

**Florida State Music Teachers Association  
(A Not-For-Profit Organization)**

**Individual Years and Five Year Period Ended June 30, 2011**

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INDEPENDENT AUDITORS' REPORT

Board of Directors  
Florida State Music Teachers Association  
Panama City, Florida

We have audited the accompanying statement of cash receipts and disbursements of the Florida State Music Teachers Association (a not-for-profit organization) for the individual years and five year period ended June 30, 2011. This financial statement is the responsibility of the Organization's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 audit provides a reasonable basis for our opinion.

As described in Note A., the statement of cash receipts and disbursements is a summary of the cash activities of the Organization, which is a comprehensive basis of accounting other than accounting principals generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the Florida State Music Teachers Association for the individual years and five year period ended June 30, 2011, on the basis of accounting described in note A.

*Masters, Smith & Wisby, P.A.*  
Certified Public Accountants

October 17, 2011

FLORIDA STATE MUSIC TEACHERS ASSOCIATION  
(A NOT FOR PROFIT ORGANIZATION)

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
Individual Years and  
Five Year Period Ended June 30, 2011

	Years Ended June 30	
	2007	2008
<b>Receipts:</b>		
Membership dues	\$ 33,454	\$ 37,867
FSMTA competitions	2,535	1,517
FMSTA conference and other	2,809	3,889
MTNA competitions	3,332	3,245
Interest	669	516
Miscellaneous	2,084	1,606
Total Receipts	44,883	48,640
<b>Disbursements:</b>		
Membership dues and expenses	8,742	11,155
Newsletter	6,414	7,900
FSMTA competitions	3,738	4,106
FSMTA other	1,527	5,338
FSMTA annual conference	2,000	2,000
MTNA competitions	5,017	8,303
President's expense	3,190	2,805
Administrative and miscellaneous	4,164	7,168
Total Disbursements	34,792	48,775
<b>Excess (Shortage) of Receipts over Disbursements</b>	10,091	(135)
<b>Cash, Beginning of Period</b>	53,829	63,920
<b>Cash, End of Period</b>	\$ 63,920	\$ 63,785

See Independent Auditors' Report

2009	2010	2011	Five Year Period Ended June 30, 2011
\$ 34,512	\$ 33,946	\$ 31,379	\$ 171,158
1,400	1,330	1,438	8,220
3,972	1,708	1,977	14,355
3,520	2,770	3,360	16,227
576	410	284	2,455
5,532	2,624	2,206	14,052
<u>49,512</u>	<u>42,788</u>	<u>40,644</u>	<u>226,467</u>
8,811	8,373	7,207	44,288
7,897	6,256	6,096	34,563
4,506	3,420	3,108	18,878
4,235	2,926	3,268	17,294
2,000	-	-	6,000
6,315	5,939	5,057	30,631
2,615	2,577	2,460	13,647
8,356	6,952	8,139	34,779
<u>44,735</u>	<u>36,443</u>	<u>35,335</u>	<u>200,080</u>
4,777	6,345	5,309	26,387
<u>63,785</u>	<u>68,562</u>	<u>74,907</u>	<u>53,829</u>
<u>\$ 68,562</u>	<u>\$ 74,907</u>	<u>\$ 80,216</u>	<u>\$ 80,216</u>

**FLORIDA STATE MUSIC TEACHERS ASSOCIATION  
(A NOT-FOR-PROFIT ORGANIZATION)**

**NOTES TO FINANCIAL STATEMENT  
Individual Years and Five Year Period Ended June 30, 2011**

**A. Summary of Significant Accounting Policies:**

Organization and Purpose:

Florida State Music Teachers Association (the Association) is a not-for-profit organization providing professional support for nearly 800 music teachers and their students. The primary purpose of the Association is the advancement of music in the state of Florida through excellent teaching, learning and performing which seeks to recognize individual achievement at all levels. Specifically, the Association strives to raise and maintain the standards of music teaching; stimulate public interest in music; encourage the study of music; and protect its members in all matters pertaining to the profession.

Basis of Accounting:

The accompanying statement of the Association is presented on a cash basis of accounting in which revenue and support are recognized in the period cash is received and expenses are recognized in the period cash is paid, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America.

Cash:

The Association maintains its cash in bank deposit accounts which are federally insured for \$250,000. The Association did not have and bank deposit funds in excess of the insured limit for the reporting period.

Income Taxes:

The Association has received a tax determination letter exempting the Association from Federal income tax under Section 501(c)(3) of the Internal Revenue Code except for taxes on unrelated business income. The Association had no unrelated business income for the reporting period therefore no provision for income taxes was recognized in the financial statements. The Association is not classified as a private foundation.

The Association takes tax positions which it feels are adhering to the laws established by the taxing authorities. The Association doesn't believe it has taken any uncertain tax positions which could subject it to penalties or interest; therefore, none have been accrued in the accompanying financial statements. The taxing authorities have the right to audit the Association's book for the last three open tax years which are 2011, 2010, and 2009.

Advertising:

The Association expenses advertising costs in the periods in which they are incurred. No advertising costs were incurred during the reporting period.

Subsequent Events:

The Association has evaluated subsequent events through October 17, 2011, the date the financial statements were available to be issued.