

**SOUTH FLORIDA MUSICIANS ASSOCIATION  
LOCAL 655**

**DECEMBER 31, 2015 REVIEW**

# Thomas J. Choate, P.A.

Certified Public Accountant

Member:  
Florida Institute of  
Certified Public Accountants

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March 18, 2016

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, 2015, 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

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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.

**SOUTH FLORIDA MUSICIANS ASSOCIATION  
LOCAL 655  
BALANCE SHEET  
DECEMBER 31, 2014 and DECEMBER 31, 2015**

	DECEMBER 31, 2014 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>
ASSETS		
CURRENT ASSETS:		
Cash Including savings accounts	\$100,971	\$99,808
Accounts receivable, net of allowances for doubtful accounts of \$0--DECEMBER 31, 2014 and \$0--DECEMBER 31, 2015 (NOTE "C")	34,879	32,236
A/R Deferred Income	-0-	-0-
Prepaid Expenses	-0-	-0-
TOTAL CURRENT ASSETS	\$135,850	\$131,236
FURNITURE AND OFFICE EQUIPMENT, Net Accumulated Depreciation of \$4,086--DECEMBER 31, 2014 and \$4,086--DECEMBER 31, 2015	-0-	-0-
MACHINERY AND EQUIPMENT, Net Accumulated Depreciation of \$3,502--DECEMBER 31, 2014 and \$3,537--DECEMBER 31, 2015	206	171
OTHER ASSETS:		
Deposits	1,800	1,800
<b>TOTAL ASSETS</b>	<b>\$137,856</b>	<b>\$134,015</b>

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

SOUTH FLORIDA MUSICIANS ASSOCIATION  
 Local 655  
 Balance Sheet Continued  
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	DECEMBER 31, 2014 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES:		
Accounts Payable and accrued liabilities	\$ 5,329	5,820
Deferred Income	1,298	2,639
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TOTAL CURRENT LIABILITIES	\$ 6,627	\$ 8,459
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<b>TOTAL LIABILITIES</b>	<b>\$ 6,627</b>	<b>\$ 8,459</b>
FUND BALANCES:		
General Fund	131,229	125,556
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<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$137,856</b> =====	<b>\$134,015</b> =====

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**SOUTH FLORIDA MUSICIANS ASSOCIATION  
LOCAL 655  
STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND BALANCES  
TWELVE MONTHS ENDED DECEMBER 31, 2014 and  
TWELVE MONTHS ENDED DECEMBER 31, 2015**

	DECEMBER 31, 2014 General Fund (Undesignated)	DECEMBER 31, 2015 General Fund (Undesignated)
<b>GENERAL FUND:</b>		
<b>REVENUE</b>		
Regular dues	\$ 50,584	\$ 47,521
Local work dues	8,528	8,201
Traveling work dues	709	66
Initiation fees	815	900
Late charges	115	175
Reinstatement fees	340	345
Special Assessment fees	0	0
CBA Work dues	7,562	10,180
Return Checks S/C	0	0
Recording Work Dues	8,911	9,021
Gain (Loss) on Assets	0	0
Directory & Newsletter Advertising	0	0
PBO Players Association Income	900	840
Administrative Fees	3,069	5,790
Booking Income	0	0
Interest Income	16	38
Capital Gains (Losses)	0	0
Miscellaneous	2	0
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<b>TOTAL REVENUE</b>	<b>\$ 81,551</b>	<b>\$ 83,077</b>
 <b>EXPENSE</b>		
Per capita and Insurance:		
Per capita dues to A.F.M.	\$ 18,512	\$ 17,307
A.F.M. Work Dues	5,491	5,869
AFL-CIO dues	270	246
ROPA Dues	780	780
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	<b>\$ 25,053</b>	<b>\$ 24,202</b>

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

	DECEMBER 31, 2014 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>
Salaries:		
Officers	22,100	22,100
Office	0	0
Subcontractor/Business Agent	0	0
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	<b>\$ 22,100</b>	<b>\$ 22,100</b>
Occupancy:		
Utilities	\$ 1,140	\$ 1,140
Repairs/maintenance	0	0
Depreciation	35	35
Insurance	1,795	1,925
Rent	9,417	9,519
License and Taxes	61	61
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	<b>\$ 12,448</b>	<b>\$ 12,680</b>
Office:		
Telephone	\$ 3,182	\$ 2,576
Repairs and maintenance, equipment	0	0
Accounting	2,200	2,200
Supplies	344	420
Computer Expense	0	49
Printing	37	0
Dues & Subscriptions	0	0
Equipment Lease/Pitney Bowes	0	0
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	<b>\$ 5,763</b>	<b>\$ 5,245</b>
Publications:		
South Florida Musician Newsletter	\$ 0	\$ 0
Mailing and Postage	656	655
Directory Mailing and Publishing	0	0
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	<b>\$ 656</b>	<b>\$ 655</b>

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SOUTH FLORIDA MUSICIANS ASSOCIATION, Local 655  
Statement of Revenue, Expense, and Changes in Fund Balances Continued  
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	DECEMBER 31, 2014 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>
Other Expenses:		
Payroll taxes	\$ 1,885	\$ 1,813
Pension Contribution; Note (B)	1,989	1,989
Convention and conferences	2,126	1,621
Legal	6,030	6,645
Musician Fees	0	0
Member Services/Strike Expense	0	0
Miscellaneous	0	0
Miscellaneous-Moving Expense	0	0
Miscellaneous-Booking Work Dues	0	0
Bank Charges	447	588
Bad Debts	4,369	5,475
Advertising	0	0
Election Expense	307	0
Meeting Expense	144	54
PBO Players Assoc Expense	394	482
Executive Board Travel and Expenses	4,780	5,200
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	<b>\$ 22,471</b>	<b>\$ 23,867</b>
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<b>TOTAL EXPENSES</b>	<b>\$ 88,491</b>	<b>\$ 88,749</b>
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Excess (deficiency) of revenue over expense	\$ (6,940)	\$ (5,672)
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Fund balance, beginning of year	\$ 138,169	\$ 131,229
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<b>Fund balance, end of year</b>	<b>\$ 131,229</b> =====	<b>\$ 125,557</b> =====

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