

CONCERTS IN MOTION INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

CONCERTS IN MOTION INC.

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BLOOM AND STREIT LLP
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

**To the Board of Directors
CONCERTS IN MOTION INC.**

We have reviewed the accompanying financial statements of Concerts In Motion Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, 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 company 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 the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

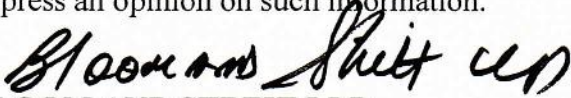
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with 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.

Accountants' Conclusion

Based on our review, 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.

Supplementary Information

The supplementary information included in schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.



BLOOM AND STREIT LLP
Certified Public Accountants
May 5, 2017

CONCERTS IN MOTION INC.

Statements of Financial Position

As of December 31,

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS		
Cash in Bank - Checking	49,756	8,149
Cash in Bank - Savings and Money Market	334,148	307,666
Accounts Receivable	174,100	5,100
Prepaid Expenses	2,318	4,187
Total Current Assets	<u>560,322</u>	<u>325,102</u>
PROPERTY AND EQUIPMENT		
Office Equipment	3,507	3,507
Less: Accumulated Depreciation	(2,661)	(1,959)
Total Property and Equipment	<u>846</u>	<u>1,548</u>
OTHER ASSETS		
Security Deposits	4,800	0
Total Other Assets	<u>4,800</u>	<u>0</u>
TOTAL ASSETS	<u>565,968</u>	<u>326,650</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	8,096	4,425
Total Liabilities	<u>8,096</u>	<u>4,425</u>
NET ASSETS		
Unrestricted - Operating	160,516	129,975
Temporarily Restricted	397,356	192,250
Total Net Assets	<u>557,872</u>	<u>322,225</u>
TOTAL LIABILITIES AND NET ASSETS	<u>565,968</u>	<u>326,650</u>

See accompanying notes and independent accountants' review report

CONCERTS IN MOTION INC.

Statements of Activities

For the Years Ended December 31,

	<u>2016</u>	<u>2015</u>
UNRESTRICTED NET ASSETS:		
REVENUE AND PUBLIC SUPPORT		
Grant Income	87,750	80,500
Donations and General Support	54,511	47,705
Program Fees	60,908	52,575
Gala Income	138,781	82,025
Interest Income	1,484	1,099
Net Assets Released from Restriction	<u>119,394</u>	<u>152,500</u>
Total Revenue and Public Support	<u>462,828</u>	<u>416,404</u>
EXPENSES		
Program Expenses		
General Programming Expenses	259,847	216,139
Other Program Expenses - Information and Education	<u>17,322</u>	<u>25,473</u>
Total Program Expenses	277,169	241,612
General and Administrative Expenses	64,477	56,519
Fundraising Expenses	<u>90,641</u>	<u>84,295</u>
Total Expenses	<u>432,287</u>	<u>382,426</u>
Increase in Unrestricted Net Assets	<u>30,541</u>	<u>33,978</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Grant Income	324,500	192,250
Net Assets Released from Restriction	<u>(119,394)</u>	<u>(152,500)</u>
Change in Temporarily Restricted Net Assets	<u>205,106</u>	<u>39,750</u>
Increase in Net Assets	235,647	73,728
Net Assets - Beginning of Year	<u>322,225</u>	<u>248,497</u>
Net Assets - End of Year	<u><u>557,872</u></u>	<u><u>322,225</u></u>

See accompanying notes and independent accountants' review report

CONCERTS IN MOTION INC.

Statements of Cash Flows

For the Years Ended December 31,

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Change in Net Assets	235,647	73,728
Adjustments to reconcile net assets to net cash provided by operating activities:		
Depreciation	701	701
Decrease (Increase) in operating assets:		
Accounts Receivable	(169,000)	(3,472)
Prepaid Expenses	1,869	4,024
Security Deposits	(4,800)	0
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	3,671	(6,318)
Net cash provided by operating activities	<u>68,088</u>	<u>68,663</u>
Increase in Cash and Cash Equivalents	68,088	68,663
Cash and Cash Equivalents - Beginning of Year	<u>315,815</u>	<u>247,152</u>
Cash and Cash Equivalents - End of Year (see below)	<u><u>383,903</u></u>	<u><u>315,815</u></u>
Represented by:		
Cash in Bank - Checking	49,756	8,149
Cash in Bank - Savings and Money Market	334,148	307,666
Cash and Cash Equivalents (as above)	<u><u>383,904</u></u>	<u><u>315,815</u></u>

Supplemental Disclosures:

N/A

See accompanying notes and independent accountants' review report

CONCERTS IN MOTION INC.

Notes to Financial Statements

December 31, 2016 and 2015

Note 1

Nature of Activities

Concerts In Motion Inc. (the "Organization") is a nonprofit organization under Section 501 (c)(3) of the Internal Revenue Code. It was originally founded on November 18, 2009. The Organization provides music concerts to the homebound, hospitalized and otherwise isolated or in need in the New York City metropolitan area.

Note 2

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Organization does not use Fund accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Organization maintains various bank and money market accounts that at times may exceed insured credit limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances.

CONCERTS IN MOTION INC.

Notes to Financial Statements

December 31, 2016 and 2015

Note 2

Summary of Significant Accounting Policies - continued

Property and Equipment

It is the Organization's policy to capitalize significant expenditures for property and equipment. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions.

Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or nature of any donor restrictions.

Net Assets

Net assets of the Organization are classified based upon the existence or absence of donor-imposed restrictions, as follows:

CONCERTS IN MOTION INC.

Notes to Financial Statements

December 31, 2016 and 2015

Note 2

Summary of Significant Accounting Policies - continued

Net Assets - continued

Unrestricted - net assets that are not subject to donor-imposed stipulations and, are, therefore, available for the general operations of the Organization.

Temporarily restricted - net assets that are subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time. As such restrictions are satisfied, temporarily restricted net assets are reclassified to unrestricted net assets in the accompanying statement of activities as net assets released from restrictions.

Permanently restricted - net assets that are subject to donor-imposed stipulations requiring the corpus of the gift be retained in perpetuity. Generally, such donors allow the income from these resources to be used for general or specific purposes.

Contributed Services

During the years ended December 31, 2016 and 2015, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Income Taxes

The Organization is a not-for-profit Organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private organization.

Note 3

Accounts Receivable

For the period ended December 31, 2016, Accounts Receivable in the amount of \$174,100 were recorded from New York State, New York City and various foundations and individuals. The receivables were recorded at their net realizable value and are expected to be collected prior to December 31, 2017. As management believes it will collect the entire amount, it has not established an allowance for uncollectable accounts.

CONCERTS IN MOTION INC.

Notes to Financial Statements

December 31, 2016 and 2015

Note 4 Property and Equipment

Property and Equipment consists of the following at December 31:

	<u>2016</u>	<u>2015</u>
Office Equipment	2,245	2,245
Furniture & Fixtures	<u>1,262</u>	<u>1,262</u>
	3,507	3,507
Less: accumulated depreciation	<u>2,661</u>	<u>1,959</u>
Total Property and Equipment	<u>846</u>	<u>1,548</u>

Depreciation expense for the years ending December 31, 2016 and 2015 was \$701 per year.

Note 5 Functional Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and the supporting services in reasonable ratios determined by management.

Note 6 Lease Commitments

The Organization entered into a one year lease for office space effective December 1, 2016. The lease has an option to extend the term on an annual basis through November 30, 2020. As part of the lease agreement, the Organization was required to pay a two month security deposit of \$4,800. The lease requires monthly lease payments of \$2,400.

Note 7 Subsequent Events

Management has evaluated subsequent events through May 5, 2017, the date at which the financial statements became available for issuance. No events have occurred that would require adjustments to, or disclosure in, the financial statements.

CONCERTS IN MOTION INC.

Schedule of Functional Expenses

For the Year Ended December 31, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	Program	General and Admin.	Fundraising	Total Expenses	2015
Salaries	142,892	30,892	23,202	196,986	184,354
Payroll Taxes	11,058	2,933	2,202	16,193	18,129
Health Insurance	8,761	7,093	5,007	20,861	14,103
Advertising and Marketing/Website	1,226	0	882	2,108	12,163
Review and Tax Prep	0	3,500	0	3,500	3,500
Bookkeeping Services	0	5,031	0	5,031	4,625
Credit Card and Bank Fees	0	4,811	0	4,811	3,210
Fundraising Fees	0	0	25,460	25,460	10,067
Grant Writer/Development	0	0	21,985	21,985	22,510
Insurance	4,141	1,647	654	6,442	5,900
Meetings	819	1,454	0	2,273	1,619
Musician Compensation and Travel	84,348	0	2,000	86,348	67,138
Office Supplies, Printing and Postage	3,594	960	1,437	5,991	7,597
Payroll Processing	1,169	310	233	1,712	1,776
Rent and Utilities	9,426	3,428	4,285	17,139	12,421
Training and Memberships	327	809	1,444	2,580	7,268
Staff Travel	2,845	218	272	3,335	1,932
Computer Supplies and Services	3,300	153	387	3,840	1,177
Telephone and Internet	2,235	813	1,016	4,064	2,527
Other	1,028	425	175	1,628	410
Total Expenses	<u>277,169</u>	<u>64,477</u>	<u>90,641</u>	<u>432,287</u>	<u>382,426</u>

See accompanying notes and independent accountants' review report