

**SOUTH FLORIDA MUSICIANS ASSOCIATION
LOCAL 655**

DECEMBER 31, 2012 REVIEW

Thomas J. Choate, P.A.

Certified Public Accountant

Member:
Florida Institute of
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March 15, 2013

The Board of Directors
South Florida Musicians Association
Local 655, AFM
404 SE 15 Street
Ft. Lauderdale, Florida 33316

Gentlemen of the Board of Directors:

I have reviewed the accompanying balance sheet of the South Florida Musicians Association, Local 655, as of December 31, 2012, and the related statements of revenue, expenses, and fund balances, and cash flows for the twelve months then ended, in accordance with statements on standards for accounting and reviews issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the South Florida Musicians Association, Local 655.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Sincerely yours,

Thomas J. Choate, P.A.
Certified Public Accountant

TJC/vtm

SOUTH FLORIDA MUSICIANS ASSOCIATION
 LOCAL 655
 BALANCE SHEET
 DECEMBER 31, 2011 and DECEMBER 31, 2012

	DECEMBER 31, 2011 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>
ASSETS		
CURRENT ASSETS:		
Cash Including savings accounts	\$ 99,519	\$109,933
Accounts receivable, net of allowances for doubtful accounts of \$0--DECEMBER 31, 2011 and \$0--DECEMBER 31, 2012 (NOTE "C")	40,494	36,784
A/R Deferred Income	-0-	-0-
Prepaid Expenses	-0-	-0-
	\$140,013	\$146,717
TOTAL CURRENT ASSETS		
FURNITURE AND OFFICE EQUIPMENT, Net Accumulated Depreciation of \$4,086--DECEMBER 31, 2011 and \$4,086--DECEMBER 31, 2012	-0-	-0-
MACHINERY AND EQUIPMENT, Net Accumulated Depreciation of \$3,301--DECEMBER 31, 2011 and \$3,432--DECEMBER 31, 2012	407	276
OTHER ASSETS:		
Deposits	1,800	1,800
	\$142,220	\$148,793
TOTAL ASSETS	=====	=====

SEE ACCOUNTANT'S REVIEW REPORT
 Footnotes are an integral part of this report.

SOUTH FLORIDA MUSICIANS ASSOCIATION
 Local 655
 Balance Sheet Continued
 Page Two

	DECEMBER 31, 2011 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES:		
Accounts Payable and accrued liabilities	\$ 99	1,324
Deferred Income	1,013	1,013
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TOTAL CURRENT LIABILITIES	\$ 1,100	\$ 2,337
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TOTAL LIABILITIES	\$ 1,100	\$ 2,337
FUND BALANCES:		
General Fund	141,119	146,456
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TOTAL LIABILITIES AND FUND BALANCES	\$142,220 =====	\$148,793 =====

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SOUTH FLORIDA MUSICIANS ASSOCIATION
 LOCAL 655
 STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND BALANCES
 TWELVE MONTHS ENDED DECEMBER 31, 2011 and
 TWELVE MONTHS ENDED DECEMBER 31, 2012

	DECEMBER 31, 2011 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>
GENERAL FUND:		
REVENUE		
Regular dues	\$ 56,296	\$ 53,081
Local work dues	14,943	12,648
Traveling work dues	984	1,032
Initiation fees	1,095	895
Late charges	200	215
Reinstatement fees	526	849
Special Assessment fees	0	0
CBA Work dues	12,815	7,613
Return Checks S/C	0	0
Recording Work Dues	13,770	11,425
Gain (Loss) on Assets	0	0
Directory & Newsletter Advertising	0	0
PBO Players Association Income	918	944
Administrative Fees	2,185	2,831
Booking Income	0	0
Interest Income	373	52
Capital Gains (Losses)	0	0
Miscellaneous	0	0
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TOTAL REVENUE	\$104,105	\$ 91,585
EXPENSE		
Per capita and Insurance:		
Per capita dues to A.F.M.	\$ 18,838	\$ 17,466
A.F.M. Work Dues	5,687	4,564
AFL-CIO dues	316	306
ROPA Dues	780	780
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	\$ 25,621	\$ 23,116

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SOUTH FLORIDA MUSICIANS ASSOCIATION, Local 655
Statement of Revenue, Expense, and Changes in Fund Balances Continued
Page Two

	DECEMBER 31, 2011 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>
Salaries:		
Officers	22,100	22,100
Office	332	125
Subcontractor/Business Agent	0	0
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	\$ 22,432	\$ 22,225
Occupancy:		
Utilities	\$ 1,140	\$ 1,140
Repairs/maintenance	360	360
Depreciation	166	131
Insurance	1,635	2,129
Rent	8,459	8,456
License and Taxes	61	61
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	\$ 11,821	\$ 12,277
Office:		
Telephone	\$ 3,215	\$ 3,123
Repairs and maintenance, equipment	0	0
Accounting	2,200	2,200
Supplies	534	325
Computer Expense	86	0
Printing	0	33
Dues & Subscriptions	0	0
Equipment Lease/Pitney Bowes	0	0
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	\$ 6,035	\$ 5,681
Publications:		
South Florida Musician Newsletter	\$ 0	\$ 0
Mailing and Postage	682	777
Directory Mailing and Publishing	0	0
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	\$ 682	\$ 777

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SOUTH FLORIDA MUSICIANS ASSOCIATION, Local 655
Statement of Revenue, Expense, and Changes in Fund Balances Continued
Page Three

	DECEMBER 31, 2011 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>
Other Expenses:		
Payroll taxes	\$ 1,926	\$ 1,992
Pension Contribution; Note (B)	1,964	1,989
Convention and conferences	1,731	2,062
Legal	5,850	2,577
Musician Fees	0	0
Member Services/Strike Expense	0	0
Miscellaneous	36	0
Miscellaneous-Moving Expense	0	0
Miscellaneous-Booking Work Dues	0	0
Bank Charges	339	432
Bad Debts	8,249	6,818
Advertising	0	0
Election Expense	263	0
Meeting Expense	257	803
PBO Players Assoc Expense	751	39
Executive Board Travel and Expenses	5,620	5,460
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	\$ 26,986	\$ 22,172
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TOTAL EXPENSES	\$ 93,577	\$ 86,248
Excess (deficiency) of revenue over expense	\$ 10,528	\$ 5,337
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Fund balance, beginning of year	\$ 130,591	\$ 141,119
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Fund balance, end of year	\$ 141,119 =====	\$ 146,456 =====

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Footnotes are an integral part of this report.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE (A) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Method of Accounting

The financial statements of the South Florida Musicians Association, Local 655, have been prepared on the accrual basis. The accounting policies follow the fund accounting method. Fund accounting is a procedure by which resources are classified for accounting purposes into a fund for specific use. The union operates one General Fund for operational revenues and expenses.

2. Computers, Equipment and Furniture and Fixtures

Equipment is valued at cost with various lives of from 5 to 10 years and depreciated using the straight-line method. Upon retirement or disposal of equipment the asset and related accumulated depreciation are reduced by the amounts involved for the asset. Any resulting gain or loss is included in income.

NOTE (B) - PENSION PLAN

The Union participates in a pension plan of the American Federation of Musicians providing retirement benefits to its employees at a cost of 8.5% on 6/1/10 and 9% on 4/1/11 of compensation.

NOTE (C) - ACCOUNTS RECEIVABLE

The Association's policy concerning members' delinquency is to carry members for four years, at which time they will be expelled. In the past, if a member were suspended, he would be removed from accounts receivable.

NOTE (D) - DESCRIPTION OF LEASING ARRANGEMENTS

The South Florida Musicians Association, Local 655 entered into a month to month lease at \$900.00 per month.