

*White, Withers, Masincup, & Cannaday, PC*  
*Certified Public Accountants*  
*1616 North Coalter Street*  
*Staunton, VA 24401*

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
S.M.A. Foundaton, Inc  
PO Box 958  
Staunton, VA 24402

Management is responsible for the accompanying financial statements of S.M.A. Foundation, Inc( a nonprofit organization) which comprise the statement of financial position of as of November 30, 2016, and the related statements of activities for the 3 Months ended November 30, 2016 . in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statments nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any form of assurance on these financial statements.

Managment has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial postion and changes in activities. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to S.M.A. Foundation, Inc.

White, Withers, Masincup & Cannaday, PC

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January 9, 2017

Compilation Completion Date

**SMA FOUNDATION, INC**  
**STATEMENTS OF FINANCIAL POSITION**  
**As of November 30, 2016**

**ASSETS**

**General and Operating Funds:**

**Current Assets:**

First Bank - Checking	\$ 1,429.87
First Bank - Lifetime	28,808.51
A/R - MBC	267.56
Museum Inventory	<u>2,219.00</u>

**Total Current Assets** 32,724.94

**Property and Equipment:**

Office Furniture - Museum	7,906.86
Accum. Depr. - Office Furn.	(7,906.86)
Museum Property	177,586.95
Accum. Depr. - Museum	(131,853.82)
Museum Displays	63,021.91
Acc Depr Museum Displays	(62,991.79)
Equipment	20,939.23
Accum Depr Equipment	(20,939.20)
Software	1,833.00
Accum Amort - Software	<u>(1,833.00)</u>

**Net Property and Equipment** 45,763.28

**Legacy Funds:**

**SMA Heritage Funds:**

First Bank-Heritage Fund	25,829.28
First Bank - SMA Scholarship	2,714.05
Morgan Stanley Shiarella SMA Scholarship	50,035.22
Morgan Stanley Heritage Account	<u>217,291.20</u>

**Total Heritage Funds** 295,869.75

**Truth, Duty and Honor Funds:**

First Bank - Scholarships	6,045.77
First Bank - Program Support	237.03
Morgan Stanley Truth, Duty Honor Account - Scholarships	<u>137,162.03</u>

**Total Truth, Duty and Honor Funds** \$ 143,444.83

**Total Assets** \$ 517,802.80

**SMA FOUNDATION, INC**  
**STATEMENTS OF FINANCIAL POSITION**  
**As of November 30, 2016**  
**LIABILITIES AND NET ASSETS**

<b>Liabilities</b>	
Federal Taxes W/H Payable	\$ 258.00
State Taxes W/H Payable	210.00
FICA Payable	588.82
State Unemployment Payable	<u>(0.27)</u>
<b>Total Liabilities</b>	<u>1,056.55</u>
<b>Net Assets</b>	
Unrestricted Fund Balance	100,234.10
Temporarily Restricted-VWIL Fund	(3,062.65)
Temporarily Restricted Scholarship Fund	145,250.90
Permanently Restricted-Legacy	213,222.72
Net Income	<u>61,101.18</u>
<b>Total Net Assets</b>	<u>516,746.25</u>
<b>Total Liabilities &amp; Net Assets</b>	<u>\$ 517,802.80</u>

**SMA FOUNDATION, INC**  
**STATEMENTS OF ACTIVITIES**  
**For the Month and Period Ended**  
**November 30, 2016**

	<b>Month Ended</b>	<b>3 Months Ended</b>
	<b>November 30,</b>	<b>November 30, 2016</b>
	<b>2016</b>	
<b>General and Operating Receipts:</b>		
Unrestricted Contributions	\$ 0.00	\$ 177.00
Museum Contributions	0.00	1,500.00
Sales-Reunion Raffle	100.00	1,800.00
Revenue - Other	0.00	93.52
Store	164.00	524.00
Memberships	1,540.00	6,360.00
Lifetime Memberships	0.00	8,100.00
Interest Lifetime	0.00	8.51
Interest - Unrestricted Checking	0.45	1.76
Reunion income	280.00	280.00
Dividends-P&G	3.35	3.35
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<b>Total Operating Support &amp; Receipts</b>	<b>2,087.80</b>	<b>18,848.14</b>
<b>Legacy Funds Receipts:</b>		
<b><u>SMA Heritage Fund Receipts:</u></b>		
Legacy Fund Contributions	50,170.00	71,580.00
Interest-Legacy Fund	9.28	19.24
SMA Scholarship	0.00	650.00
Interest-SMA Scholarship	0.00	0.09
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<b>Total Heritage Fund Receipts</b>	<b>50,179.28</b>	<b>72,249.33</b>
<b><u>Truth, Duty and Honor Funds:</u></b>		
Scholarships Contributions	0.00	2,575.00
VWIL Program Support	0.00	25.00
Interest-Scholarship	0.00	2.10
Interest-SMA/VWIL initiative	0.00	0.56
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<b>Total Truth, Duty and Honor Fund Receipts</b>	<b>0.00</b>	<b>2,602.66</b>
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<b>Total Legacy Funds Receipts</b>	<b>50,179.28</b>	<b>74,851.99</b>
<b><u>Cost of Sales:</u></b>		
C/S-Cadet Store	0.00	60.00
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<b>Gross Profit</b>	<b>52,267.08</b>	<b>93,640.13</b>
<b>General and Operating Expenditures:</b>		
Bank Charges	43.61	173.72
Computer Expense	283.34	545.79
SMA/VWIL Museum Expense	1,367.50	1,367.50
Office Supplies	0.00	552.29
Taxes and Licenses	0.00	25.00
Telephone	163.63	542.65
Postage and Freight	(590.06)	(326.56)
Miscellaneous	41.40	900.57

See Accountant's Compilation Report

**SMA FOUNDATION, INC**  
**STATEMENTS OF ACTIVITIES**  
**For the Month and Period Ended**  
**November 30, 2016**

	<b>Month Ended</b>	<b>3 Months Ended</b>
	<b>November 30,</b>	<b>November 30, 2016</b>
	<b>2016</b>	
Printing	0.50	1,028.69
Reunion - Facility expense	<u>0.00</u>	<u>1,000.00</u>
<b>Total General and Operating Expenses</b>	<u>1,309.92</u>	<u>5,809.65</u>
<b>Legacy Fund Expenditures:</b>		
<b>Heritage Fund Expenditures:</b>		
Website-SMA Scholarship	<u>1,450.00</u>	<u>4,586.04</u>
<b>Total Heritage Fund Expenditures</b>	<u>1,450.00</u>	<u>4,586.04</u>
<b>Truth, Duty and Honor Fund Expenditures:</b>		
<b>Personnel Expenses:</b>		
Staff wages	4,216.00	11,884.25
Payroll Taxes	0.00	296.80
Outside Services	<u>750.00</u>	<u>3,423.29</u>
<b>Total Personnel Expenses</b>	<u>4,966.00</u>	<u>15,604.34</u>
<b>Newsletter Expenses:</b>		
<b>Total Expenditures</b>	<u>7,725.92</u>	<u>26,000.03</u>
<b>Other Income and Expense</b>		
Net Unrealized Gain (Loss)	<u>(1,360.45)</u>	<u>(6,538.92)</u>
<b>Net Receipts (Loss)</b>	<u>\$ 43,180.71</u>	<u>\$ 61,101.18</u>

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