

**CONCERTS IN MOTION INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2017 AND 2016**

**CONCERTS IN MOTION INC.**

**TABLE OF CONTENTS**

**DECEMBER 31, 2017 AND 2016**

	<b>Page</b>
<b>INDEPENDENT ACCOUNTANTS' REVIEW REPORT</b>	<b>1</b>
<b>Statements of Financial Position</b>	<b>2</b>
<b>Statements of Activities</b>	<b>3</b>
<b>Statements of Cash Flows</b>	<b>4</b>
<b>Notes to Financial Statements</b>	<b>5-8</b>
<b>Schedule of Functional Expenses</b>	<b>9</b>



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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, 2017 and 2016, 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*

**BLOOM AND STREIT LLP**  
**Certified Public Accountants**  
**May 29, 2018**



# CONCERTS IN MOTION INC.

## Statements of Financial Position

As of December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Bank - Checking	40,377	49,756
Cash in Bank - Savings and Money Market	446,217	334,148
Pledges Receivable	217,920	172,000
Accounts Receivable	7,300	2,100
Prepaid Expenses	4,697	2,318
<b>Total Current Assets</b>	<u>716,511</u>	<u>560,322</u>
<b>PROPERTY AND EQUIPMENT</b>		
Office Equipment	3,507	3,507
Less: Accumulated Depreciation	<u>(3,362)</u>	<u>(2,661)</u>
<b>Total Property and Equipment</b>	<u>145</u>	<u>846</u>
<b>OTHER ASSETS</b>		
Security Deposits	4,800	4,800
<b>Total Other Assets</b>	<u>4,800</u>	<u>4,800</u>
<b>TOTAL ASSETS</b>	<u><u>721,456</u></u>	<u><u>565,968</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	8,426	8,096
<b>Total Liabilities</b>	<u>8,426</u>	<u>8,096</u>
<b>NET ASSETS</b>		
Unrestricted - Operating	261,624	160,516
Temporarily Restricted	451,406	397,356
<b>Total Net Assets</b>	<u>713,030</u>	<u>557,872</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>721,456</u></u>	<u><u>565,968</u></u>

*See accompanying notes and independent accountants' review report*

# CONCERTS IN MOTION INC.

## Statements of Activities

For the Years Ended December 31,

	<u>2017</u>	<u>2016</u>
<b>UNRESTRICTED NET ASSETS:</b>		
<b>REVENUE AND PUBLIC SUPPORT</b>		
Grant Income	60,550	87,750
Donations and General Support	58,146	54,511
Program Fees	56,780	60,908
Gala Income	180,802	138,781
Interest and Miscellaneous Income	2,170	1,484
Net Assets Released from Restriction	258,000	119,394
<b>Total Revenue and Public Support</b>	<u>616,448</u>	<u>462,828</u>
<b>EXPENSES</b>		
Program Expenses		
General Programming Expenses	293,497	259,847
Other Program Expenses - Information and Education	19,768	17,321
Total Program Expenses	<u>313,265</u>	<u>277,168</u>
General and Administrative Expenses	93,788	64,477
Fundraising Expenses	108,287	90,641
<b>Total Expenses</b>	<u>515,340</u>	<u>432,286</u>
<b>Increase in Unrestricted Net Assets</b>	<u>101,108</u>	<u>30,542</u>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>		
Grant Income	312,050	324,500
Net Assets Released from Restriction	(258,000)	(119,394)
<b>Change in Temporarily Restricted Net Assets</b>	<u>54,050</u>	<u>205,106</u>
<b>Increase in Net Assets</b>	155,158	235,648
<b>Net Assets - Beginning of Year</b>	<u>557,872</u>	<u>322,224</u>
<b>Net Assets - End of Year</b>	<u><u>713,030</u></u>	<u><u>557,872</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>2017</u>	<u>2016</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	155,158	235,648
Adjustments to reconcile net assets to net cash provided by operating activities:		
Depreciation	701	701
Decrease (Increase) in operating assets:		
Pledges Receivable and Accounts Receivable	(51,120)	(169,000)
Prepaid Expenses	(2,379)	1,869
Security Deposits	0	(4,800)
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	330	3,671
<b>Net cash provided by operating activities</b>	<u>102,690</u>	<u>68,089</u>
<b>Increase in Cash and Cash Equivalents</b>	102,690	68,089
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>383,904</u>	<u>315,815</u>
<b>Cash and Cash Equivalents - End of Year (see below)</b>	<u><u>486,594</u></u>	<u><u>383,904</u></u>
<b>Represented by:</b>		
Cash in Bank - Checking	40,377	49,756
Cash in Bank - Savings and Money Market	446,217	334,148
<b>Cash and Cash Equivalents (as above)</b>	<u><u>486,594</u></u>	<u><u>383,904</u></u>

**Supplemental Disclosures:**

N/A

*See accompanying notes and independent accountants' review report*

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2017 and 2016

### 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, 2017 and 2016

### 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, 2017 and 2016

### 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, 2017 and 2016, 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, 2017, Accounts Receivable in the amount of \$225,220 were recorded from New York State, New York City and various foundations and individuals. The receivables are recorded at their net realizable value and are expected to be collected prior to December 31, 2018. 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, 2017 and 2016

**Note 4** Property and Equipment

Property and Equipment consists of the following at December 31:

	<u>2017</u>	<u>2016</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>3,362</u>	<u>2,661</u>
Total Property and Equipment	<u>145</u>	<u>846</u>

Depreciation expense for the years ending December 31, 2017 and 2016 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 29, 2018, 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, 2017  
(With Comparative Totals for the Year Ended December 31, 2016)

	<u>Program</u>	<u>General and Admin.</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>2016</u>
Salaries	144,935	36,700	24,500	206,135	196,986
Payroll Taxes	14,155	3,754	2,819	20,728	16,193
Health Insurance	13,347	11,876	8,383	33,606	20,861
Advertising and Marketing/Website	0	0	2,829	2,829	2,108
Review and Tax Prep	0	3,500	0	3,500	3,500
Bookkeeping Services	0	19,990	0	19,990	5,031
Credit Card and Bank Fees	0	3,925	0	3,925	4,811
Fundraising Fees	0	0	28,638	28,638	25,460
Grant Writer/Development	0	0	25,170	25,170	21,985
Insurance	3,579	1,493	526	5,598	6,442
Meetings	425	1,764	665	2,854	2,273
Musician Compensation and Travel	103,184	0	0	103,184	86,348
Office Supplies, Printing and Postage	2,989	1,132	3,182	7,303	5,991
Payroll Processing	1,265	336	252	1,853	1,712
Rent and Utilities	17,323	4,331	7,218	28,872	17,139
Training and Memberships	180	2,454	1,295	3,929	2,580
Staff Travel	1,501	360	478	2,339	3,335
Computer Supplies and Services	3,779	865	1,034	5,678	3,840
Telephone and Internet	2,730	905	1,124	4,759	4,064
Other	3,873	403	174	4,450	1,627
<b>Total Expenses</b>	<u>313,265</u>	<u>93,788</u>	<u>108,287</u>	<u>515,340</u>	<u>432,286</u>

*See accompanying notes and independent accountants' review report*