

**CONCERTS IN MOTION INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020 AND 2019**

**CONCERTS IN MOTION INC.**

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**BLOOM AND STREIT LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA  
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LORI LERMAN, CPA

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of Concerts In Motion Inc., which comprise the statements of financial position as of December 31, 2020 and the related statements of activities, cash flows and schedule of functional expenses for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Concerts In Motion Inc., as of December 31, 2020 and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 6 to the financial statements, in 2020, the entity received an unsecured loan in the amount of \$100,507, due to the Small Business Administration (SBA) and administered by a local bank, as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) Paycheck Protection Program (PPP). In March 2021, the entity received notification from the SBA that the entire \$100,507 loan balance was forgiven. Our conclusion is not modified with respect to this matter.

***Other Matter***

The 2019 financial statements were reviewed and our report was issued on October 20, 2020 with no material modifications to our report. For a review engagement, the service is substantially less in scope than an audit and does not provide the basis for the expression of an opinion on the financial statements as a whole.

*Bloom and Streit LLP*

**BLOOM AND STREIT LLP**  
**Certified Public Accountants**  
**July 16, 2021**

# CONCERTS IN MOTION INC.

## Statements of Financial Position

As of December 31,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Bank - Checking	195,168	39,984
Cash in Bank - Savings and Money Market	498,234	461,755
Pledges Receivable	436,820	483,120
Accounts Receivable	29,950	29,812
Prepaid Expenses	37,588	9,405
<b>Total Current Assets</b>	<u>1,197,760</u>	<u>1,024,076</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	0	6,275
<b>Total Other Assets</b>	<u>0</u>	<u>6,275</u>
<b>TOTAL ASSETS</b>	<u>1,197,760</u>	<u>1,030,351</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	29,481	11,558
Paycheck Protection Program (PPP) Loan Payable	<u>100,507</u>	<u>0</u>
<b>Total Current Liabilities</b>	<u>129,988</u>	<u>11,558</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	491,767	318,053
With Donor Restrictions	<u>576,005</u>	<u>700,740</u>
<b>Total Net Assets</b>	<u>1,067,772</u>	<u>1,018,793</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>1,197,760</u>	<u>1,030,351</u>

*See accompanying notes and auditors' report*

# CONCERTS IN MOTION INC.

## Statements of Activities

**For the Year Ended December 31, 2020  
(With Summarized Financial Information  
For The Year Ended December 31, 2019)**

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS 2020	TOTALS 2019
<b>REVENUE AND PUBLIC SUPPORT</b>				
Grant Income	274,950	256,650	531,600	762,595
Donations and General Support	94,757	0	94,757	76,014
Program Fees	32,525	0	32,525	59,230
Gala Income	228,497	0	228,497	203,335
Interest and Miscellaneous Income	1,478	0	1,478	2,544
Net Assets Released from Restrictions:				
Expiration of time restrictions	381,385	(381,385)	0	0
<b>Total Support</b>	<b>1,013,592</b>	<b>(124,735)</b>	<b>888,857</b>	<b>1,103,718</b>
<b>EXPENSES</b>				
Program Services	626,263	0	626,263	513,498
General and Administrative	117,634	0	117,634	111,519
Fundraising	95,981	0	95,981	114,507
<b>Total Expenses</b>	<b>839,878</b>	<b>0</b>	<b>839,878</b>	<b>739,524</b>
<b>Increase (Decrease) in Net Assets</b>	173,714	(124,735)	48,979	364,194
<b>Net Assets - Beginning of Year</b>	<b>318,053</b>	<b>700,740</b>	<b>1,018,793</b>	<b>654,599</b>
<b>Net Assets - End of Year</b>	<b>491,767</b>	<b>576,005</b>	<b>1,067,772</b>	<b>1,018,793</b>

*See accompanying notes and auditors' report*

# CONCERTS IN MOTION INC.

## Statements of Cash Flows

For the Years Ended December 31,

	<u>2020</u>	<u>2019</u>
<b>Cash Flows From Operating Activities</b>		
Change in Net Assets	48,979	364,194
Adjustments to reconcile net assets to net cash provided (used) by operating activities:		
Decrease (Increase) in operating assets:		
Pledges Receivable and Accounts Receivable	46,162	(389,237)
Prepaid Expenses	(28,183)	(157)
Security Deposits	6,275	(183)
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	17,923	(6,882)
<b>Net cash provided (used) by operating activities</b>	<u>91,156</u>	<u>(32,265)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from Paycheck Protection Program (PPP) Loan	100,507	0
<b>Net cash provided by financing activities</b>	<u>100,507</u>	<u>0</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	191,663	(32,265)
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>501,739</u>	<u>534,004</u>
<b>Cash and Cash Equivalents - End of Year (see below)</b>	<u><u>693,402</u></u>	<u><u>501,739</u></u>
<b>Represented by:</b>		
Cash in Bank - Checking	195,168	39,984
Cash in Bank - Savings and Money Market	498,234	461,755
<b>Cash and Cash Equivalents (as above)</b>	<u><u>693,402</u></u>	<u><u>501,739</u></u>

**Supplemental Disclosures:**

N/A

*See accompanying notes and auditors' report*

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### 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, 2020 and 2019

### 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, 2020 and 2019

### Note 2

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

##### **Contributed Services**

During the years ended December 31, 2020 and 2019, 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, 2020 and 2019, the organization had \$1,160,172 and \$1,014,671, 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, 2020 and 2019, receivables in the amount of \$466,770 and \$512,932, 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 two year grant for \$250,000 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, 2020 and 2019

**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>

There was no depreciation expense for the years ending December 31, 2020 and 2019.

**Note 6** Loans Payable

On April 20, 2020 the Organization was granted a loan from TD Bank in the amount of \$100,507, pursuant to the Paycheck Protection Plan (the "PPP") under Division A, Title 1 of the CARES Act, which was enacted March 27, 2020.

The loan which was in the form of a note dated April 19, 2020 issued by the borrower, matures April 19, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 19, 2020 with monthly payments of approximately \$4,627. The note may be prepaid by the borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities and interest on other debt obligations incurred for the eight or twenty four week period elected under the SBA program. The organization intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

On March 23, 2021, the Organization received notification from the SBA that the entire loan balance of \$100,507 has been forgiven.

# CONCERTS IN MOTION INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 7

#### Net Assets with Donor Restrictions

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

	<u>2020</u>	<u>2019</u>
Subject to purpose restrictions:		
Bronxwood	<u>69,356</u>	<u>69,356</u>
	69,356	69,356
Subject to time restrictions:		
Support of 2020 programs	-0-	381,384
Support of 2021 programs	381,649	125,000
Support of 2022 programs	<u>125,000</u>	<u>125,000</u>
Total net assets with donor restrictions	576,005	700,740

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

	<u>2020</u>	<u>2019</u>
Expiration of time restriction	381,385	233,988

### Note 8

#### Lease Commitments

The Organization entered into a one year lease for office space effective December 1, 2016. The lease had 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 required monthly lease payments of \$2,623.

### Note 9

#### Subsequent Events

Management has evaluated subsequent events through July 16, 2021, 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, 2020  
(With Comparative Totals for the Year Ended December 31, 2019)

	<u>Program</u>	<u>General and Admin.</u>	<u>Fundraising</u>	<u>Total Expenses</u>	<u>2019</u>
Salaries and Musician Fees	505,231	33,481	46,300	585,012	437,453
Payroll Taxes	47,058	3,111	3,807	53,976	48,233
Health Insurance	22,883	3,494	4,529	30,906	49,310
Advertising/Marketing/Website	0	0	0	0	3,789
Accounting/Auditing Services	0	6,000	0	6,000	3,500
CFO Consulting Fees	0	50,000	0	50,000	29,815
Credit Card and Bank Fees	0	5,551	0	5,551	6,584
Benefit Expenses	0	0	5,237	5,237	34,861
Grant Writer/Development	3,870	0	20,692	24,562	24,313
Insurance	6,898	3,099	659	10,656	10,670
Meetings	586	315	0	901	3,683
Supplies/Printing/Postage	1,684	2,016	1,200	4,900	7,429
Payroll Processing	4,945	875	401	6,221	6,387
Rent and Utilities	19,125	4,781	7,969	31,875	36,646
Training and Memberships	847	1,228	915	2,990	14,601
Staff Travel	1,712	0	0	1,712	3,205
Computer Supplies/Services	7,518	323	3,100	10,941	10,170
Telephone and Internet	2,508	579	772	3,859	5,566
Miscellaneous Expenses	1,398	2,781	400	4,579	3,309
<b>Total Expenses</b>	<u>626,263</u>	<u>117,634</u>	<u>95,981</u>	<u>839,878</u>	<u>739,524</u>

*See accompanying notes and auditors' report*