

**SOUTH FLORIDA MUSICIANS ASSOCIATION
LOCAL 655**

DECEMBER 31, 2016

Thomas J. Choate, P.A.

Certified Public Accountant
Certified Valuation Analyst

Member:
Florida Institute of
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March 6, 2017

Board of Directors
South Florida Musicians Association
AFM Local 655
1915 NE 45 Street, Suite #105
Ft. Lauderdale, Florida 33308

Gentlemen of the Board of Directors:

I have compiled the accompanying statement of assets and liabilities-cash basis of South Florida Musicians Association as of December 31, 2016, and the related statement of revenue and expenses-cash basis for the twelve months then ended, in accordance with statements on standards for accounting and review services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Sincerely yours,

Thomas J. Choate, P.A.

SOUTH FLORIDA MUSICIANS ASSOCIATION
 LOCAL 655
 BALANCE SHEET
 DECEMBER 31, 2015 and DECEMBER 31, 2016

	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2016 General Fund <u>(Undesignated)</u>
ASSETS		
CURRENT ASSETS:		
Cash Including savings accounts	\$ 99,808	\$ 84,474
Accounts receivable, net of allowances for doubtful accounts of \$0--DECEMBER 31, 2015 and \$0--DECEMBER 31, 2016 (NOTE "C")	32,236	26,226
A/R Deferred Income	-0-	-0-
Prepaid Expenses	-0-	-0-
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TOTAL CURRENT ASSETS	\$131,236	\$110,700
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FURNITURE AND OFFICE EQUIPMENT, Net Accumulated Depreciation of \$4,086--DECEMBER 31, 2015 and \$4,086--DECEMBER 31, 2016	-0-	-0-
MACHINERY AND EQUIPMENT, Net Accumulated Depreciation of \$3,537--DECEMBER 31, 2015 and \$3,572--DECEMBER 31, 2016	171	136
OTHER ASSETS:		
Deposits	1,800	1,261
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TOTAL ASSETS	\$134,015 <u>=====</u>	\$112,097 <u>=====</u>

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

SOUTH FLORIDA MUSICIANS ASSOCIATION
 Local 655
 Balance Sheet Continued
 Page Two

	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2016 General Fund <u>(Undesignated)</u>
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES:		
Accounts Payable and accrued liabilities	\$ 5,820	5,521
Deferred Income	2,639	8,146
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TOTAL CURRENT LIABILITIES	\$ 8,459	\$ 13,667
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TOTAL LIABILITIES	\$ 8,459	\$ 13,667
FUND BALANCES:		
General Fund	125,556	98,430
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TOTAL LIABILITIES AND FUND BALANCES	\$134,015 =====	\$112,097 =====

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SOUTH FLORIDA MUSICIANS ASSOCIATION
LOCAL 655
STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND BALANCES
TWELVE MONTHS ENDED DECEMBER 31, 2015 and
TWELVE MONTHS ENDED DECEMBER 31, 2016

GENERAL FUND:	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2016 General Fund <u>(Undesignated)</u>
REVENUE		
Regular dues	\$ 47,521	\$ 39,214
Local work dues	8,201	9,260
Traveling work dues	66	79
Initiation fees	900	450
Late charges	175	100
Reinstatement fees	345	490
Special Assessment fees	0	0
CBA Work dues	10,180	9,338
Return Checks S/C	0	0
Recording Work Dues	9,021	5,299
Gain (Loss) on Assets	0	0
Directory & Newsletter Advertising	0	0
PBO Players Association Income	840	760
Administrative Fees	5,790	3215
Booking Income	0	0
Interest Income	38	220
Capital Gains (Losses)	0	0
Miscellaneous	0	0
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TOTAL REVENUE	\$ 83,077	\$ 68,425
EXPENSE		
Per capita and Insurance:		
Per capita dues to A.F.M.	\$ 17,307	\$ 16,430
A.F.M. Work Dues	5,869	4,442
AFL-CIO dues	246	241
ROPA Dues	780	780
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	\$ 24,202	\$ 21,893

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

	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2016 General Fund <u>(Undesignated)</u>
Salaries:		
Officers	22,100	22,100
Office	0	0
Subcontractor/Business Agent	0	0
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	\$ 22,100	\$ 22,100
Occupancy:		
Utilities	\$ 1,140	\$ 1,140
Repairs/maintenance	0	0
Depreciation	35	35
Insurance	1,925	2,027
Rent	9,519	10,016
License and Taxes	61	61
	<hr/>	<hr/>
	\$ 12,680	\$ 13,279
Office:		
Telephone	\$ 2,576	\$ 2,434
Repairs and maintenance, equipment	0	0
Accounting	2,200	2,200
Supplies	420	399
Computer Expense	49	0
Printing	0	19
Dues & Subscriptions	0	0
Equipment Lease/Pitney Bowes	0	0
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	\$ 5,245	\$ 5,052
Publications:		
South Florida Musician Newsletter	\$ 0	\$ 0
Mailing and Postage	655	390
Directory Mailing and Publishing	0	0
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	\$ 655	\$ 390

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

	DECEMBER 31, 2015 General Fund <u>(Undesignated)</u>	DECEMBER 31, 2016 General Fund <u>(Undesignated)</u>
Other Expenses:		
Payroll taxes	\$ 1,813	\$ 1,776
Pension Contribution; Note (B)	1,989	1,989
Convention and conferences	1,621	3,510
Legal	6,645	13,310
Musician Fees	0	0
Member Services/Strike Expense	0	0
Miscellaneous	0	8
Miscellaneous-Moving Expense	0	441
Miscellaneous-Booking Work Dues	0	0
Bank Charges	588	575
Bad Debts	5,475	5,129
Advertising	0	0
Election Expense	0	0
Meeting Expense	54	226
PBO Players Assoc Expense	482	374
Executive Board Travel and Expenses	5,200	5,500
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	\$ 23,867	\$ 32,838
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TOTAL EXPENSES	\$ 88,749	\$ 95,552
Excess (deficiency) of revenue over expense	\$ (5,672)	\$ (27,127)
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Fund balance, beginning of year	\$ 131,229	\$ 125,557
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Fund balance, end of year	\$ 125,557 =====	\$ 98,430 =====

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

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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 six month lease at \$361.00 per month for six months, December 27, 2016 through June 27, 2017.