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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, 2012 and the related statement of activities for the one and 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 15, 2012

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2012

ASSETS

Cash on deposit	\$ 63,178
Investments - operating fund	439,369
Investments - life membership fund	158,715
Investments - reserve fund	83,420
Accounts receivable	41,892
Prepaid expenses	7,305
Property and equipment - CASE	1,026
Property and equipment	<u>13,794</u>

TOTAL ASSETS \$ 808,699

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 24,137
Accrued leave payable	25,077
Other current liabilities	<u>5,108</u>

TOTAL LIABILITIES 54,322

NET ASSETS

Unrestricted net assets:	
Current operation	600,680
Board designated for special purposes	129,248
Temporarily restricted net assets	752
CASE Project	<u>23,697</u>

TOTAL NET ASSETS 754,377

TOTAL LIABILITIES AND NET ASSETS \$ 808,699

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months Ended April 30, 2012

	<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	\$ 365,205	\$ 5,400	\$ -	\$ -	\$ 370,605
Convention registration	82,293	-	-	-	82,293
Sponsorship and awards	9,950	-	-	-	9,950
Merchandise sales	4,039	-	-	-	4,039
Contributions	-	-	704	-	704
Management fees	72,500	-	-	-	72,500
Net realized and unrealized					
gains (losses) on securities	(14,585)	-	-	-	(14,585)
Interest and dividends	16,060	-	-	-	16,060
FFA Foundation projects	176,485	-	-	-	176,485
CASE Program income	-	-	-	423,017	423,017
Other income	161,747	-	-	-	161,747
	<u>873,694</u>	<u>5,400</u>	<u>704</u>	<u>423,017</u>	<u>1,302,815</u>
Total Revenue, Gains and Losses					
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue, Gains and Losses and Reclassifications	<u>873,694</u>	<u>5,400</u>	<u>704</u>	<u>423,017</u>	<u>1,302,815</u>
Expenses					
General expenses	612,106	-	-	-	612,106
FFA Foundation projects	105,258	-	-	-	105,258
CASE Program expenses	-	-	-	551,074	551,074
Convention expenses	128,290	-	-	-	128,290
	<u>845,654</u>	<u>-</u>	<u>-</u>	<u>551,074</u>	<u>1,396,728</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	28,040	5,400	704	(128,057)	(93,913)
NET ASSETS AT BEGINNING OF PERIOD	<u>572,640</u>	<u>123,848</u>	<u>48</u>	<u>151,754</u>	<u>848,290</u>
NET ASSETS AT END OF PERIOD	<u>\$ 600,680</u>	<u>\$ 129,248</u>	<u>\$ 752</u>	<u>\$ 23,697</u>	<u>\$ 754,377</u>

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, 2012

	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						
Member dues	\$ 4,665	\$ 32,164	\$ (27,499)	\$ 350,435	\$ 385,970	\$ (35,535)
Corporate membership dues	1,500	2,563	(1,063)	20,170	30,750	(10,580)
NSTA Dues	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	4,583	(4,583)	72,500	55,000	17,500
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	2	500	(498)	11,882	6,000	5,882
Net realized and unrealized gains (losses) on securities	(5,370)	2,583	(7,953)	(14,585)	31,000	(45,585)
Merchandise sales	248	708	(460)	4,039	8,500	(4,461)
Investment income, Life Fund	107	250	(143)	4,178	3,000	1,178
Contributions, Legislative Fund	-	-	-	704	-	704
Miscellaneous income	-	250	(250)	7,877	3,000	4,877
National Teach Ag Campaign	12,189	-	12,189	54,366	-	54,366
Teacher crisis fund	-	-	-	6,108	-	6,108
Risk management education	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
GMAC SmartEdge program	-	-	-	-	-	-
Webinar revenue	-	1,367	(1,367)	-	16,400	(16,400)
DuPont Agriscience	5,033	-	5,033	67,185	-	67,185
NPS	820	-	820	820	-	820
Hurricane relief	-	-	-	500	-	500
Council MMM management fee	-	-	-	5,000	-	5,000
FFA Foundation project - TTTK	-	4,625	(4,625)	40,665	55,500	(14,835)
FFA Foundation project - OPAP	-	997	(997)	12,008	11,965	43
FFA Foundation project - OMSP	-	946	(946)	8,473	11,350	(2,877)
FFA Foundation project - OT	-	997	(997)	7,847	11,965	(4,118)
FFA Foundation project - OYM	-	946	(946)	11,155	11,350	(195)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation project - LAA	-	-	-	4,920	4,170	750
FFA Foundation teacher workshop	-	-	-	9,970	-	9,970
FFA Foundation internet café	-	-	-	2,639	-	2,639
FFA Foundation Pfizer classroom	-	-	-	8,453	-	8,453
FFA Foundation Regional Grants Revenue	-	-	-	-	-	-
FFA Foundation Agriscience Teacher	-	-	-	13,700	-	13,700
FFA Foundation project - NAAE Convention	-	-	-	56,655	-	56,655
CASE program net income	36,944	-	36,944	(128,057)	10,000	(138,057)
Convention net income	-	6,880	(6,880)	(16,156)	75,560	(91,716)
<b>TOTAL REVENUE</b>	<b>56,138</b>	<b>61,317</b>	<b>(5,179)</b>	<b>623,451</b>	<b>742,980</b>	<b>(119,529)</b>

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.  
Schedule of Actual vs. Budget  
For the One and Ten Months Ended April 30, 2012

EXPENSES	MONTH	MONTH	MONTH	YEAR TO DATE	YEAR	YEAR
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>\$VARIANCE</u>
Salaries	20,282	23,303	(3,021)	253,001	279,630	(26,629)
Taxes and benefits	6,771	5,773	998	59,742	69,271	(9,529)
Computer service	1,036	542	494	6,276	6,500	(224)
Telephone	606	417	189	2,077	5,000	(2,923)
Accounting	500	1,058	(558)	12,100	12,700	(600)
Depreciation	243	583	(340)	2,219	7,000	(4,781)
Rent	5,000	625	4,375	5,000	7,500	(2,500)
Insurance	234	500	(266)	5,555	6,000	(445)
Legal	-	83	(83)	2,419	1,000	1,419
Office Supplies	897	583	314	5,139	7,000	(1,861)
Bank charges and investment fees	-	8	(8)	1,795	100	1,695
Printing, general	-	417	(417)	1,835	5,000	(3,165)
Staff training	-	83	(83)	-	1,000	(1,000)
Taxes and licenses	-	5	(5)	55	60	(5)
Membership and contributions	415	1,250	(835)	14,067	15,000	(933)
Travel, staff	2,966	2,500	466	11,219	30,000	(18,781)
Promotion and marketing	102	2,167	(2,065)	9,701	26,000	(16,299)
Merchandise and diaries	-	833	(833)	2,892	10,000	(7,108)
Photocopying	20	8	12	89	100	(11)
Postage, general	151	500	(349)	4,029	6,000	(1,971)
Professional liability insurance	-	3,118	(3,118)	37,270	37,415	(145)
Public relations	-	42	(42)	57	500	(443)
Scholarships	-	938	(938)	11,250	11,250	-
Travel, regional secretaries	-	1,042	(1,042)	9,577	12,500	(2,923)
Travel, board of directors	7,002	2,917	4,085	23,884	35,000	(11,116)
Nat'l Teach Ag Campaign	4,432	4,432	-	64,080	-	64,080
FFA Foundation project - TTTK	-	4,625	(4,625)	37,822	55,500	(17,678)
FFA Foundation project - OPAP	-	997	(997)	11,296	11,965	(669)
FFA Foundation project - OMSP	-	946	(946)	6,522	11,350	(4,828)
FFA Foundation project - OT	-	997	(997)	6,866	11,965	(5,099)
FFA Foundation project - OYM	-	946	(946)	7,155	11,350	(4,195)
FFA Foundation project - Greenhouse	-	-	-	-	-	-
FFA Foundation project - LAA	-	-	-	768	4,170	(3,402)
FFA Foundation project - Smart Edge	-	-	-	1,100	-	1,100
FFA Foundation teacher workshop	-	-	-	8,981	-	8,981
FFA Foundation internet café	-	-	-	2,639	-	2,639
FFA Pfizer Classroom	-	-	-	8,409	-	8,409
FFA Foundation Regional Grants	-	-	-	-	-	-
FFA Foundation Agriscience Teachers	-	-	-	13,700	-	13,700
DuPont Agriscience	3,128	-	3,128	40,813	-	40,813
GMAC SmartEdge program	-	-	-	-	-	-
NPS expense	2,880	667	2,213	12,095	8,000	4,095
Webinar expense	99	292	(193)	891	3,500	(2,609)
Teacher crisis fund	-	-	-	1,500	-	1,500
Communities of practice expense	-	667	(667)	10,751	8,000	2,751
Substitute teacher hire behinds	-	333	(333)	-	4,000	(4,000)
NSTA dues	-	-	-	-	-	-
Bad debts	150	-	150	150	-	150
Miscellaneous	-	-	-	578	-	578
<b>TOTAL EXPENSES</b>	<b>56,914</b>	<b>64,197</b>	<b>(7,283)</b>	<b>717,364</b>	<b>721,326</b>	<b>(3,962)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (776)</b>	<b>\$ (2,880)</b>	<b>\$ 2,104</b>	<b>\$ (93,913)</b>	<b>\$ 21,654</b>	<b>\$ (115,567)</b>

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, 2012

	<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	\$ -	\$ 7,917	\$ (7,917)	\$ 82,293	\$ 95,000	\$ (12,707)
Convention, tickets/workshops	-	-	-	227	-	227
Convention, trade show	-	125	(125)	300	1,500	(1,200)
Convention - Ideas Unlimited	-	-	-	5,000	-	5,000
Convention - Teacher Mentor	-	-	-	5,000	-	5,000
Convention scholarship fund	-	-	-	1,389	2,000	(611)
Convention, sponsorships - FFA Foundation	-	3,333	(3,333)	-	40,000	(40,000)
Convention, host state social	-	-	-	7,975	-	7,975
Convention, sponsorships	-	4,500	(4,500)	9,950	54,000	(44,050)
<b>TOTAL REVENUE</b>	<u>-</u>	<u>15,875</u>	<u>(15,875)</u>	<u>112,134</u>	<u>192,500</u>	<u>(80,366)</u>
<b>EXPENSES</b>						
Convention, plaques and trophies	-	167	(167)	1,446	2,000	(554)
Convention, printing	-	167	(167)	-	2,000	(2,000)
Convention, miscellaneous	-	83	(83)	-	1,000	(1,000)
Convention, awards	-	-	-	8,097	9,000	(903)
Convention, photography	-	-	-	25	-	25
Convention, meal functions	-	2,500	(2,500)	70,230	30,000	40,230
Convention, promotion and marketing	-	83	(83)	2,782	1,000	1,782
Convention, postage and shipping	-	250	(250)	472	3,000	(2,528)
Convention, equipment rental	-	1,000	(1,000)	16,800	12,000	4,800
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	7,975	-	7,975
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	2,079	2,940	(861)
Convention, sponsorships - FFA Foundation	-	2,667	(2,667)	-	32,000	(32,000)
Convention, travel/board of directors	-	1,000	(1,000)	14,165	12,000	2,165
Convention, staff travel	-	833	(833)	4,219	10,000	(5,781)
Convention, other travel	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<u>-</u>	<u>8,995</u>	<u>(8,995)</u>	<u>128,290</u>	<u>116,940</u>	<u>11,350</u>
<b>NET INCOME (LOSS)</b>	<u>\$ -</u>	<u>\$ 6,880</u>	<u>\$ (6,880)</u>	<u>\$ (16,156)</u>	<u>\$ 75,560</u>	<u>\$ (91,716)</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, 2012

	<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>						
CI fees	\$ -	\$ -	\$ -	\$ 61,042	\$ -	\$ 61,042
Vendor - Vernier	8,488	-	8,488	235,078	-	235,078
Vendor - NewByte	1,169	-	1,169	8,743	-	8,743
Field test fees	-	-	-	-	-	-
New Jersey	-	-	-	-	-	-
NRES	10,250	-	10,250	55,078	-	55,078
APB	53,067	-	53,067	53,067	-	53,067
Assesments - ASP	1,162	-	1,162	1,342	-	1,342
Assesments - ASA	-	-	-	612	-	612
Replacement CD	-	-	-	50	-	50
Interest	-	-	-	5	-	5
FFA Foundation	-	-	-	8,000	-	8,000
<b>TOTAL REVENUE</b>	<u>74,136</u>	<u>-</u>	<u>74,136</u>	<u>423,017</u>	<u>-</u>	<u>423,017</u>
<b>EXPENSES</b>						
Legal and professional	-	-	-	420	-	420
Travel	3,365	-	3,365	7,960	-	7,960
Travel - staff	118	-	118	13,641	-	13,641
Salary	2,031	-	-	4,063	-	-
Contract labor	16,417	-	16,417	164,168	-	164,168
Supplies	-	-	-	400	-	400
Promotion	-	-	-	5,850	-	5,850
Printing	170	-	170	864	-	864
Postage	-	-	-	121	-	121
Telecommunications	-	-	-	116	-	116
Rutgers	-	-	-	1,369	-	1,369
Vernier	4,474	-	4,474	230,982	-	230,982
NewByte	-	-	-	3,928	-	3,928
Carthage	-	-	-	4,701	-	4,701
Carthage contract labor	-	-	-	43,690	-	43,690
Field test	-	-	-	-	-	-
Field test contract labor	-	-	-	-	-	-
NRSE	10,608	-	10,608	61,994	-	61,994
Assesments	-	-	-	6,336	-	6,336
Bank charges	-	-	-	129	-	129
Depreciation	9	-	9	95	-	95
Equipment	-	-	-	247	-	247
<b>TOTAL EXPENSES</b>	<u>37,192</u>	<u>-</u>	<u>35,161</u>	<u>551,074</u>	<u>-</u>	<u>547,011</u>
<b>NET INCOME (LOSS)</b>	<u>\$ 36,944</u>	<u>\$ -</u>	<u>\$ 38,975</u>	<u>\$ (128,057)</u>	<u>\$ -</u>	<u>\$ (123,994)</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT