

**SOUTH FLORIDA MUSICIANS ASSOCIATION
LOCAL 655**

DECEMBER 31, 2013 REVIEW

Thomas J. Choate, P.A.

Certified Public Accountant

Member:
Florida Institute of
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March 3, 2014

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, 2013, 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, 2012 and DECEMBER 31, 2013

	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2013 General Fund <u>(Undesignated)</u>
ASSETS		
CURRENT ASSETS:		
Cash Including savings accounts	\$109,993	\$105,070
Accounts receivable, net of allowances for doubtful accounts of \$0--DECEMBER 31, 2012 and \$0--DECEMBER 31, 2013 (NOTE "C")	36,784	32,915
A/R Deferred Income	-0-	-0-
Prepaid Expenses	-0-	-0-
	\$146,717	\$137,985
FURNITURE AND OFFICE EQUIPMENT, Net		
Accumulated Depreciation of \$4,086--DECEMBER 31, 2012 and \$4,086--DECEMBER 31, 2013	-0-	-0-
MACHINERY AND EQUIPMENT, Net		
Accumulated Depreciation of \$3,432--DECEMBER 31, 2012 and \$3,467--DECEMBER 31, 2013	276	241
OTHER ASSETS:		
Deposits	1,800	1,800
	\$148,793	\$140,026
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, 2012 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2013 General Fund <u>(Undesignated)</u>
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES:		
Accounts Payable and accrued liabilities	\$ 1,324	(28)
Deferred Income	1,013	1,884
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TOTAL CURRENT LIABILITIES	\$ 2,337	\$ 1,856
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TOTAL LIABILITIES	\$ 2,337	\$ 1,856
FUND BALANCES:		
General Fund	146,456	138,170
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TOTAL LIABILITIES AND FUND BALANCES	\$142,220 =====	\$140,026 =====

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SOUTH FLORIDA MUSICIANS ASSOCIATION
LOCAL 655
STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND BALANCES
TWELVE MONTHS ENDED DECEMBER 31, 2012 and
TWELVE MONTHS ENDED DECEMBER 31, 2013

	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2013 General Fund <u>(Undesignated)</u>
GENERAL FUND:		
REVENUE		
Regular dues	\$ 53,081	\$ 50,941
Local work dues	12,648	10,107
Traveling work dues	1,032	991
Initiation fees	895	450
Late charges	215	180
Reinstatement fees	849	540
Special Assessment fees	0	0
CBA Work dues	7,613	8,786
Return Checks S/C	0	0
Recording Work Dues	11,425	14,045
Gain (Loss) on Assets	0	0
Directory & Newsletter Advertising	0	0
PBO Players Association Income	944	840
Administrative Fees	2,831	2,580
Booking Income	0	0
Interest Income	52	29
Capital Gains (Losses)	0	0
Miscellaneous	0	0
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TOTAL REVENUE	\$ 91,585	\$ 89,489
EXPENSE		
Per capita and Insurance:		
Per capita dues to A.F.M.	\$ 17,466	\$ 16,581
A.F.M. Work Dues	4,564	6,127
AFL-CIO dues	306	284
ROPA Dues	780	780
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	\$ 23,116	\$ 23,772

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

	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2013 General Fund <u>(Undesignated)</u>
Salaries:		
Officers	22,100	22,100
Office	125	83
Subcontractor/Business Agent	0	0
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	\$ 22,225	\$ 22,183
Occupancy:		
Utilities	\$ 1,140	\$ 1,140
Repairs/maintenance	360	0
Depreciation	131	35
Insurance	2,129	1,872
Rent	8,456	9,290
License and Taxes	61	61
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	\$ 12,277	\$ 12,398
Office:		
Telephone	\$ 3,123	\$ 3,112
Repairs and maintenance, equipment	0	0
Accounting	2,200	2,200
Supplies	325	521
Computer Expense	0	0
Printing	33	116
Dues & Subscriptions	0	0
Equipment Lease/Pitney Bowes	0	0
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	\$ 5,681	\$ 5,949
Publications:		
South Florida Musician Newsletter	\$ 0	\$ 0
Mailing and Postage	777	686
Directory Mailing and Publishing	0	0
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	\$ 777	\$ 686

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

	DECEMBER 31, 2012 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2013 General Fund <u>(Undesignated)</u>
Other Expenses:		
Payroll taxes	\$ 1,992	\$ 1,938
Pension Contribution; Note (B)	1,989	1,989
Convention and conferences	2,062	2,900
Legal	2,577	10,446
Musician Fees	0	0
Member Services/Strike Expense	0	0
Miscellaneous	0	245
Miscellaneous-Moving Expense	0	0
Miscellaneous-Booking Work Dues	0	0
Bank Charges	432	457
Bad Debts	6,818	8,707
Advertising	0	0
Election Expense	0	0
Meeting Expense	803	451
PBO Players Assoc Expense	39	355
Executive Board Travel and Expenses	5,460	5,300
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	\$ 22,172	\$ 32,788
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TOTAL EXPENSES	\$ 86,248	\$ 97,776
Excess (deficiency) of revenue over expense	\$ 5,337	\$ (8,287)
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Fund balance, beginning of year	\$ 141,119	\$ 146,456
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Fund balance, end of year	\$ 146,456 =====	\$ 138,169 =====

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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

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.