

**IOWA SOYBEAN ASSOCIATION
AND SUBSIDIARIES**

Urbandale, Iowa

**CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA**

September 30, 2009 and 2008

(With Independent Auditor's Reports Thereon)

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Urbandale, Iowa

Table of Contents

	<u>Pages</u>
Board of Directors	1
Independent Auditor's Report	2
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities and Net Assets	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6-12
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	13-14
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	15-16
Schedule of Findings and Questioned Costs	17
Schedule of Expenditures of Federal Awards	18-19
Consolidating Statement of Financial Position – 2009	20-21
Consolidating Statement of Financial Position – 2008	22-23
Consolidating Statement of Activities – 2009	24
Consolidating Statement of Activities – 2008	25
Iowa Soybean Association Schedule of Revenues	26
Iowa Soybean Association Schedule of Expenses	27
AgInsight, Inc. Schedule of Revenues	28
AgInsight, Inc. Schedule of Expenses	29
AgInsight, Inc. Schedule of Revenues and Expenses by Division – 2009	30
AgInsight, Inc. Schedule of Revenues and Expenses by Division – 2008	31
Soybean Check-Off Statement of Revenues and Expenses by Activity – 2009	32
Soybean Check-Off Statement of Revenues and Expenses by Activity – 2008	33

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

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Randy VanKooten	Treasurer	District 5
Dean Coleman	At Large	District 2
Jim Andrew	Director	At Large
Roy Arends	Director	At Large
A J Blair	Director	District 5
Bob Cole	Director	District 3
Wayne Fredericks	Director	District 2
Ray Gaesser	Director	District 7
Cindi Grover	Director	District 3
Sheila Hebenstreit	Director	District 4
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Cliff Mulder	Director	District 8
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Iowa Soybean Association and Subsidiaries
Urbandale, Iowa

We have audited the accompanying Consolidated Statements of Financial Position of Iowa Soybean Association and Subsidiaries as of September 30, 2009 and 2008, and the related Consolidated Statements of Activities and Net Assets, and Cash Flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Iowa Soybean Association and Subsidiaries as of September 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 11, 2010, on our consideration of Iowa Soybean Association and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of Iowa Soybean Association and Subsidiaries taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The additional supporting schedules that follow are presented for purposes of further analysis and are also not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

February 11, 2010
West Des Moines, Iowa

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidated Statements of Financial Position

September 30,

Assets

	2009	2008
Current Assets		
Cash and Cash Equivalents	\$ 4,763,655	4,857,998
United States Treasury Bills	849,924	851,332
Certificates of Deposit	418,328	3,323,577
Accrued Interest Receivable	1,575	15,330
Accounts Receivable	1,762,636	2,021,695
Income Taxes Receivable	--	14,238
Prepaid Memberships	94,281	96,034
Prepaid Expense and Other Assets	196,840	202,823
Total Current Assets	<u>8,087,239</u>	<u>11,383,027</u>
Property and Equipment		
Buildings	7,598,396	--
Office Equipment	1,033,948	522,058
Leased Computers	243,502	226,372
Leasehold Improvements	178,240	178,240
Research Equipment	216,127	204,229
Accumulated Depreciation	(1,000,080)	(854,285)
	<u>8,270,133</u>	<u>276,614</u>
Land	1,200,000	1,200,000
Construction in Progress	--	804,489
Net Property and Equipment	<u>9,470,133</u>	<u>2,281,103</u>
Other Assets		
Prepaid Memberships	56,178	68,316
Cash Surrender Value of Life Insurance	63,912	68,564
Total Other Assets	<u>120,090</u>	<u>136,880</u>
Total Assets	<u>\$ 17,677,462</u>	<u>13,801,010</u>
	Liabilities and Net Assets	
Current Liabilities		
Accounts Payable	\$ 3,945,839	3,471,720
Capital Lease Obligation, Current Portion	27,930	42,966
Accrued Payroll and Related Expenses	161,230	168,603
Income Taxes Payable	14,340	--
Unearned Revenue		
Deferred Marketing Revenue	25,000	--
Memberships	143,018	152,463
Sponsorships	511,873	237,971
Total Current Liabilities	<u>4,829,230</u>	<u>4,073,723</u>
Long-Term Liabilities		
Accrued Pension Liability	507,985	622,655
Capital Lease Obligation	12,080	26,093
Deferred Comp Liability	65,812	67,411
Unearned Revenue - Memberships	81,542	109,057
Total Long-Term Liabilities	<u>667,419</u>	<u>825,216</u>
Total Liabilities	<u>5,496,649</u>	<u>4,898,939</u>
Net Assets		
Unrestricted		
Operating	2,322,191	2,174,340
Checkoff	9,858,622	6,727,731
Total Net Assets	<u>12,180,813</u>	<u>8,902,071</u>
Total Liabilities and Net Assets	<u>\$ 17,677,462</u>	<u>13,801,010</u>

The accompanying notes are an integral part of these financial statements.

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidated Statements of Activities and Net Assets

Years Ended September 30,

	2009			2008		
	Operating	Checkoff	Total	Operating	Checkoff	Total
Revenue						
Membership	\$ 131,164	--	131,164	124,993	--	124,993
Information and Education	906,091	68,283	974,374	773,535	76,392	849,927
Environmental Services and On Farm Research	1,780,967	--	1,780,967	1,807,813	--	1,807,813
Contract Revenue	511,386	--	511,386	404,941	--	404,941
Demand Committee	--	112,964	112,964	--	126,716	126,716
Supply Committee	--	156,375	156,375	--	74,735	74,735
Assessments-National Checkoff	--	26,244,515	26,244,515	--	26,313,232	26,313,232
Other States	319,669	--	319,669	342,193	--	342,193
Administrative						
Interest Income	5,530	74,269	79,799	11,940	178,012	189,952
Other	122,505	15,182	137,687	86,657	5,686	92,343
Land Contribution	--	--	--	1,200,000	--	1,200,000
Total Revenue	<u>3,777,312</u>	<u>26,671,588</u>	<u>30,448,900</u>	<u>4,752,072</u>	<u>26,774,773</u>	<u>31,526,845</u>
Expenses						
Membership	133,656	--	133,656	141,450	--	141,450
Information and Education	806,762	1,847,770	2,654,532	540,326	2,114,843	2,655,169
Environmental Services and On Farm Research	1,780,900	--	1,780,900	1,994,045	--	1,994,045
Contract Revenue	397,595	--	397,595	286,669	--	286,669
Checkoff Assessment Paid to USB and Other States	--	14,094,433	14,094,433	--	14,026,398	14,026,398
Demand Committee	--	2,476,915	2,476,915	--	2,619,255	2,619,255
Supply Committee	--	4,766,301	4,766,301	--	4,708,479	4,708,479
Other States	319,669	--	319,669	342,193	--	342,193
Administrative	226,476	529,806	756,282	178,519	560,879	739,398
Total Expenses	<u>3,665,058</u>	<u>23,715,225</u>	<u>27,380,283</u>	<u>3,483,202</u>	<u>24,029,854</u>	<u>27,513,056</u>
Profit From Operations						
Before Income Taxes	112,254	2,956,363	3,068,617	1,268,870	2,744,919	4,013,789
Income Taxes	47,682	--	47,682	14,714	--	14,714
Increase in Net Assets Prior						
to Pension Adjustment	64,572	2,956,363	3,020,935	1,254,156	2,744,919	3,999,075
Pension Adjustment	83,279	174,528	257,807	(76,814)	(143,535)	(220,349)
Increase in Net Assets						
	147,851	3,130,891	3,278,742	1,177,342	2,601,384	3,778,726
Net Assets - Beginning of Year	2,174,340	6,727,731	8,902,071	996,998	4,126,347	5,123,345
Net Assets - End of Year	<u>\$ 2,322,191</u>	<u>9,858,622</u>	<u>12,180,813</u>	<u>2,174,340</u>	<u>6,727,731</u>	<u>8,902,071</u>

The accompanying notes are an integral part of these financial statements.

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years Ended September 30,

	<u>2009</u>	<u>2008</u>
Cash Flows from Operations		
Increase in Net Assets	\$ 3,278,742	3,778,726
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided by Operations:		
Depreciation and Amortization	145,795	149,393
Gain on Sale of Property, Plant, and Equipment	--	(375)
Accretion of Discount	(3,061)	(18,082)
Decrease in Receivables	272,814	1,204,784
Decrease (Increase) in Prepaid Membership	13,891	(11,945)
Change in Income Tax Receivable/Payable	28,578	(15,875)
Decrease (Increase) in Prepaid Expenses	5,983	(86,429)
Decrease (Increase) in Cash Surrender Value of Insurance	4,652	(27,333)
Increase (Decrease) in Accounts Payable and Accrued Expenses	350,477	(405,300)
Increase in Unearned Revenue	261,942	150,631
Net Cash Flows from Operations	<u>4,359,813</u>	<u>4,718,195</u>
Cash Flows from Investing Activities		
Net Purchase of Certificates of Deposit	(6,528,018)	(3,611,374)
Maturity of Certificate of Deposit	9,433,460	599,848
Net Purchase of U.S. Treasury Bills	(1,700,724)	(2,383,154)
Maturity of U.S. Treasury Bills	1,705,000	2,382,000
Purchase of Property, Plant, and Equipment	(7,317,695)	(2,056,781)
Proceeds from Sale of Property, Plant, and Equipment	--	375
Net Cash Flows from Investing Activities	<u>(4,407,977)</u>	<u>(5,069,086)</u>
Cash Flows from Financing Activities		
Payments on Capital Leases	(46,179)	(65,750)
Net Cash Flows from Financing Activities	<u>(46,179)</u>	<u>(65,750)</u>
Net Decrease in Cash and Cash Equivalents	(94,343)	(416,641)
Cash and Cash Equivalents - Beginning of Year	<u>4,857,998</u>	<u>5,274,639</u>
Cash and Cash Equivalents - End of Year	<u>\$ 4,763,655</u>	<u>4,857,998</u>
Supplemental Disclosure of Cash Flow Data		
Interest Paid on Leased Computers Financed as Capital Leases	<u>\$ 8,441</u>	<u>12,323</u>
Cash Paid During the Years for Income Taxes	<u>\$ 19,104</u>	<u>27,164</u>
Equipment Acquired Under Capital Lease Obligations	<u>\$ 17,129</u>	<u>36,728</u>
Land Received as a Donation	<u>\$ --</u>	<u>1,200,000</u>

The accompanying notes are an integral part of these financial statements.

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2009 and 2008

1. Nature of Business and Organization

The Iowa Soybean Association (the Association) is a not for profit membership organization incorporated in the state of Iowa. The Association was created to aid in the promotion of the soybean industry of Iowa through education, research, marketing, transportation studies, and public relations programs. The Association also fosters research designed to develop new, additional, and improved uses for soybean products and determine better methods of converting them to various industrial and human uses. The Association also administers the Iowa Soybean Checkoff Account, which receives .5% of the net market value of soybeans grown in Iowa. One half of the amount received, adjusted for refunds, assessment revenue remitted to other Qualified State Soybean Boards (QSSB), and penalties received, is disbursed to the United Soybean Board. Soybeans grown in Iowa and sold to another state are assessed by the QSSB and those assessments are returned to the Iowa Soybean Checkoff Account. Soybean assessments are deposited into the Soybean Checkoff Account and are accounted for separately from all other Association funds.

The Association's wholly owned subsidiary AgInsight, Inc. was incorporated in the state of Iowa as a for-profit entity and is engaged in the promotion of the agricultural industry.

The consolidated financial statements included the net assets of the Ag Technology and Environmental Stewardship Foundation, Inc. (Ag Technology Foundation), a private foundation incorporated in the state of Iowa and engaged in the promotion and research in the use of technology in agriculture. The consolidated financial statements also included the net assets of the Soyfoods Council, a not for profit entity incorporated in the state of Iowa engaged in the promotion and development of soybean foods and food ingredients. The consolidated financial statements also included the net assets of the Soy for Life Foundation, Inc., a private foundation incorporated in the state of Iowa and engaged in the promotion and development of soybean foods and food ingredients. The members of the Board of Directors of Ag Technology Foundation, the Soyfoods Council, and Soy for Life Foundation are the same as the Association.

2. Summary of Significant Accounting Policies

The accounting and reporting policies of Iowa Soybean Association conform to U.S. generally accepted accounting principles. The following describes the significant policies.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Differences in the classification of net assets are determined based on the nature or existence of donor restrictions.

Temporarily restricted net assets are amounts whose use by the Association has been limited by donors or grantors to a specific time period or purpose. When donor restrictions are satisfied, temporarily restricted net assets are classified as unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions. If a restriction on a contribution is fulfilled in the same time period in which it is received, the Association reports the support as unrestricted. Iowa Soybean Association and Subsidiaries have no temporarily restricted net assets as of September 30, 2009 and 2008.

Permanently restricted net assets are required by the donor to be maintained in perpetuity by the Association. Iowa Soybean Association and Subsidiaries have no permanently restricted net assets as of September 30, 2009 and 2008.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Iowa Soybean Association and its subsidiaries, after elimination of significant intercompany accounts and transactions.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Association considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Receivables

The Association accounts for its accounts receivable when services have been performed. Accounts receivable balances are due within 30 days of billing. The Association does not assess finance charges on past due accounts. Past due accounts are written off when they are deemed uncollectible by management.

Bad debt expense is recorded by the specific write-off method. The Association has determined that a provision for uncollectible receivables is not material at this time.

Concentration of Credit Risk

The Association grants credit in the normal course of business to its advertising and sponsorship customers, substantially all of who are associated with the agricultural industry. Consequently, the ability of the Association to collect amounts due is affected by economic fluctuations in the agricultural industry.

Property and Equipment

Property and equipment are capitalized at cost. Equipment acquired under capital lease obligations is stated at the lower of fair value or the present value of the future minimum lease payments at the inception of the lease. Expenditures for repairs and maintenance are charged against operations. Depreciation expense is computed on the straight-line method by charges to operations at rates based upon the expected useful lives of the assets (generally three to seven years).

Membership Dues

Membership dues are recognized as revenue in the applicable membership period. Such amounts received but not yet earned are reported as deferred revenue.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Effective October 1, 2008, the Association adopted the provisions of FASB ASC 820-10, *Fair Value Measurements*, for financial assets and liabilities. FASB ASC 820-10 establishes a framework for measuring fair value and requires enhanced disclosures about assets and liabilities carried at fair value.

As defined in FASB ASC 820-10, fair value is the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. FASB ASC 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair value into three broad levels as follows:

Level 1 – Quoted prices (unadjusted) are available in active markets for identical assets or liabilities as of the reporting date.

Level 2 – Pricing inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3 – Significant inputs to pricing are limited or not observable as of the reporting date. The types of assets or liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine fair value.

As required by FASB ASC 820-10, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Association's assessment of significance to a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

The following methods and assumptions were used by the Association in estimating the fair value of its financial instruments.

Available-for-sale securities and cash equivalents are measured at fair value based on quoted prices in active markets and as such are categorized as Level 1.

Cash surrender value of life insurance is measured at fair value based on the market value of the securities in which the policy is invested in, net of anticipated cancellation fees.

The carrying amounts of cash, short-term investments, receivables, prepaid expenses, accounts payable, accrued expenses, and other liabilities approximate their fair values due to the short-term maturities of these financial instruments.

Income Taxes

The Association qualifies as a nonprofit organization organized for charitable or mutual benefit purposes, which is exempt from income taxation under Section 501(c)(5) of the Internal Revenue Code. The Association is, however, liable for income taxes to the extent that it records unrelated business income net of related expenses.

AgInsight, Inc. operates as a for-profit entity and as such is subject to federal and state corporate income taxes.

Ag Technology Foundation qualifies as a private foundation, which is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code.

The Soyfoods Council qualifies as a trade association, which is exempt from income taxation under Section 501(c)(6) of the Internal Revenue Code.

Soy for Life Foundation qualifies as a private foundation, which is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code.

Advertising Expense

The Association and its subsidiaries expense advertising costs in the year in which they are incurred. Advertising expense amounted to \$575,240 and \$598,076, respectively, for the years ended September 30, 2009 and 2008.

Reclassifications

Certain reclassifications to the 2008 financial statements have been made to conform to the 2009 presentation.

3. Concentration of Credit Risk

The Association maintains cash balances at several banks. Accounts at each institution are insured by FDIC up to \$250,000 (\$100,000 in 2008). At September 30, 2009 and 2008, the Association had \$0 and \$0, respectively, of cash deposited in excess of the insured limits. The Association has deposits in excess of the insured limits at one bank that are collateralized by Federal Government Securities, and therefore are not subject to credit risk.

4. Fair Value of Financial Instruments

The Association's assets that are measured at fair value on a recurring basis as of September 30, 2009 are presented below based on the fair value hierarchy levels:

	Fair Value	Quoted Price In Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)
United States Treasury Bills	\$ 849,924	849,924	--
Certificates of Deposit	418,328	418,328	--
Cash Surrender Value of Life Insurance	63,912	--	63,912

5. Capital Leases

The Association leases computer equipment under capital leases expiring in various years through 2012. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of their estimated productive lives. Depreciation of assets under capital leases in the amount of \$44,302 and \$60,195, respectively, is included in depreciation expense for the years ended September 30, 2009 and 2008.

Following is a summary of property held under capital leases:

	2009	2008
Computer Equipment	\$243,502	226,372
Less Accumulated Depreciation	<u>(206,970)</u>	<u>(162,668)</u>
	<u>\$ 36,532</u>	<u>63,704</u>

Minimum future lease payments under capital leases as of September 30, 2009 are as follows:

	2009	2008
September 30, 2009	\$ --	49,830
September 30, 2010	31,501	23,854
September 30, 2011	12,375	4,407
September 30, 2012	<u>537</u>	<u>--</u>
Total Minimum Lease Payments	44,413	78,091
Less: Amount Representing Interest	<u>(4,403)</u>	<u>(9,032)</u>
Present Value of Net Minimum Lease Payments	40,010	69,059
Less: Current Portion	<u>(27,930)</u>	<u>(42,966)</u>
Long-Term Capital Lease Payable	<u>\$ 12,080</u>	<u>26,093</u>

6. Operating Leases

The Association leases office space located in Urbandale, Iowa, through August 31, 2010. The Association pays a base rent amount plus an additional rental amount for maintenance, taxes, etc. Rent expense under this lease for the years ended September 30, 2009 and 2008 was \$271,560 and \$268,955, respectively.

The Association also leases equipment and vehicles under non-cancelable operating leases, with various terms. Total rent and lease expense on these leases in effect for the year ended September 30, 2009 was approximately \$128,926 (\$121,640 in 2008).

Minimum future rental payments under these leases as of September 30, 2009, are as follows:

2010	\$325,348
2011	62,118
2012	26,109
2013	2,281
2014	--
Thereafter	--
	<u>\$415,856</u>

7. Income Taxes

The provision for income taxes for the years ended September 30 is as follows:

	<u>2009</u>	<u>2008</u>
Current Income Taxes		
Federal	\$ 37,774	10,364
State	9,908	4,350
	<u>47,682</u>	<u>14,714</u>
Deferred Income Taxes		
Federal	--	--
State	--	--
	<u>--</u>	<u>--</u>
Total	<u>\$ 47,682</u>	<u>14,714</u>

The current provision for income taxes resulted from unrelated business income from advertising at the Association and AgInsight, Inc. income.

8. Pension Plans

Defined Contribution Pension Plan

The Association has a 401(k) savings plan covering substantially all employees. In addition to the employee contributions, the Association makes matching contributions to the Plan. For the years ended September 30, 2009 and 2008, the Association recognized matching contribution expense of \$203,443 and \$188,126, respectively.

Defined Benefit Pension Plan

The Association sponsors a defined benefit pension plan, which is funded by employer contributions and provides for monthly income for life upon retirement or upon total and permanent disability. The amount of benefits is based upon length of service and compensation. The Association intends to continue to participate in the plan indefinitely; however, it may voluntarily discontinue the plan at any time.

At September 30, the funded status of the plan was as follows:

	<u>2009</u>	<u>2008</u>
Pension Benefit Obligation	\$ (1,441,466)	(1,627,810)
Fair Value of Plan Assets	933,481	1,005,155
Excess of Benefit Obligation Over Fair Value of Plan Assets	<u>\$ (507,985)</u>	<u>(622,655)</u>

As of September 30, the following amounts were recognized in the Statements of Financial Position:

	<u>2009</u>	<u>2008</u>
As a Non-Current Liability	<u>\$ 507,985</u>	<u>622,655</u>

As of September 30, the following amounts were recognized in unrestricted net assets:

	<u>2009</u>	<u>2008</u>
Prior Service Cost	\$ 185,163	442,466
Actuarial Loss	<u>2,404</u>	<u>2,908</u>
	<u>\$ 187,567</u>	<u>445,374</u>

The accumulated benefit obligation at September 30, 2009 and 2008 was \$1,019,890 and \$1,001,862, respectively.

As of September 30, the following items included in unrestricted net assets had not yet been recognized as components of pension expense:

	<u>2009</u>	<u>2008</u>
Prior Service Cost	\$ 185,163	442,466
Actuarial Loss	<u>2,404</u>	<u>2,908</u>
	<u>\$ 187,567</u>	<u>445,374</u>

As of September 30, 2009, \$3,623 of the actuarial loss and \$467 of the prior service cost will, through amortization, be recognized as a component of pension expense in 2010.

The following amounts relate to the Association's defined benefit pension plan at September 30:

Measurement Date	September 30, 2009	September 1, 2008
Discount Rate on the Projected benefit Obligation	7.00%	6.00%
Rate of Expected Return on Plan Assets	8.00%	8.00%
Rate of Employee Compensation Increase	4.65%	6.53%
Pension Expense	\$ 225,801	145,346
Company Contributions	\$ 82,664	123,281
Benefits Paid	\$ 14,421	13,870

Historical and future expected returns of multiple asset classes were analyzed to develop a risk-free real rate of return and risk premiums for each asset class. The overall rate for each asset class was developed by combining a long-term inflation component, the risk-free real rate of return, and the associated risk premium. A weighted average rate was developed based on those overall rates and the target asset allocation of the plan.

The following is an analysis of plan assets by category as of the measurement date:

	<u>2009</u>	<u>2008</u>
At Fair Value		
Equity Securities	58%	58%
Debt Securities	35%	33%
Real Estate	7%	9%
Other	--%	--%
Total	<u>100.00%</u>	<u>100.00%</u>

The Association's strategy is to build an efficient, well-diversified portfolio based on a long-term, strategic outlook of the investment markets. The investment markets outlook utilizes both historical-based and forward-looking return forecasts to establish future return expectations for various asset classes. These return expectations are used to develop a core asset allocation based on the specific needs of the plan. The core asset allocation utilizes multiple investment managers in order to maximize the plan's return while minimizing risk.

The Association expects to contribute approximately \$82,664 to the plan during the year ended September 30, 2010. Benefits expected to be paid by the plan during the ensuing five years ending September 30, 2014 and the five years thereafter are approximately as follows:

2010	\$ 13,000
2011	13,000
2012	20,000
2013	23,000
2014	23,000
Years 2015 - 2019	260,000

9. Related Party Transactions

The Association has various transactions with its national affiliate, American Soybean Association, most significant of which is the collection and remittance of national dues from members.

At September 30, 2009 the Association had payables of \$11,467 (\$16,083 in 2008) with the American Soybean Association.

10. Subsequent Events

The Association has evaluated events and transactions occurring after September 30, 2009 for potential items required to be recognized or disclosed in the financial statements. Subsequent events were evaluated through February 11, 2010, the date the financial statements were issued.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Iowa Soybean Association and Subsidiaries
Urbandale, Iowa

We have audited the financial statements of Iowa Soybean Association and Subsidiaries for the year ended September 30, 2009, and have issued our report thereon dated February 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit we considered Iowa Soybean Association and Subsidiaries' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iowa Soybean Association and Subsidiaries' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

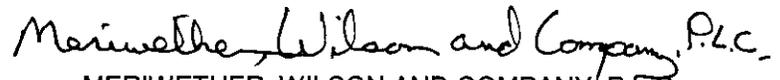
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on
an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Iowa Soybean Association and Subsidiaries' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.


MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

February 11, 2010
West Des Moines, Iowa

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Iowa Soybean Association and Subsidiaries
Urbandale, IA

Compliance

We have audited the compliance of Iowa Soybean Association and Subsidiaries with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the year ended September 30, 2009. Iowa Soybean Association and Subsidiaries' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of Iowa Soybean Association and Subsidiaries' management. Our responsibility is to express an opinion on Iowa Soybean Association and Subsidiaries' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Iowa Soybean Association and Subsidiaries' compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Iowa Soybean Association and Subsidiaries' compliance with those requirements.

In our opinion, Iowa Soybean Association and Subsidiaries complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended September 30, 2009.

Internal Control over Compliance

The management of Iowa Soybean Association and Subsidiaries is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Iowa Soybean Association and Subsidiaries' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Iowa Soybean Association and Subsidiaries' internal control over compliance.

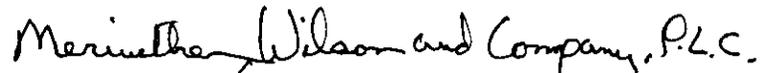
Report on Compliance with Requirements Applicable to Each Major Program
and Internal Control over Compliance in Accordance with OMB Circular A-133

A control deficiency in an organization's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the organization's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.


MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

February 11, 2010
West Des Moines, Iowa

Iowa Soybean Association and Subsidiaries
Schedule of Findings and Questioned Costs
 Year Ended September 30, 2009

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Iowa Soybean Association and Subsidiaries.
2. No significant deficiencies relating to the audit of the financial statements are reported in the auditor's report on internal control over financial reporting and on compliance and other matters.
3. No instances of noncompliance material to the financial statements of Iowa Soybean Association and Subsidiaries were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Iowa Soybean Association and Subsidiaries expresses an unqualified opinion on all major federal programs.
6. No audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are disclosed in this Schedule.
7. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
8. Iowa Soybean Association and Subsidiaries received the following federal awards that were audited as major programs during the year ended September 30, 2009:

Name of Program	CFDA No.	Expenditures
Environmental Quality Incentives Program	10.912	\$ 391,762
Soil and Water Conservation Resources Program	10.902	329,476
		\$ 721,238

9. Iowa Soybean Association and Subsidiaries qualified as a low-risk auditee.

Findings Related to the Financial Statements

None

Findings and Questioned Costs Related to Federal Awards

None

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	CFDA* Number	Award Amount	Federal Expenditures
United States Department of Agriculture - Natural Resource Conservation Services			
Direct Awards			
Soil and Water Conservation Resources Program	10.902		
Award #68-6114-9-35		\$ 150,300	\$ 23,070
Award #68-6114-8-04		276,153	145,732
Award #68-6114-8-05		159,972	94,540
Award #68-6114-8-06		128,693	66,134
			<u>329,476</u>
Environmental Quality Incentives Program	10.912		
Award #69-3A75-7-90		750,000	277,124
Award #2008-0116-015		800,000	114,638
			<u>391,762</u>
Total Expenditures of Federal Awards			<u>\$ 721,238</u>

SEE INDEPENDENT AUDITOR'S REPORT AND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES
Notes to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2009

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Iowa Soybean Association and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Financial Position

September 30, 2009

Assets

	Iowa Soybean Association		AgInsight, Inc.	Ag Technology		Soyfoods		Eliminations	Consolidated
	Operating	Checkoff		Foundation	Council	Soy for Life			
Current Assets									
Cash and Cash Equivalents	\$ 1,724,239	2,755,365	262,688	6,127	9,654	5,582	--	--	4,763,655
United States Treasury Bill	--	849,924	--	--	--	--	--	--	849,924
Certificates of Deposit	303,533	114,795	--	--	--	--	--	--	418,328
Accrued Interest Receivable	403	1,172	--	--	--	--	--	--	1,575
Accounts Receivable	316,575	1,321,296	151,213	5,032	2,206	--	(33,686)	--	1,762,636
Prepaid Memberships	94,281	--	--	--	--	--	--	--	94,281
Prepaid Expense and Other Assets	117,615	79,225	--	--	--	--	--	--	196,840
Total Current Assets	2,556,646	5,121,777	413,901	11,159	11,860	5,582	(33,686)	--	8,087,239
Property and Equipment									
Buildings	--	7,598,396	--	--	--	--	--	--	7,598,396
Office Equipment	540,993	492,955	--	--	--	--	--	--	1,033,948
Leased Computers	--	243,502	--	--	--	--	--	--	243,502
Leasehold Improvements	178,240	--	--	--	--	--	--	--	178,240
Research Equipment	216,127	--	--	--	--	--	--	--	216,127
Accumulated Depreciation and Amortization	(788,925)	(211,155)	--	--	--	--	--	--	(1,000,080)
	146,435	8,123,698	--	--	--	--	--	--	8,270,133
Land	1,200,000	--	--	--	--	--	--	--	1,200,000
Net Property and Equipment	1,346,435	8,123,698	--	--	--	--	--	--	9,470,133
Other Assets									
Prepaid Memberships	56,178	--	--	--	--	--	--	--	56,178
Cash Surrender Value of Life Insurance	31,712	32,200	--	--	--	--	--	--	63,912
Investment In AgInsight, Inc.	268,150	--	--	--	--	--	(268,150)	--	--
Total Other Assets	356,040	32,200	--	--	--	--	(268,150)	--	120,090
Total Assets	\$ 4,259,121	13,277,675	413,901	11,159	11,860	5,582	(301,836)	--	17,677,462

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Financial Position

September 30, 2009

Liabilities and Net Assets

	Iowa Soybean Association		Ag Technology Soyfoods				Eliminations	Consolidated
	Operating	Checkoff	AgInsight, Inc.	Foundation	Council	Soy for Life		
Current Liabilities								
Accounts Payable	\$ 797,864	3,094,339	81,916	5,078	328	--	(33,686)	3,945,839
Capital Lease Obligation, Current Portion	--	27,930	--	--	--	--	--	27,930
Accrued Payroll and Related Expenses	52,082	109,148	--	--	--	--	--	161,230
Income Taxes Payable	(1,271)	--	15,611	--	--	--	--	14,340
Unearned Revenue								
Deferred Marketing Revenue	--	25,000	--	--	--	--	--	25,000
Memberships	143,018	--	--	--	--	--	--	143,018
Sponsorships	463,649	--	48,224	--	--	--	--	511,873
Total Current Liabilities	1,455,342	3,256,417	145,751	5,078	328	--	(33,686)	4,829,230
Long-Term Liabilities								
Accrued Pension Liability	397,372	110,613	--	--	--	--	--	507,985
Capital Lease Obligation	--	12,080	--	--	--	--	--	12,080
Deferred Comp Liability	25,869	39,943	--	--	--	--	--	65,812
Unearned Revenue-Memberships	81,542	--	--	--	--	--	--	81,542
Total Long-Term Liabilities	504,783	162,636	--	--	--	--	--	667,419
Total Liabilities	1,960,125	3,419,053	145,751	5,078	328	--	(33,686)	5,496,649
Unrestricted Net Assets	2,298,996	9,858,622	--	6,081	11,532	5,582	--	12,180,813
Stockholder's Equity								
Common Stock	--	--	200,000	--	--	--	(200,000)	--
Retained Earnings	--	--	68,150	--	--	--	(68,150)	--
Total Stockholder's Equity	--	--	268,150	--	--	--	(268,150)	--
Total Net Assets and Stockholder's Equity	2,298,996	9,858,622	268,150	6,081	11,532	5,582	(268,150)	12,180,813
Total Liabilities and Net Assets	\$ 4,259,121	13,277,675	413,901	11,159	11,860	5,582	(301,836)	17,677,462

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Financial Position

September 30, 2008

Assets

	Iowa Soybean Association		AgInsight, Inc.	Ag Technology	Soyfoods	Soy for Life	Eliminations	Consolidated
	Operating	Checkoff		Foundation	Councils			
Current Assets								
Cash and Cash Equivalents	\$ 921,190	3,719,734	191,967	23,523	412	1,172	--	4,857,998
United States Treasury Bill	--	851,332	--	--	--	--	--	851,332
Certificates of Deposit	210,893	3,112,684	--	--	--	--	--	3,323,577
Accrued Interest Receivable	1,268	14,062	--	--	--	--	--	15,330
Accounts Receivable	602,276	1,323,250	129,151	138,977	31,514	--	(203,473)	2,021,695
Prepaid Memberships	96,034	--	--	--	--	--	--	96,034
Income Tax Receivable	14,238	--	--	--	--	--	--	14,238
Prepaid Expense and Other Assets	178,287	23,466	--	--	1,070	--	--	202,823
Total Current Assets	2,024,186	9,044,528	321,118	162,500	32,996	1,172	(203,473)	11,383,027
Property and Equipment								
Office Equipment	522,058	--	--	--	--	--	--	522,058
Leased Computers	226,372	--	--	--	--	--	--	226,372
Leasehold Improvements	178,240	--	--	--	--	--	--	178,240
Research Equipment	204,229	--	--	--	--	--	--	204,229
Accumulated Depreciation and Amortization	(854,285)	--	--	--	--	--	--	(854,285)
	276,614	--	--	--	--	--	--	276,614
Land	1,200,000	--	--	--	--	--	--	1,200,000
Construction in Progress	--	804,489	--	--	--	--	--	804,489
Equipment	1,476,614	804,489	--	--	--	--	--	2,281,103
Other Assets								
Prepaid Memberships	68,316	--	--	--	--	--	--	68,316
Cash Surrender Value of Life Insurance	33,214	35,350	--	--	--	--	--	68,564
Investment In AgInsight, Inc.	193,629	--	--	--	--	--	(193,629)	--
Total Other Assets	295,159	35,350	--	--	--	--	(193,629)	136,880
Total Assets	\$ 3,795,959	9,884,367	321,118	162,500	32,996	1,172	(397,102)	13,801,010

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Financial Position

September 30, 2008

Liabilities and Net Assets

	Iowa Soybean Association		Ag Technology		Soyfoods		Eliminations	Consolidated
	Operating	Checkoff	AgInsight, Inc.	Foundation	Council	Soy for Life		
Current Liabilities								
Accounts Payable	\$ 550,392	2,888,169	63,396	154,966	18,270	--	(203,473)	3,471,720
Capital Lease Obligation, Current Portion	42,966	--	--	--	--	--	--	42,966
Accrued Payroll and Related Expenses	168,603	--	--	--	--	--	--	168,603
Unearned Revenue								
Memberships	152,463	--	--	--	--	--	--	152,463
Sponsorships	173,878	--	64,093	--	--	--	--	237,971
Total Current Liabilities	1,088,302	2,888,169	127,489	154,966	18,270	--	(203,473)	4,073,723
Long-Term Liabilities								
Accrued Pension Liability	395,214	227,441	--	--	--	--	--	622,655
Capital Lease Obligation	26,093	--	--	--	--	--	--	26,093
Deferred Comp Liability	26,385	41,026	--	--	--	--	--	67,411
Unearned Revenue - Memberships	109,057	--	--	--	--	--	--	109,057
Total Long-Term Liabilities	556,749	268,467	--	--	--	--	--	825,216
Total Liabilities	1,645,051	3,156,636	127,489	154,966	18,270	--	(203,473)	4,898,939
Unrestricted Net Assets	2,150,908	6,727,731	--	7,534	14,726	1,172	--	8,902,071
Stockholder's Equity								
Common Stock	--	--	200,000	--	--	--	(200,000)	--
Accumulated Deficit	--	--	(6,371)	--	--	--	6,371	--
Total Stockholder's Equity	--	--	193,629	--	--	--	(193,629)	--
Total Net Assets and Stockholder's Equity	2,150,908	6,727,731	193,629	7,534	14,726	1,172	(193,629)	8,902,071
Total Liabilities and Net Assets	\$ 3,795,959	9,884,367	321,118	162,500	32,996	1,172	(397,102)	13,801,010

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended September 30, 2009

	Iowa Soybean Association		Ag Technology	Soyfoods				
	Operating	Checkoff	AgInsight, Inc.	Foundation	Council	Soy for Life	Eliminations	Consolidated
Revenue								
Membership	\$ 131,164	--	--	--	--	--	--	131,164
Information and Education	849,780	68,283	61,596	--	81,690	4,432	(91,407)	974,374
Environmental Services and Research	1,776,440	--	--	5,032	--	--	(505)	1,780,967
Contract Revenue	335,053	--	491,428	--	--	--	(315,095)	511,386
Demand Committee	--	112,964	--	--	--	--	--	112,964
Supply Committee	--	156,375	--	--	--	--	--	156,375
Assessments-National Checkoff	--	26,244,515	--	--	--	--	--	26,244,515
Other States	319,669	--	--	--	--	--	--	319,669
Administrative								
Interest Income	5,530	74,269	--	--	--	--	--	79,799
Other	132,235	15,182	--	--	--	--	(9,730)	137,687
Total Revenue	3,549,871	26,671,588	553,024	5,032	81,690	4,432	(416,737)	30,448,900
Expenses								
Membership	133,656	--	--	--	--	--	--	133,656
Information and Education	756,449	1,847,770	56,836	--	84,884	--	(91,407)	2,654,532
Environmental Services and Research	1,774,920	--	--	6,485	--	--	(505)	1,780,900
Contract Expense	335,053	--	377,637	--	--	--	(315,095)	397,595
Checkoff Assessments Paid	--	14,094,433	--	--	--	--	--	14,094,433
Demand Committee	--	2,476,915	--	--	--	--	--	2,476,915
Supply Committee	--	4,766,301	--	--	--	--	--	4,766,301
Other States	319,669	--	--	--	--	--	--	319,669
Administrative	225,524	529,806	10,660	--	--	22	(9,730)	756,282
Total Expenses	3,545,271	23,715,225	445,133	6,485	84,884	22	(416,737)	27,380,283
Profit (Loss) from Operations Before Income Taxes	4,600	2,956,363	107,891	(1,453)	(3,194)	4,410	--	3,068,617
Income Taxes	14,312	--	33,370	--	--	--	--	47,682
Income (Loss) Before Equity in Net Income of Subsidiary and Pension Adjustment	(9,712)	2,956,363	74,521	(1,453)	(3,194)	4,410	--	3,020,935
Equity in Net Income of Subsidiary	74,521	--	--	--	--	--	(74,521)	--
Pension Adjustment	83,279	174,528	--	--	--	--	--	257,807
Increase (Decrease) in Net Assets	\$ 148,088	3,130,891	74,521	(1,453)	(3,194)	4,410	(74,521)	3,278,742

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended September 30, 2008

	Iowa Soybean Association		Ag Technology	Soyfoods				
	Operating	Checkoff	AgInsight, Inc.	Foundation	Council	Soy for Life	Eliminations	Consolidated
Revenue								
Membership	\$ 124,993	--	--	--	--	--	--	124,993
Information and Education	723,365	76,392	12,605	--	111,184	2,850	(76,469)	849,927
Environment Services and Research	1,928,821	--	--	494,122	--	--	(615,130)	1,807,813
Contract Revenue	243,697	--	382,525	--	--	--	(221,281)	404,941
Demand Committee	--	126,716	--	--	--	--	--	126,716
Supply Committee	--	74,735	--	--	--	--	--	74,735
Assessments-National Checkoff	--	26,313,232	--	--	--	--	--	26,313,232
Other States	342,193	--	--	--	--	--	--	342,193
Administrative								
Interest Income	11,940	178,012	--	--	--	--	--	189,952
Other	94,415	5,686	--	--	--	--	(7,758)	92,343
Land Contribution	1,200,000	--	--	--	--	--	--	1,200,000
Total Revenue	4,669,424	26,774,773	395,130	494,122	111,184	2,850	(920,638)	31,526,845
Expenses								
Membership	141,450	--	--	--	--	--	--	141,450
Information and Education	587,945	2,114,843	27,172	--	--	1,678	(76,469)	2,655,169
Environment Services and Research	1,924,837	--	--	567,992	116,346	--	(615,130)	1,994,045
Contract Expense	243,698	--	264,252	--	--	--	(221,281)	286,669
Checkoff Assessments Paid	--	14,026,398	--	--	--	--	--	14,026,398
Demand Committee	--	2,619,255	--	--	--	--	--	2,619,255
Supply Committee	--	4,708,479	--	--	--	--	--	4,708,479
Other States	342,193	--	--	--	--	--	--	342,193
Administrative	178,109	560,879	8,168	--	--	--	(7,758)	739,398
Total Expenses	3,418,232	24,029,854	299,592	567,992	116,346	1,678	(920,638)	27,513,056
Profit from Operations Before Income Taxes	1,251,192	2,744,919	95,538	(73,870)	(5,162)	1,172	--	4,013,789
Income Taxes	14,714	--	--	--	--	--	--	14,714
Income (Loss) Before Equity in Net Income of Subsidiary and Pension Adjustment	1,236,478	2,744,919	95,538	(73,870)	(5,162)	1,172	--	3,999,075
Equity in Net Income of Subsidiary	95,538	--	--	--	--	--	(95,538)	--
Pension Adjustment	(76,814)	(143,535)	--	--	--	--	--	(220,349)
Increase (Decrease) in Net Assets	\$ 1,255,202	2,601,384	95,538	(73,870)	(5,162)	1,172	(95,538)	3,778,726

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Iowa Soybean Association Schedule of Revenues

Years Ended September 30,

	<u>2009</u>	<u>2008</u>
Contract Revenue		
Expense Reimbursement	\$ 2,699,703	2,377,162
Other	--	94,817
	<u>2,699,703</u>	<u>2,471,979</u>
Assessments-National Checkoff	26,244,515	26,313,232
Membership Dues	127,064	102,750
Registration, Exhibit Fees, and Other	30,160	24,290
Sponsorships	785,071	884,510
Advertising Income	252,580	254,822
Investment Revenue	79,799	189,952
Land Contribution	--	1,200,000
Other	2,567	2,662
	<u>2,567</u>	<u>2,662</u>
Total	<u>\$ 30,221,459</u>	<u>31,444,197</u>

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Iowa Soybean Association Schedule of Expenses

Years Ended September 30,

	<u>2009</u>	<u>2008</u>
Checkoff Assessments Paid	\$ 14,094,360	14,026,398
Research	3,008,963	3,211,020
Per Diem	32,600	32,500
Copier Supplies and Maintenance	15,498	18,983
Depreciation and Amortization	145,795	149,393
Insurance - Business	31,989	29,976
Capital Lease Interest	7,313	12,001
Rent	271,560	268,955
Equipment Expenses	57,046	176,294
Internet	90,636	15,735
Salaries and Benefits	4,657,220	4,259,788
Staff Development	14,111	23,853
Employee Recruitment	476	2,187
Temporary Employment Agency	856	140
Contracted Personnel	890,470	881,426
Postage	151,949	178,812
Printing	529,599	530,455
Professional Fees	484,291	576,380
Commission	57,919	57,988
Conference Fees	39,247	36,921
Software Maintenance	20,698	5,597
Supplies	73,247	54,724
Travel	112,439	90,131
Board Travel	207,058	216,487
Staff Travel	402,965	380,435
Recognition/Awards	10,183	10,055
Telephone	41,586	38,109
Dues and Subscriptions	82,741	66,671
Marketing Funds	914,340	948,954
General Sponsorship	(147,348)	76,170
Leadership Program	15,000	15,000
Scholarships	12,000	20,000
Publications	11,602	15,764
Photographer	2,612	2,228
Polling	18,360	8,805
Trade Shows/Displays	26,351	30,543
Advertising	575,060	597,395
Speaker Fees	38,011	136,214
Facilities/Food	208,530	222,503
Other	53,163	23,096
	<u>\$ 27,260,496</u>	<u>27,448,086</u>
Total		

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

AgInsight, Inc. Schedule of Revenues

Years Ended September 30,

	<u>2009</u>	<u>2008</u>
Sponsorships	\$ 5,000	3,980
Expense Reimbursement	70,145	40,852
Other Revenues	<u>477,879</u>	<u>350,298</u>
Total	<u>\$ 553,024</u>	<u>395,130</u>

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

AgInsight, Inc. Schedule of Expenses

Years Ended September 30,

	<u>2009</u>	<u>2008</u>
Conference Fees	\$ 1,916	75
Copier Supplies	1,029	2,770
Dues and Subscriptions	2,319	830
Internet	1,876	826
Telephone	2,889	1,924
Equipment Expenses	8,263	2,539
Accounting Fees	930	377
Clipping Service	780	2,264
Professional Fees	3,185	7,509
Contracted Personnel	49,767	30,220
Facilities/Food	49	1,742
Salaries and Benefits	228,202	159,736
Postage	2,136	2,602
Printing	8,113	3,981
Marketing Funds	1,242	2,989
Publications	5,281	--
Photographer	1,250	--
Trade Shows/Displays	8,000	--
Advertising	180	681
Supplies	5,240	3,130
Travel	2,815	357
Staff Travel	29,985	18,055
Administrative Allocable	79,248	55,080
Miscellaneous	438	1,905
	<u> </u>	<u> </u>
Total	<u>\$ 445,133</u>	<u>299,592</u>

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

AgInsight, Inc. Revenues and Expenses by Division

For the year ended September 30, 2009

<u>Division</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Net Revenue (Expense)</u>
Association Insight	\$ 361,394	256,812	104,582
Business Opportunities	--	44,030	(44,030)
Communication Insight	44,840	36,959	7,881
Food Insight	<u>146,790</u>	<u>107,332</u>	<u>39,458</u>
	<u>\$ 553,024</u>	<u>445,133</u>	<u>107,891</u>

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

AgInsight, Inc. Revenues and Expenses by Division

For the year ended September 30, 2008

<u>Division</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Net Revenue (Expense)</u>
Association Insight	\$ 292,506	216,681	75,825
Business Opportunities	--	8,165	(8,165)
Communication Insight	39,473	37,013	2,460
Food Insight	<u>63,151</u>	<u>37,733</u>	<u>25,418</u>
	<u>\$ 395,130</u>	<u>299,592</u>	<u>95,538</u>

SEE INDEPENDENT AUDITOR'S REPORT.

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Soybean Check-Off Statement of Revenues and Expenses by Activity

Year Ended September 30, 2009

	Administration	Demand Committee	Supply Committee	Information & Education Committee	Total
Operating Revenues					
Assessments-National Checkoff					\$25,472,816
Assessments Collected from Other QSSBs					771,699
Total Checkoff Receipts					<u>26,244,515</u>
Interest					74,269
USB Funding of Research Projects					37,326
Less:					
Assessment Revenue Remitted to USB					(12,134,256)
Assessment Revenue Remitted Other QSSBs					(1,960,104)
Organic Soybean Checkoff Refunds					(73)
Net Operating Revenue					<u>12,261,677</u>
Operating Expenses					
Checkoff Maintenance & Compliance	65,132	--	--	--	65,132
Checkoff Strategic Planning & Evaluation	45,547	--	--	--	45,547
Leadership Development	111,826	--	--	--	111,826
Director Elections	37,475	--	--	--	37,475
New Building	1,047	--	--	--	1,047
Administrative	365,421	--	--	--	365,421
Biodiesel Products & Manufacturing	--	782,728	--	--	782,728
Edible Products	--	518,882	--	--	518,882
International Marketing	--	616,492	--	--	616,492
Soy InfoSource	--	24,730	--	--	24,730
Value Added	--	152,322	--	--	152,322
Coalition to Support Iowa's Farmers	--	218,797	--	--	218,797
Soybean Transportation Coalition	--	50,000	--	--	50,000
Environmental Services	--	--	575,268	--	575,268
On Farm Research	--	--	809,881	--	809,881
Research Coordination	--	--	372,090	--	372,090
Research Projects	--	--	2,890,014	--	2,890,014
Checkoff Communications	--	--	--	670,574	670,574
Producer Programs	--	--	--	392,745	392,745
Publications and Inserts	--	--	--	295,551	295,551
Marketing	--	--	--	308,792	308,792
Total Operating Expenses	<u>626,448</u>	<u>2,363,951</u>	<u>4,647,253</u>	<u>1,667,662</u>	<u>9,305,314</u>
Operating Income Before Pension Adjustment					<u>2,956,363</u>
Pension Adjustment					<u>174,528</u>
Increase in Net Assets					<u>\$ 3,130,891</u>

SEE INDEPENDENT AUDITOR'S REPORT

IOWA SOYBEAN ASSOCIATION AND SUBSIDIARIES

Soybean Check-Off Statement of Revenues and Expenses by Activity

Year Ended September 30, 2008

	Administration	Demand Committee	Supply Committee	Information & Education Committee	Total
Operating Revenues					
Assessments-National Checkoff					\$ 25,459,184
Assessments Collected from Other QSSBs					854,048
Total Checkoff Receipts					<u>26,313,232</u>
Interest					178,012
USB Funding of Research Projects					25,670
Less:					
Assessment Revenue Remitted to USB					(12,042,802)
Assessment Revenue Remitted Other QSSBs					(1,983,596)
Net Operating Revenue					<u>12,490,516</u>
Operating Expenses					
Checkoff Maintenance & Compliance	59,945	--	--	--	59,945
Checkoff Strategic Planning & Evaluation	65,223	--	--	--	65,223
Leadership Development	160,244	--	--	--	160,244
Director Elections	40,574	--	--	--	40,574
New Building	19,194	--	--	--	19,194
Administrative	370,257	--	--	--	370,257
Biodiesel Products & Manufacturing	--	953,401	--	--	953,401
Edible Products	--	529,642	--	--	529,642
International Marketing	--	560,627	--	--	560,627
Soy InfoSource	--	34,389	--	--	34,389
Value Added	--	130,893	--	--	130,893
Coalition to Support Iowa's Farmers	--	233,587	--	--	233,587
Soybean Transportation Coalition	--	50,000	--	--	50,000
Environmental Services	--	--	444,879	--	444,879
ISA Farm Network	--	--	1,355	--	1,355
On Farm Research	--	--	403,808	--	403,808
Research Coordination	--	--	406,196	--	406,196
Precision Ag Training	--	--	100,385	--	100,385
National Adaptive Management	--	--	168,532	--	168,532
Research Projects	--	--	3,134,260	--	3,134,260
Checkoff Communications	--	--	--	580,017	580,017
Producer Programs	--	--	--	1,007,678	1,007,678
Publications and Inserts	--	--	--	290,511	290,511
Total Operating Expenses	<u>715,437</u>	<u>2,492,539</u>	<u>4,659,415</u>	<u>1,878,206</u>	<u>9,745,597</u>
Operating Income Before Pension Adjustment					<u>2,744,919</u>
Pension Adjustment					<u>(143,535)</u>
Increase in Net Assets					<u>\$ 2,601,384</u>

SEE INDEPENDENT AUDITOR'S REPORT