LOCAL 802 EMERGENCY RELIEF FUND

DECEMBER 31, 2024 AND 2023

LOCAL 802 EMERGENCY RELIEF FUND

FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

INDEX

	Page No.
Independent Accountants' Review Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	4
Notes to Financial Statements	5

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Executive Board
Local 802 Emergency Relief Fund

We have reviewed the accompanying financial statements of the Local 802 Emergency Relief Fund (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Local 802 Emergency Relief Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Gould, Kobrick & Schlapp, P.C.

New York, NY
May 13, 2025

LOCAL 802 EMERGENCY RELIEF FUND

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Current:		
Cash and cash equivalents	**$ 328,497**	$ 276,413
Due from Local 802, American Federation of Musicians	**148,322**	119,329
Accounts receivable	**2,514**	6,574
Total Current Assets	**$ 479,333**	$ 402,316
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	**$ 36,138**	$ 15,017
Net assets without donor restrictions	**443,195**	387,299
Total Liabilities and Net Assets	**$ 479,333**	$ 402,316

See accompanying notes and independent accountants' review report.

LOCAL 802 EMERGENCY RELIEF FUND

STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
REVENUES		
Public support:		
Contributions, donations and other support	**$ 181,160**	$ 127,741
EXPENSES		
Program Services:		
Grants to organizations	**83,500**	25,000
Grants to individuals	**6,400**	1,678
Total Program Services	**89,900**	26,678
Supporting Services:		
Fundraising	**26,377**	28,278
Bookkeeping and accounting services	**8,700**	8,700
Processing fees	**162**	512
Other administrative expenses	**125**	365
Total Supporting Services	**35,364**	37,855
Total Functional Expenses	**125,264**	64,533
Change in net assets without donor restrictions	**55,896**	63,208
Net assets without donor restrictions:		
Beginning	**387,299**	324,091
Ending	**$ 443,195**	$ 387,299

See accompanying notes and independent accountants' review report.

LOCAL 802 EMERGENCY RELIEF FUND

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	**$ 55,896**	$ 63,208
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Due from Local 802, American Federation of Musicians	**(28,993)**	(20,937)
Accounts receivable	**4,060**	(4,408)
Increase in operating liabilities:		
Accounts payable and accrued expenses	**21,121**	4,427
Total Adjustments	**(3,812)**	(20,918)
Net Cash Provided By Operating Activities	**52,084**	42,290
Net increase in cash and cash equivalents	**52,084**	42,290
Cash and cash equivalents:		
Beginning	**276,413**	234,123
Ending	**$ 328,497**	$ 276,413

See accompanying notes and independent accountants' review report.

NOTE 1 – GENERAL

Organization: The Local 802 Emergency Relief Fund (the "Fund") was established by the passage of a resolution by the Executive Board of Local 802, American Federation of Musicians (the "Union") on July 21, 1967, in accordance with and under the bylaws and constitution of the Union. The Fund was created and operates for the charitable purpose of aiding members of the Union. The Fund is administered by three trustees, all of whom are members of the Executive Board of the Union.

Tax Status: On July 31, 1967, the IRS advised that the Fund is exempt from federal income tax under Section 501(c)(3) of the IRC as a private non-operating foundation. The Fund is subject to a 1% tax on investment income.

By letter dated September 17, 2020, the IRS has approved the Fund's termination as a private non-operating foundation and its intent to operate as a public charity during the 60-month period that started January 1, 2021. Within 90 days after the end of the 60-month period, the Fund must show it met the requirements as a public charity as described in the IRC.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying combined financial statements of the Fund have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation: The financial statement presentation follows the accounting standards requirements for not-for-profit organizations. Under these standards, an organization is required to report information regarding its financial position and activities according to two classes of net assets depending on the existence and/or nature of any donor restrictions as follows: net assets without donor restrictions and net assets with donor restrictions.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This affects the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

Cash and Cash Equivalents: For the purpose of the Statement of Cash Flows, cash and cash equivalents is considered to be all checking and money market accounts.

Accounts Receivable: Accounts receivables are reported at their outstanding unpaid principal balances, reduced by an allowance for doubtful accounts, if any. The Fund estimates doubtful accounts based on the ability to pay and current economic trends. The Fund writes off accounts receivable against the allowance when a balance is determined to be uncollectible. Interest is not accrued or recorded on outstanding receivables. The Fund has determined that no allowance was required as of December 31, 2024.

Revenue Recognition and Promises to Give: Contributions are recognized when the donor makes a promise to give to the Fund that is, in substance, unconditional. If the grant or contribution is determined to be conditional, it is reported in the financial statements when the conditions are substantially met. However, if funds have been received prior to meeting the conditions, the amounts received are accounted for as a refundable advance.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses: The cost of providing the Fund's programs and other activities is summarized on a functional basis in the statement of activities for the years ended December 31, 2024 and 2023. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Current Expected Credit Losses: The Fund has adopted Accounting Standards Update (ASU) No. 2016-13, Financial Instruments – Credit Losses *(Topic 326):* Measurement of Credit Losses on Financial Instruments. The core principles of ASU 2016-13 (the "ASU") significantly change the way organizations recognize credit losses by replacing the incurred loss model with an expected loss model. The financials assets held by the Fund that are subject to the ASU are accounts receivables.

The Fund assesses credit losses on accounts receivable on a regular basis to determine the allowance for doubtful accounts. Given the nature of the Fund's financial assets and historical loss experience, the adoption of the ASU did not have a significant impact on the financial statements.

NOTE 3 – CONCENTRATION OF CREDIT RISK

Financial instruments that subject the Fund to concentration of credit risk include cash and short-term investments. While the Fund attempts to limit any financial exposure, its cash deposit balances may at times exceed federally insured limits.

NOTE 4 – EVALUATION OF SUBSEQUENT EVENTS

The Fund has evaluated subsequent events through May 13, 2025, the date the financial statements were available to be issued.

NOTE 5 – LIQUIDITY RESOURCES

The Fund's primary revenue source is donations. The Fund has various sources of liquidity at its disposal, including cash and cash equivalents, and receivables.

The following table reflects the Fund's financial assets available to meet general expenditures within one year as of December 31, 2024 and 2023:

	2024	2023
Cash and cash equivalents	$ 328,497	$ 276,413
Accounts receivable	150,836	125,903
Financial assets available to meet cash needs for general expenditures within one year.	$ 479,333	$ 402,316