263</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Schedule of CASE Program Revenue and Expenses

For the One and Ten Months Ended April 30, 2011

	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>						
CI fees	\$ 22,500	\$ -	\$ 22,500	\$ 96,473	\$ -	\$ 96,473
Vendor - Vernier	33,973	-	33,973	206,164	-	206,164
Vendor - NewByte	270	-	270	2,598	-	2,598
Field test fees	-	-	-	4,200	-	4,200
New Jersey	-	-	-	31,822	-	31,822
Assesments - ASP	-	-	-	126	-	126
Assesments - ASA	504	-	504	504	-	504
Interest	17	-	17	513	-	513
FFA Foundation	-	-	-	450	-	450
<b>TOTAL REVENUE</b>	<u>57,264</u>	<u>-</u>	<u>57,264</u>	<u>342,850</u>	<u>-</u>	<u>342,850</u>
<b>EXPENSES</b>						
Legal and professional	-	-	-	3,404	-	3,404
Travel	87	-	87	25,605	-	25,605
Travel - staff	1,588	-	1,588	18,659	-	18,659
Contract labor	15,833	-	15,833	142,500	-	142,500
Supplies	52	-	52	1,212	-	1,212
Promotion	-	-	-	3,197	-	3,197
Printing	-	-	-	-	-	-
Postage	-	-	-	949	-	949
Telecommunications	-	-	-	67	-	67
Vernier	31,121	-	31,121	189,835	-	189,835
NewByte	-	-	-	818	-	818
Carthage	3,650	-	3,650	5,012	-	5,012
Carthage contract labor	-	-	-	39,862	-	39,862
Field test	-	-	-	18,754	-	18,754
Field test contract labor	-	-	-	7,000	-	7,000
Assesmnets	-	-	-	35,000	-	35,000
Equipment	-	-	-	299	-	299
<b>TOTAL EXPENSES</b>	<u>52,331</u>	<u>-</u>	<u>52,331</u>	<u>492,173</u>	<u>-</u>	<u>492,173</u>
<b>NET INCOME (LOSS)</b>	<u>\$ 4,933</u>	<u>\$ -</u>	<u>\$ 4,933</u>	<u>\$ (149,323)</u>	<u>\$ -</u>	<u>\$ (149,323)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT