

CONCERTS IN MOTION INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

CONCERTS IN MOTION INC.

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BLOOM AND STREIT LLP
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA
WILLIAM J. RANK, CPA, CFP
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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, 2018 and 2017, 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
July 9, 2019

CONCERTS IN MOTION INC.

Statements of Financial Position

As of December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash in Bank - Checking	75,392	40,377
Cash in Bank - Savings and Money Market	458,612	446,217
Pledges Receivable	108,295	217,920
Accounts Receivable	15,400	7,300
Prepaid Expenses	9,248	4,697
Total Current Assets	<u>666,947</u>	<u>716,511</u>
PROPERTY AND EQUIPMENT		
Office Equipment	3,507	3,507
Less: Accumulated Depreciation	<u>(3,507)</u>	<u>(3,362)</u>
Total Property and Equipment	<u>0</u>	<u>145</u>
OTHER ASSETS		
Security Deposits	<u>6,092</u>	<u>4,800</u>
Total Other Assets	<u>6,092</u>	<u>4,800</u>
TOTAL ASSETS	<u><u>673,039</u></u>	<u><u>721,456</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	<u>18,440</u>	<u>8,426</u>
Total Current Liabilities	<u>18,440</u>	<u>8,426</u>
NET ASSETS		
Without Donor Restrictions	316,256	261,624
With Donor Restrictions	<u>338,343</u>	<u>451,406</u>
Total Net Assets	<u>654,599</u>	<u>713,030</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>673,039</u></u>	<u><u>721,456</u></u>

See accompanying notes and independent accountants' review report

CONCERTS IN MOTION INC.

Statement of Activities

**For the Year Ended December 31, 2018
(With Summarized Financial Information
For The Year Ended December 31, 2017)**

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS 2018	TOTALS 2017
REVENUE AND PUBLIC SUPPORT				
Grant Income	52,988	173,987	226,975	372,600
Donations and General Support	82,924	0	82,924	58,146
Program Fees	50,545	0	50,545	56,780
Gala Income	209,673	0	209,673	180,802
Interest and Miscellaneous Income	2,394	0	2,394	2,170
Net Assets Released from Restrictions:				
Expiration of time restrictions	287,050	(287,050)	0	0
Total Support	685,574	(113,063)	572,511	670,498
EXPENSES				
Program Expenses				
General	402,775	0	402,775	293,497
Information and Education	23,672	0	23,672	19,768
Total Program Services	426,447	0	426,447	313,265
General and Administrative	97,799	0	97,799	93,788
Fundraising	106,696	0	106,696	108,287
Total Expenses	630,942	0	630,942	515,340
Increase (Decrease) in Net Assets	54,632	(113,063)	(58,431)	155,158
Net Assets - Beginning of Year	261,624	451,406	713,030	557,872
Net Assets - End of Year	316,256	338,343	654,599	713,030

See accompanying notes and auditors' report

CONCERTS IN MOTION INC.

Statements of Cash Flows

For the Years Ended December 31,

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities		
Change in Net Assets	(58,431)	155,158
Adjustments to reconcile net assets to net cash provided by operating activities:		
Depreciation	145	701
Decrease (Increase) in operating assets:		
Pledges Receivable and Accounts Receivable	101,525	(51,120)
Prepaid Expenses	(4,551)	(2,379)
Security Deposits	(1,292)	0
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	10,014	330
Net cash provided by operating activities	<u>47,410</u>	<u>102,690</u>
Increase in Cash and Cash Equivalents	47,410	102,690
Cash and Cash Equivalents - Beginning of Year	<u>486,594</u>	<u>383,904</u>
Cash and Cash Equivalents - End of Year (see below)	<u><u>534,004</u></u>	<u><u>486,594</u></u>
Represented by:		
Cash in Bank - Checking	75,392	40,377
Cash in Bank - Savings and Money Market	458,612	446,217
Cash and Cash Equivalents (as above)	<u><u>534,004</u></u>	<u><u>486,594</u></u>

Supplemental Disclosures:

N/A

See accompanying notes and independent accountants' review report

CONCERTS IN MOTION INC.

Notes to Financial Statements

December 31, 2018 and 2017

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.

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, 2018 and 2017

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, 2018 and 2017

Note 2

Summary of Significant Accounting Policies - continued

Contributed Services

During the years ended December 31, 2018 and 2017, 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. Depreciation and occupancy expenses are allocated based on usage of the building.

Note 3

Liquidity and Availability of Financial Assets

The organization has \$657,699 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

Accounts Receivable

For the period ended December 31, 2018 and 2017, Receivables in the amount of \$123,695 and \$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 within one year. 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, 2018 and 2017

Note 5 Property and Equipment

Property and Equipment consists of the following at December 31:

	<u>2018</u>	<u>2017</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>3,362</u>
Total Property and Equipment	<u>-0-</u>	<u>145</u>

Depreciation expense for the years ending December 31, 2018 and 2017 was \$145 and \$701, respectively.

Note 6 Net Assets with Donor Restrictions

Net Assets with Donor Restrictions are available for the following purposes:

	<u>2018</u>	<u>2017</u>
Support of next year's programs	338,343	451,406

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.

Note 8 Subsequent Events

Management has evaluated subsequent events through July 9, 2019, 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, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Program</u>	<u>General and Admin.</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>2017</u>
Salaries	196,852	38,517	23,725	259,094	206,135
Payroll Taxes	34,546	4,283	2,402	41,231	20,728
Health Insurance	35,927	7,152	4,140	47,219	33,606
Advertising/Marketing/Website	1,461	0	8,507	9,968	2,829
Accounting Services	0	3,500	0	3,500	3,500
Bookkeeping Services	0	23,196	0	23,196	19,990
Credit Card and Bank Fees	0	4,222	0	4,222	3,925
Fundraising Fees	0	0	26,267	26,267	28,638
Grant Writer/Development	0	0	25,530	25,530	25,170
Insurance	5,826	2,116	573	8,515	5,598
Meetings	1,051	2,402	634	4,087	2,854
Musician Fees and Travel	111,688	0	0	111,688	103,184
Supplies/Printing/Postage	2,887	1,235	2,080	6,202	7,303
Payroll Processing	4,432	550	308	5,290	1,853
Rent and Utilities	19,904	4,976	8,293	33,173	28,872
Training and Memberships	467	3,524	2,179	6,170	3,929
Staff Travel	2,891	185	55	3,131	2,339
Computer Supplies/Services	4,715	823	954	6,492	5,678
Telephone and Internet	3,061	1,025	1,020	5,106	4,759
Miscellaneous Expenses	739	93	29	861	4,450
Total Expenses	<u>426,447</u>	<u>97,799</u>	<u>106,696</u>	<u>630,942</u>	<u>515,340</u>

See accompanying notes and independent accountants' review report