

**BACKFIELD IN MOTION, INC.**  
(A Tennessee Not-For-Profit Organization)

December 31, 2020 and 2019

**BACKFIELD IN MOTION, INC.**  
(A Tennessee Not-For-Profit Organization)  
Financial Statements

Contents

Independent Auditor's Report	2
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Statement of Functional Expenses	6-7
Notes to Financial Statements	8-12
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	13-14

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Backfield In Motion, Inc.  
Nashville, TN 37206

We have audited the accompanying financial statements of Backfield In Motion, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years 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.

### Auditor's Responsibility

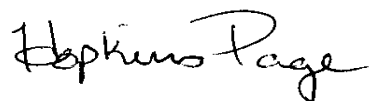
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's judgment, 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 auditor considers 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 Backfield In Motion, Inc as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Nashville, TN  
April 9, 2021

**Backfield in Motion, Inc.**

## Statement of Position

December 31	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current assets:		
Cash in banks and savings (See Note)	\$ 937,969	\$ 634,628
Accounts receivable	34,416	28,625
Prepaid insurance	<u>-</u>	<u>7,720</u>
Total current assets	<u>972,385</u>	<u>670,973</u>
Property and equipment:		
Land	29,800	29,800
Office building	136,470	136,470
Office equipment and systems	54,494	49,714
Vehicles	<u>120,696</u>	<u>115,207</u>
	341,460	331,191
Less: Accumulated depreciation	<u>(163,948)</u>	<u>(196,344)</u>
Total property and equipment, net	<u>177,512</u>	<u>134,847</u>
 TOTAL ASSETS	 <u><u>\$ 1,149,897</u></u>	 <u><u>\$ 805,820</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 5,172	\$ 1,628
Accrued payroll liabilities	<u>15,558</u>	<u>17,497</u>
Total current liabilities	<u>20,730</u>	<u>19,125</u>
Long term liabilities:		
SBA EIDL Loan	<u>150,000</u>	<u>-</u>
Total long term liabilities	<u>150,000</u>	<u>-</u>
Net Assets		
Without donor restrictions	839,167	786,695
With donor restrictions	<u>140,000</u>	<u>-</u>
Total net assets	<u>979,167</u>	<u>786,695</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,149,897</u></u>	 <u><u>\$ 805,820</u></u>

The accompanying notes are an integral part of these financial statements.

**Backfield in Motion, Inc.**

## Statement of Activities

For the year ended December 31,

	2020			
	Without Donor Restrictions	With Donor Restrictions	Total	2019
<b>UNRESTRICTED NET ASSETS SUPPORT</b>				
Grants/Contributions	\$ 615,192	\$ 140,000	\$ 755,192	\$ 523,839
Program contributions	293,525	-	293,525	232,630
Fundraising	126,569	-	126,569	177,233
Total support from operations	1,035,286	140,000	1,175,286	933,702
Investment and other income				
Dividends and interest	1,536	-	1,536	7,811
Other income	80,262	-	80,262	-
Total other income	81,798	-	81,798	7,811
<b>TOTAL SUPPORT AND REVENUE FROM OPERATIONS</b>	<b>1,117,084</b>	<b>140,000</b>	<b>1,257,084</b>	<b>941,513</b>
<b>EXPENSES</b>				
Program Services				
Depreciation	14,326	-	14,326	7,975
1st & 10 program	90,636	-	90,636	79,758
4th & 1 program	30,850	-	30,850	22,860
Education program	5,497	-	5,497	5,417
Program administration	538,404	-	538,404	583,260
Total Program Service Expenses	679,713	-	679,713	699,270
Supporting Services				
Management and general	293,043	-	293,043	212,009
Fundraising	91,856	-	91,856	122,625
Total supporting services	384,899	-	384,899	334,634
Total expenses	1,064,612	-	1,064,612	1,033,904
Change in Net Assets	52,472	140,000	192,472	(92,391)
NET ASSETS, beginning of year	786,695		786,695	879,086
NET ASSETS, end of year	\$ 839,167	\$ 140,000	\$ 979,167	\$ 786,695

The accompanying notes are an integral part of these financial statements.

**Backfield in Motion, Inc.**

## Statement of Cash Flows

For the year ended December 31,

20202019Operating activities:

Changes in net assets	\$ 192,472	\$ (92,391)
Adjustments to reconcile changes in net assets to cash provided by operations		
Loss from sale of fixed assets	9,981	-
Depreciation	17,908	9,969
(Increase) decrease in accounts receivable	(5,791)	25,797
(Increase) decrease in prepaid expenses	7,720	(1,540)
Increase (decrease) in accounts payable	3,544	(6,512)
Increase (decrease) in accrued payroll liabilities	(1,939)	(4,193)
Net cash provided by operating activities	<u>223,895</u>	<u>(68,870)</u>

Investing activities:

Purchase of vehicles	(65,774)	(18,000)
Increase in office improvements	(4,780)	-
Proceeds from sale of vehicle	-	-
Net cash provided by investing activities	<u>(70,554)</u>	<u>(18,000)</u>

Financing activities:

Net cash provided by financing activities	<u>150,000</u>	<u>-</u>
Net increase in cash for the year	303,341	(86,870)
Cash - beginning of year	<u>634,628</u>	<u>721,498</u>
Cash - end of year	<u>\$ 937,969</u>	<u>\$ 634,628</u>

The accompanying notes are an integral part of these financial statements.

## Backfield in Motion, Inc.

### Statement of Functional Expenses

For the year ended December 31, 2020

<u>Operating Expenses:</u>	<u>Total</u>	<u>Program</u>	<u>Administrative</u>	<u>Fund Raising</u>
Grants (sponsorship)	\$ -	\$ -	\$ -	\$ -
1st & 10 program	90,636	90,636		
4th and 1 program	30,850	30,850		
Extra point academy program				
Education program	5,497	5,497		
Insurance	84,267	67,414	16,853	
Bank & Credit Card Fees	1,732		1,732	
Communications	1,986		1,986	
Dues and Subscriptions	3,500		3,500	
Marketing and development	3,441			3,441
Compensation of employees	603,961	422,773	132,871	48,317
Payroll taxes	48,175	39,022	6,745	2,408
Depreciation	17,908	14,326	3,582	
Accounting	6,850		6,850	
Legal	-			
License and permits	1		1	
Office expenses	39,979	9,195	30,784	
Occupancy	86,983		86,983	
Management costs	1,156		1,156	
Golf tournament	13,000			13,000
Skeet shoot	24,690			24,690
<b>Total Functional Expenses</b>	<b>\$ 1,064,612</b>	<b>\$ 679,713</b>	<b>\$ 293,043</b>	<b>\$ 91,856</b>

The accompanying notes are an integral part of these financial statements.

**Backfield in Motion, Inc.**

## Statement of Functional Expenses

For the year ended December 31, 2019

<u>Operating Expenses:</u>	<u>Total</u>	<u>Program</u>	<u>Administrative</u>	<u>Fund Raising</u>
Grants (sponsorship)	\$ -	\$ -	\$ -	\$ -
1st & 10 program	79,758	79,758		
4th and 1 program	22,860	22,860		
Extra point academy program	-			
Education program	5,417	5,417		
Insurance	75,783	60,626	15,157	
Bank & Credit Card Fees	2,774		2,774	
Communications	1,849		1,849	
Dues and Subscriptions	-			
Marketing and development	11,363			11,363
Compensation of employees	680,090	476,063	149,620	54,407
Payroll taxes	54,338	44,014	7,607	2,717
Depreciation	9,969	7,975	1,994	
Accounting	-			
Legal	-			
License and permits	278		278	
Office expenses	11,117	2,557	8,560	
Occupancy	18,357		18,357	
Management costs	5,813		5,813	
Golf tournament	16,852			16,852
Skeet shoot	37,286			37,286
<b>Total Functional Expenses</b>	<b>1,033,904</b>	<b>\$ 699,270</b>	<b>\$ 212,009</b>	<b>\$ 122,625</b>

The accompanying notes are an integral part of these financial statements.



**BACKFIELD IN MOTION, INC.**  
Notes to Financial Statements  
For the Years Ended December 31, 2020 and 2019

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization**

Backfield In Motion, Inc. (the “Organization”) is a not-for-profit organization incorporated in 2000 primarily to provide year-round academic tutoring at Nashville area community centers and to sponsor youth athletic leagues. Services are available at no cost to children and their families. The Organization’s academic programs focus on reading, literacy and mathematics.

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

**Comparative Financial Information**

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 2019, from which the summarized information was derived.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all cash funds, cash bank accounts, and highly liquid debt instruments, with an original maturity of three months or less when purchased, to be cash and cash equivalents. At December 31, 2020 and 2019, the Organization had no cash equivalents.

**Contributions Receivable**

Contributions receivable are recorded at their estimated value and reflect discounts for payment terms greater than one year, if applicable. Contributions receivable are considered to be conditional or unconditional promises to give. A conditional contribution is one which depends on the occurrence of some specified uncertain future event to become binding on the donor. Conditional contributions are not recorded as revenue until the condition is met, at which time they become unconditional. Unconditional contributions are recorded as revenue at the time verifiable evidence of the promise to give is received. The Organization considers contributions receivable to be fully collectible at year-end. Accordingly, no allowance for uncollectible promises to give has been recorded as the years ended December 31, 2020 and 2019.

**BACKFIELD IN MOTION, INC.**  
Notes to Financial Statements  
For the Years Ended December 31, 2020 and 2019

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)**

**Building, Equipment and Vehicles**

Building, equipment, and vehicles are recorded at cost to the Organization, or if donated, at the estimated fair market value at the date of donation. All depreciation is computed using the straight-line method based on the estimated useful life of the asset as follows:

Buildings	40 years
Equipment and vehicles	5 years

Expenditures for repairs and maintenance are charged to operations when incurred. Depreciation expense was \$17,908 and \$9,969 for the years ended December 31, 2020 and 2019.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

At December 31, 2019, there were no net assets with donor restrictions. At December 31, 2020, net assets with donor restrictions were \$140,000.

**Revenue Recognition**

Grants and fees are recorded as earned monthly. This allows a matching with expenses for the corresponding months. Amounts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

**BACKFIELD IN MOTION, INC.**  
Notes to Financial Statements  
For the Years Ended December 31, 2020 and 2019

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)**

**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. Many individuals volunteer their time and perform a variety of tasks that assist the Organization in performing its functions.

**Advertising Costs**

Costs related to advertising are expensed as incurred. The Organization incurred advertising costs amounting to \$3,441 and \$11,363 for the years ended December 31, 2020 and 2019.

**Income Taxes**

The Organization is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; accordingly, no provision for income taxes has been accrued in the financial statements.

The Organization follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. There was no effect on the financial positions or cumulative adjustment to beginning net assets as a result of the implementation. Management has evaluated its tax positions taken and believes that the total amount of unrecognized tax benefits is not material to the financial statements as a whole. Therefore, no tax liability has been recorded.

The Organization has not recognized any tax related interest and penalties in the accompanying financial statements. Federal tax years that remain open for examination include the years ended December 31, 2017 through December 31, 2020.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy, depreciation, insurance and interest, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, which are allocated on the basis of estimates of time and effort.

**Use of 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.

**BACKFIELD IN MOTION, INC.**  
Notes to Financial Statements  
For the Years Ended December 31, 2020 and 2019

**NOTE B – CONCENTRATION AND CREDIT RISK**

The Organization maintains cash balances in several financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2020, \$219,230 was uninsured and \$123,746 was uninsured at December 31, 2019.

**NOTE C - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and cash equivalents	\$ 937,969
Accounts receivable, net	<u>34,416</u>
	\$ 972,385

As part of our liquidity management plan, we invest cash in excess of daily requirements in short-term investments, CDs, and money market funds.

**NOTE D – GRANT FUNDS**

The Organization is the recipient of multiple grants. Grants are distributed in strict accordance with the grant provider. Grant providers often audit the use of grants which they have provided.

**NOTE E – EIDL LOAN**

The Organization was granted an Economic Injury Disaster Loan from the Small Business Administration amounting to \$150,000 on August 6, 2020. Payments of \$641.00 a month, including principal and interest, will begin 12 months from the date of the promissory Note, August 6, 2021. The balance of principal and interest will be payable 30 years from the date of the promissory Note. Interest will accrue at the rate of 2.75% per annum and will accrue only on funds actually advanced from the date of each advance. As of December 31, 2020, the full amount of \$150,000 was advanced to the Organization. Maturities of the mortgage in each of the next five years are as follows:

**BACKFIELD IN MOTION, INC.**  
Notes to Financial Statements  
For the Years Ended December 31, 2020 and 2019

**NOTE E – EIDL LOAN (CONT'D)**

<u>YEAR</u>	<u>AMOUNT</u>
2021	\$ 1,193
2022	3,646
2023	3,747
2024	3,851
2025	3,959
Thereafter	<u>133,604</u>
Total	\$ <u>150,000</u>

**NOTE F - LEGAL MATTERS**

The Organization's practice is to expense legal fees as services are rendered in connection with legal matters, and to accrue liabilities when payment is probable, and an amount can be reasonably estimated. At December 31, 2020 and 2019, the Organization had no outstanding legal fees due and no liabilities were accrued.

**NOTE G – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through April 9, 2021, which is the date the financial statements were available to be issued.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

To the Board of Directors  
Backfield In Motion, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Backfield In Motion, Inc., which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 9, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Backfield In Motion, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Backfield In Motion, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Backfield In Motion, Inc.'s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Backfield In Motion, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hopkins-Page

A handwritten signature in black ink that reads "Hopkins-Page". The signature is written in a cursive, flowing style.

Nashville, Tennessee  
April 9, 2021