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To the Board of Directors
National Association of
Agricultural Educators, Inc.
Lexington, Kentucky 40546

We have compiled the accompanying statement of financial position of National Association of Agricultural Educators, Inc. (a nonprofit organization) as of April 30, 2013 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. We 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.

Our 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

June 5, 2013

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Financial Position

April 30, 2013

ASSETS

Cash on deposit	\$ 132,586
Investments - operating fund	479,433
Investments - life membership fund	172,215
Investments - reserve fund	86,420
Accounts receivable	202,850
Prepaid expenses	46,279
Property and equipment - CASE	912
Property and equipment	<u>11,735</u>

TOTAL ASSETS \$ 1,132,430

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 77,692
Accrued leave payable	26,290
Other current liabilities	<u>4,567</u>

TOTAL LIABILITIES 108,549

NET ASSETS

Unrestricted net assets:	
Current operation	596,119
Board designated for special purposes	157,411
Temporarily restricted net assets	1,447
CASE Project	<u>268,904</u>

TOTAL NET ASSETS 1,023,881

TOTAL LIABILITIES AND NET ASSETS \$ 1,132,430

SEE ACCOMPANYING ACCOUNTANT'S REPORT

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.

Statement of Activities

For the Ten Months Ended April 30, 2013

	<u>Unrestricted</u>		Temporarily <u>Restricted</u>	CASE <u>Project</u>	<u>Total</u>
	<u>Current Operations</u>	<u>Board Designated</u>			
Revenue, Gains and Losses					
Membership dues	\$ 389,355	\$ 4,080	\$ -	\$ -	\$ 393,435
Convention registration	94,847	-	-	-	94,847
Sponsorship and awards	17,700	-	-	-	17,700
Merchandise sales	3,990	-	-	-	3,990
Contributions	-	-	695	-	695
Management fees	71,175	-	-	-	71,175
Net realized and unrealized gains (losses) on securities	83,721	-	-	-	83,721
Interest and dividends	2,713	-	-	-	2,713
FFA Foundation projects	119,734	-	-	-	119,734
CASE Program income	-	-	-	963,699	963,699
Other income	217,351	-	-	-	217,351
	<u>1,000,586</u>	<u>4,080</u>	<u>695</u>	<u>963,699</u>	<u>1,969,060</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>1,000,586</u>	<u>4,080</u>	<u>695</u>	<u>963,699</u>	<u>1,969,060</u>
Expenses					
General expenses	725,198	-	-	-	725,198
FFA Foundation projects	117,586	-	-	-	117,586
Case Program expenses	-	-	-	777,321	777,321
Convention expenses	113,962	-	-	-	113,962
	<u>956,746</u>	<u>-</u>	<u>-</u>	<u>777,321</u>	<u>1,734,067</u>
Total expenses					
INCREASE (DECREASE) IN NET ASSETS	43,840	4,080	695	186,378	234,993
NET ASSETS AT BEGINNING OF PERIOD	<u>552,279</u>	<u>153,331</u>	<u>752</u>	<u>82,526</u>	<u>788,888</u>
NET ASSETS AT END OF PERIOD	<u>\$ 596,119</u>	<u>\$ 157,411</u>	<u>\$ 1,447</u>	<u>\$ 268,904</u>	<u>\$ 1,023,881</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, 2013

	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	\$ 6,915	\$ 32,194	\$ (25,279)	\$ 374,685	\$ 386,325	\$ (11,640)
Corporate membership dues	1,500	2,375	(875)	18,750	28,500	(9,750)
NSTA Dues	-	-	-	-	-	-
Delmar scholarships	-	625	(625)	-	7,500	(7,500)
Foundation management fees	-	7,500	(7,500)	71,175	90,000	(18,825)
MBNA affinity credit card program	-	-	-	-	-	-
Toyota vehicle lease management fee	-	-	-	-	-	-
Interest and dividends	113	833	(720)	2,045	10,000	(7,955)
Net realized and unrealized gains (losses) on securities	8,740	2,583	6,157	83,721	31,000	52,721
Merchandise sales	208	708	(500)	3,990	8,500	(4,510)
Investment income, Life Fund	88	333	(245)	668	4,000	(3,332)
Contributions, Legislative Fund	90	-	90	695	-	695
Miscellaneous income	-	500	(500)	272	6,000	(5,728)
Scholarship raffle proceeds	-	167	(167)	-	2,000	(2,000)
National Teach Ag Campaign	2,418	-	2,418	61,552	90,000	(28,448)
Teacher crisis fund	452	-	452	5,042	-	5,042
BFRDP Grant	-	-	-	-	-	-
AEM business manager stipend	-	333	(333)	-	4,000	(4,000)
GMAC SmartEdge program	-	-	-	-	-	-
Webinar revenue	-	-	-	-	-	-
DuPont Agriscience	-	-	-	103,652	-	103,652
NPS	-	-	-	-	-	-
State website development	-	-	-	800	-	800
Hurricane relief	-	-	-	-	-	-
CASE management fee	-	-	-	-	20,000	(20,000)
Council MMM management fee	-	-	-	-	5,000	(5,000)
FFA Foundation project - TTTK	-	3,875	(3,875)	44,683	46,500	(1,817)
FFA Foundation project - OPAP	-	1,000	(1,000)	9,718	12,000	(2,282)
FFA Foundation project - OMSP	-	1,000	(1,000)	8,491	12,000	(3,509)
FFA Foundation project - OT	-	917	(917)	10,050	11,000	(950)
FFA Foundation project - OYM	-	917	(917)	9,685	11,000	(1,315)
FFA Foundation project - Lifetime Achievement	-	208	(208)	1,994	2,500	(506)
FFA Foundation project - Outstanding Service Citation	-	205	(205)	1,176	2,460	(1,284)
FFA Foundation teacher workshop	-	958	(958)	1,094	11,500	(10,406)
FFA Foundation internet café	-	500	(500)	11,085	6,000	5,085
FFA Foundation Pfizer classroom	-	833	(833)	4,243	10,000	(5,757)
FFA Foundation Regional Grants Revenue	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teacher	-	1,562	(1,562)	17,515	18,740	(1,225)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
CASE program net income	213,957	-	213,957	186,378	-	186,378
Convention net income	-	4,463	(4,463)	44,618	44,560	58
TOTAL REVENUE	234,481	76,089	158,392	1,077,777	1,019,085	58,692
EXPENSES						
Salaries	25,193	24,792	401	263,149	297,506	(34,357)
Taxes and benefits	6,410	6,501	(91)	62,389	78,011	(15,622)
Computer service	773	542	231	4,966	6,500	(1,534)
Telephone	131	417	(286)	2,356	5,000	(2,644)
Accounting	500	1,104	(604)	12,500	13,250	(750)
Depreciation	261	583	(322)	2,613	7,000	(4,387)
Rent	-	625	(625)	-	7,500	(7,500)
Insurance	188	500	(312)	6,323	6,000	323
Legal	-	83	(83)	840	1,000	(160)
Office Supplies	32	583	(551)	6,802	7,000	(198)
Bank charges and investment fees	1,643	8	1,635	6,305	100	6,205
Printing, general	280	333	(53)	3,082	4,000	(918)
Staff training	-	42	(42)	-	500	(500)
Taxes and licenses	-	8	(8)	20	100	(80)
Membership and contributions	625	1,667	(1,042)	14,681	20,000	(5,319)
Travel, staff	121	2,083	(1,962)	18,643	25,000	(6,357)
Promotion and marketing	-	1,000	(1,000)	12,212	12,000	212
Merchandise and diaries	-	500	(500)	7,064	6,000	1,064
Photocopying	-	8	(8)	-	100	(100)
Postage, general	359	500	(141)	3,171	6,000	(2,829)
Professional liability insurance	-	3,111	(3,111)	36,610	37,335	(725)
Public relations	-	50	(50)	852	600	252
Scholarships	-	938	(938)	10,500	11,250	(750)
Travel, regional secretaries	1,221	917	304	13,273	11,000	2,273

(Continued)

NATIONAL ASSOCIATION OF AGRICULTURAL EDUCATORS, INC.
Schedule of Actual vs. Budget
For the One and Ten Months Ended April 30, 2013

	<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>
Travel, board of directors	1,668	3,333	(1,665)	21,802	40,000	(18,198)
Nat'l Teach Ag Campaign	20,815	7,500	13,315	97,043	90,000	7,043
FFA Foundation project - TTTK	-	3,875	(3,875)	43,763	46,500	(2,737)
FFA Foundation project - OPAP	-	1,000	(1,000)	8,968	12,000	(3,032)
FFA Foundation project - OMSP	-	1,000	(1,000)	10,464	12,000	(1,536)
FFA Foundation project - OT	-	917	(917)	9,300	11,000	(1,700)
FFA Foundation project - OYM	-	917	(917)	7,860	11,000	(3,140)
FFA Foundation project - Lifetime achievement	-	208	(208)	1,793	2,500	(707)
FFA Foundation project - Outstanding service citation	-	205	(205)	1,176	2,460	(1,284)
FFA Foundation project - Smart Edge	-	-	-	-	-	-
FFA Foundation teacher workshop	-	958	(958)	1,094	11,500	(10,406)
FFA Foundation internet café	-	500	(500)	11,085	6,000	5,085
FFA Foundation Pfizer Classroom	-	833	(833)	4,243	10,000	(5,757)
FFA Foundation Regional Grants	-	1,500	(1,500)	-	18,000	(18,000)
FFA Foundation Agriscience Teachers	325	1,562	(1,237)	17,840	18,740	(900)
FFA Foundation NATAA/NAII	-	10,000	(10,000)	-	120,000	(120,000)
DuPont Agriscience	2,564	-	2,564	84,284	-	84,284
GMAC SmartEdge program	-	-	-	-	-	-
NPS expense	5,129	667	4,462	5,129	8,000	(2,871)
Webinar expense	-	100	(100)	594	1,200	(606)
Teacher crisis fund	-	-	-	3,500	-	3,500
Communities of practice expense	-	917	(917)	13,096	11,000	2,096
Substitute teacher hire behinds	-	250	(250)	-	3,000	(3,000)
NSTA dues	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-
NATAA stipends	-	-	-	7,375	-	7,375
BFRDP expense	-	-	-	5,000	-	5,000
Miscellaneous	-	-	-	(976)	-	(976)
TOTAL EXPENSES	<u>68,238</u>	<u>83,137</u>	<u>(14,899)</u>	<u>842,784</u>	<u>997,652</u>	<u>(154,868)</u>
NET INCOME (LOSS)	<u>\$ 166,243</u>	<u>\$ (7,048)</u>	<u>\$ 173,291</u>	<u>\$ 234,993</u>	<u>\$ 21,433</u>	<u>\$ 213,560</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, 2013

	<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	\$ -	\$ 7,083	\$ (7,083)	\$ 94,847	\$ 85,000	\$ 9,847
Convention, tickets/workshops	-	-	-	-	-	-
Convention, trade show	-	-	-	600	-	600
Convention - Ideas Unlimited	-	-	-	-	-	-
Convention - Teacher Mentor	-	-	-	-	-	-
Convention scholarship fund	-	-	-	1,357	-	1,357
Convention, sponsorships - FFA Foundation	-	4,167	(4,167)	41,856	50,000	(8,144)
Convention, host state social	-	-	-	2,220	-	2,220
Convention, sponsorships	-	1,667	(1,667)	17,700	20,000	(2,300)
TOTAL REVENUE	<u>-</u>	<u>12,917</u>	<u>(12,917)</u>	<u>158,580</u>	<u>155,000</u>	<u>3,580</u>
EXPENSES						
Convention, plaques and trophies	-	167	(167)	1,101	2,000	(899)
Convention, printing	-	-	-	1,687	-	1,687
Convention, miscellaneous	-	83	(83)	184	1,000	(816)
Convention, awards	-	-	-	8,994	9,000	(6)
Convention, photography	-	-	-	-	-	-
Convention, meal functions	-	417	(417)	11,714	5,000	6,714
Convention, promotion and marketing	-	208	(208)	834	2,500	(1,666)
Convention, postage and shipping	-	125	(125)	-	1,500	(1,500)
Convention, equipment rental	-	1,250	(1,250)	17,508	15,000	2,508
Convention, workshops	-	-	-	-	-	-
Convention, host state social	-	-	-	2,220	-	2,220
Convention, speakers	-	-	-	-	-	-
Convention, trade show expense	-	-	-	-	-	-
Convention, tour expenses	-	-	-	-	-	-
Convention, committee expense	-	245	(245)	1,868	2,940	(1,072)
Convention, sponsorships - FFA Foundation	-	4,167	(4,167)	44,856	50,000	(5,144)
Convention, travel/board of directors	-	1,167	(1,167)	11,072	14,000	(2,928)
Convention, staff travel	-	625	(625)	11,924	7,500	4,424
Convention, other travel	-	-	-	-	-	-
TOTAL EXPENSES	<u>-</u>	<u>8,454</u>	<u>(8,454)</u>	<u>113,962</u>	<u>110,440</u>	<u>3,522</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ 4,463</u>	<u>\$ (4,463)</u>	<u>\$ 44,618</u>	<u>\$ 44,560</u>	<u>\$ 58</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, 2013

	MONTH ACTUAL	MONTH BUDGET	MONTH \$VARIANCE	YEAR TO DATE ACTUAL	YEAR BUDGET	YEAR \$VARIANCE
REVENUE						
CI fees	\$ 189,450	\$ -	\$ 189,450	\$ 309,526	\$ -	\$ 309,526
Vendor - Vernier	11,624	-	11,624	388,498	-	388,498
Vendor - NewByte	1,219	-	1,219	10,689	-	10,689
Field test fees	2,500	-	2,500	44,900	-	44,900
New Jersey	-	-	-	-	-	-
NRES	70,020	-	70,020	120,250	-	120,250
APB	-	-	-	89,034	-	89,034
Assesments - ASP	-	-	-	702	-	702
Assesments - ASA	-	-	-	-	-	-
Replacement CD	-	-	-	100	-	100
Interest	-	-	-	-	-	-
FFA Foundation	-	-	-	-	-	-
TOTAL REVENUE	274,813	-	274,813	963,699	-	963,699
EXPENSES						
Legal and professional	-	-	-	145	-	145
Travel	4,119	-	4,119	16,290	-	16,290
Travel - staff	57	-	57	15,050	-	15,050
Salary	3,391	-	3,391	34,580	-	34,580
Taxes and benefits	879	-	879	3,515	-	3,515
Contract labor	17,859	-	17,859	169,592	-	169,592
Supplies	-	-	-	258	-	258
Promotion	8,272	-	8,272	12,011	-	12,011
Printing	-	-	-	241	-	241
Postage	31	-	31	229	-	229
Telecommunications	-	-	-	23	-	23
Rutgers	-	-	-	-	-	-
Vernier	8,981	-	8,981	340,639	-	340,639
NewByte	-	-	-	5,917	-	5,917
Carthage	-	-	-	-	-	-
Carthage contract labor	-	-	-	83,775	-	83,775
Field test	-	-	-	-	-	-
Field test contract labor	-	-	-	-	-	-
NRES	16,672	-	16,672	65,481	-	65,481
APB	-	-	-	26,506	-	26,506
FSS	585	-	585	585	-	585
Assesmnets	-	-	-	2,389	-	2,389
Bank charges	-	-	-	-	-	-
Depreciation	10	-	10	95	-	95
Equipment	-	-	-	-	-	-
TOTAL EXPENSES	60,856	-	60,856	777,321	-	777,321
NET INCOME (LOSS)	\$ 213,957	\$ -	\$ 213,957	\$ 186,378	\$ -	\$ 186,378

SEE ACCOMPANYING ACCOUNTANT'S REPORT