

**CONCERTS IN MOTION INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019 AND 2018**

**CONCERTS IN MOTION INC.**

**TABLE OF CONTENTS**

**DECEMBER 31, 2019 AND 2018**

	<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>5-9</b>
<b>Schedule of Functional Expenses</b>	<b>10</b>



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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

### **To the Board 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, 2019 and 2018, 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.

# CONCERTS IN MOTION INC.

## Statements of Financial Position

As of December 31,

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Bank - Checking	39,984	75,392
Cash in Bank - Savings and Money Market	461,755	458,612
Pledges Receivable	483,120	108,295
Accounts Receivable	29,812	15,400
Prepaid Expenses	9,405	9,248
<b>Total Current Assets</b>	<u>1,024,076</u>	<u>666,947</u>
<b>PROPERTY AND EQUIPMENT</b>		
Office Equipment	3,507	3,507
Less: Accumulated Depreciation	<u>(3,507)</u>	<u>(3,507)</u>
<b>Total Property and Equipment</b>	<u>0</u>	<u>0</u>
<b>OTHER ASSETS</b>		
Security Deposits	<u>6,275</u>	<u>6,092</u>
<b>Total Other Assets</b>	<u>6,275</u>	<u>6,092</u>
<b>TOTAL ASSETS</b>	<u>1,030,351</u>	<u>673,039</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	<u>11,558</u>	<u>18,440</u>
<b>Total Current Liabilities</b>	<u>11,558</u>	<u>18,440</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	318,053	316,256
With Donor Restrictions	<u>700,740</u>	<u>338,343</u>
<b>Total Net Assets</b>	<u>1,018,793</u>	<u>654,599</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>1,030,351</u>	<u>673,039</u>

*See accompanying notes and independent accountants' review report*

# CONCERTS IN MOTION INC.

## Statements of Activities

**For the Year Ended December 31, 2019  
(With Summarized Financial Information  
For The Year Ended December 31, 2018)**

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS 2019	TOTALS 2018
<b>REVENUE AND PUBLIC SUPPORT</b>				
Grant Income	191,210	596,385	787,595	226,975
Donations and General Support	76,014	0	76,014	82,924
Program Fees	59,230	0	59,230	50,545
Gala Income	178,335	0	178,335	209,673
Interest and Miscellaneous Income	2,544	0	2,544	2,394
Net Assets Released from Restrictions:				
Expiration of time restrictions	233,988	(233,988)	0	0
<b>Total Support</b>	741,321	362,397	1,103,718	572,511
<b>EXPENSES</b>				
Program Expenses				
General	485,605	0	485,605	402,775
Information and Education	27,893	0	27,893	23,672
Total Program Services	513,498	0	513,498	426,447
General and Administrative	111,519	0	111,519	97,799
Fundraising	114,507	0	114,507	106,696
<b>Total Expenses</b>	739,524	0	739,524	630,942
<b>Increase (Decrease) in Net Assets</b>	1,797	362,397	364,194	(58,431)
<b>Net Assets - Beginning of Year</b>	316,256	338,343	654,599	713,030
<b>Net Assets - End of Year</b>	318,053	700,740	1,018,793	654,599

*See accompanying notes and auditors' report*

# CONCERTS IN MOTION INC.

## Statements of Cash Flows

For the Years Ended December 31,

	<u>2019</u>	<u>2018</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	364,194	(58,431)
Adjustments to reconcile net assets to net cash (used) provided by operating activities:		
Depreciation	0	145
Decrease (Increase) in operating assets:		
Pledges Receivable and Accounts Receivable	(389,237)	101,525
Prepaid Expenses	(157)	(4,551)
Security Deposits	(183)	(1,292)
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	(6,882)	10,014
<b>Net cash (used) provided by operating activities</b>	<u>(32,265)</u>	<u>47,410</u>
<b>(Decrease) Increase in Cash and Cash Equivalents</b>	(32,265)	47,410
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>534,004</u>	<u>486,594</u>
<b>Cash and Cash Equivalents - End of Year (see below)</b>	<u><u>501,739</u></u>	<u><u>534,004</u></u>
<b>Represented by:</b>		
Cash in Bank - Checking	39,984	75,392
Cash in Bank - Savings and Money Market	<u>461,755</u>	<u>458,612</u>
<b>Cash and Cash Equivalents (as above)</b>	<u><u>501,739</u></u>	<u><u>534,004</u></u>

**Supplemental Disclosures:**

N/A

*See accompanying notes and independent accountants' review report*

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2019 and 2018

**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, principally, 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.

**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.

**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.

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2019 and 2018

Note 2

### **Summary of Significant Accounting Policies - continued**

#### **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 net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

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 net assets with donor restrictions or net assets without donor restrictions 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:

**Net Assets without Donor Restrictions** - net assets that are not subject to donor-imposed stipulations and, are, therefore, available for the general operations of the Organization.

**Net Assets with Donor Restrictions** - 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.



# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2019 and 2018

### Note 2

#### **Summary of Significant Accounting Policies - continued**

##### **Contributed Services**

During the years ended December 31, 2019 and 2018, 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.

##### **Cost Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include office expenses, compensation and benefits which are allocated on the basis of time and effort. Occupancy expenses are allocated based on usage of the building.

### Note 3

#### **Liquidity and Availability of Financial Assets**

As of December 31, 2019 and 2018, the organization had \$1,014,671 and \$657,699, respectively of financial assets available within one year of the statement of financial position date for general use. These assets are not subject to donor or contractual restrictions that make them unavailable for general expenditures. As part of its liquidity management, the organization keeps the majority of these financial assets in cash so they are available as general expenditures and liabilities come due.

### Note 4

#### **Pledges/Accounts Receivable**

For the period ended December 31, 2019 and 2018, receivables in the amount of \$512,932 and \$123,695, respectively were recorded from New York State, New York City and various foundations and individuals. The receivables are recorded at their net realizable value and most are expected to be collected within one year. Included in the current year balance is a three year grant for \$375,000 from the Eugene M. Lang Foundation. As management believes it will collect the entire amount, it has not established an allowance for uncollectible accounts.

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2019 and 2018

### Note 5

#### Property and Equipment

Property and Equipment consists of the following at December 31:

	<u>2019</u>	<u>2018</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>3,507</u>	<u>3,507</u>
Total Property and Equipment	<u>-0-</u>	<u>-0-</u>

Depreciation expense for the years ending December 31, 2019 and 2018 was \$-0- and \$145, respectively.

### Note 6

#### Net Assets with Donor Restrictions

Net Assets with Donor Restrictions are subject to the following purpose or time restrictions:

	<u>2019</u>	<u>2018</u>
Subject to purpose restrictions:		
Bronxwood	<u>69,356</u>	<u>69,356</u>
	69,356	69,356
Subject to time restrictions:		
Support of 2019 programs	-0-	233,987
Support of 2020 programs	<u>631,384</u>	<u>35,000</u>
Total net assets with donor restrictions	700,740	338,343

During the year ended December 31, net assets released from restrictions consisted of the following:

	<u>2019</u>	<u>2018</u>
Expiration of time restriction	233,988	287,050

### Note 7

#### 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.

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2019 and 2018

### Note 8

#### Subsequent Events

Management has evaluated subsequent events through xxxx, 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, 2019  
(With Comparative Totals for the Year Ended December 31, 2018)

	<u>Program</u>	<u>General and Admin.</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>2018</u>
Salaries and Musician Fees	376,556	33,397	27,500	437,453	370,782
Payroll Taxes	42,714	3,153	2,366	48,233	41,231
Health Insurance	39,624	5,546	4,140	49,310	47,219
Advertising/Marketing/Website	360	0	3,429	3,789	9,968
Accounting Services	0	3,500	0	3,500	3,500
Bookkeeping Services	0	29,815	0	29,815	23,196
Credit Card and Bank Fees	0	6,584	0	6,584	4,222
Fundraising Fees	0	0	34,861	34,861	26,267
Grant Writer/Development	0	0	24,313	24,313	25,530
Insurance	6,010	4,092	568	10,670	8,515
Meetings	1,574	1,657	452	3,683	4,087
Supplies/Printing/Postage	3,558	1,443	2,428	7,429	6,202
Payroll Processing	5,425	541	421	6,387	5,290
Rent and Utilities	21,988	5,497	9,161	36,646	33,173
Training and Memberships	728	11,767	2,106	14,601	6,170
Staff Travel	2,719	153	333	3,205	3,131
Computer Supplies/Services	7,900	944	1,326	10,170	6,492
Telephone and Internet	3,310	1,153	1,103	5,566	5,106
Miscellaneous Expenses	1,032	2,277	0	3,309	861
<b>Total Expenses</b>	<u>513,498</u>	<u>111,519</u>	<u>114,507</u>	<u>739,524</u>	<u>630,942</u>

*See accompanying notes and independent accountants' review report*