

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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Board of Directors
Centro de Investigación y Política Pública, Corp.
San Juan, Puerto Rico

We are accompanying the Statement of Financial Position and the Statement of Cash Flows of Centro de Investigación y Política Pública, Corp. as of December 31, 2017 and 2016, and the related Statements of Changes in Net Assets (Deficit) for the year then ended, in accordance with documentation and information provided by the company's management.

The accompanying financial statements have been prepared solely from the accounts of Centro de Investigación y Política Pública, Corp. and they do not include the personal accounts of the stockholders or those of any other operation in which they are engaged.



Amy A. Figueroa López
Accountant

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
STATEMENTS OF FINANCIAL POSITION
December 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 13,445	\$ 1,468
Accounts receivable	570	70
Total Current Assets	<u>\$ 14,015</u>	<u>\$ 1,538</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Due to related parties	\$ 47,426	\$ 47,426
Total Current Liabilities	<u>47,426</u>	<u>47,426</u>
NET ASSETS		
Unrestricted net assets	<u>(33,411)</u>	<u>(45,888)</u>
	<u>\$ 14,015</u>	<u>\$ 1,538</u>

See accompanying notes to financial statements.

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
UNRESTRICTED NET ASSETS:		
REVENUES		
Income	\$ 11,500	\$ 6,268
Contributions	977	280
Total Revenues	<u>12,477</u>	<u>6,548</u>
EXPENSES		
General and administrative	-	13,958
Project development	-	16,800
Professional Services	-	23,555
Total Expenses	<u>-</u>	<u>54,313</u>
INCREASE (DECREASE) IN NET ASSETS	12,477	(47,765)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>(45,888)</u>	<u>1,877</u>
DEFICIT, END OF YEAR	<u>\$ (33,411)</u>	<u>\$ (45,888)</u>

See accompanying notes to financial statements.

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
INCREASE (DECREASE) IN NET ASSETS	\$ 12,477	\$ (47,765)
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivables	(500)	2,580
Increase in accounts payable	-	2,998
	<u>(500)</u>	<u>5,578</u>
Total Adjustments		
Net Cash Provided (Used) By Operating Activities	<u>11,977</u>	<u>(42,187)</u>
NET INCREASE (DECREASE) IN CASH EQUIVALENTS	11,977	(42,187)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,468</u>	<u>43,655</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 13,445</u>	<u>\$ 1,468</u>

See accompanying notes to financial statements.

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 and 2016

NOTE 1 - NATURE OF BUSINESS

The Centro de Investigación y Política Pública, Corp. ("CIPP") was established to promote the transparency of government carrying out public policy analysis related to the problems Puerto Rico is facing.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the CIPP conform with accounting principles generally accepted in the United States of America, and, as such, include amounts based on judgments, estimated and assumptions made by management that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Following is a description of the more significant accounting policies followed by the CIPP.

Revenue Recognition

The books of accounts are maintained on the accrual basis of accounting. Revenue is recorded as earned and expenses are recorded when incurred.

Basis of Presentation

The financial statements presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards ("SFAS") No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the CIPP 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.

Cash Equivalents

For the purpose of the financial statements, cash equivalents represent money market funds deposited with financial institutions.

Accounts Receivable

Accounts receivable are stated at their net realizable value.

CENTRO DE INVESTIGACION Y POLITICA PUBLICA, CORP.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 and 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Under Section 1101.01(a)(2)(iv) of the Puerto Rico Income Tax Act and other applicable laws, the CIPP is exempt from income taxes, property taxes and municipal licenses. Also, the CIPP is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). Accordingly, no provision for such taxes has been made in the financial statements.

NOTE 3- SUBSEQUENT EVENTS

The Company follows the provisions of FASB ASC 855 "Subsequent Events", which establishes general standards to be applied in accounting for, and disclosure of events that occur after the financial statement's date but before the financial statements are issued or available to be issued. This standard introduces the concept of "financial statements available to be issued", which are financial statements that are complete in form and format, that complies with generally accepted accounting principles (GAAP) and have obtained all approvals required for issuance.

FASB ASC 855 requires the disclosure of the date through which the Company has evaluated subsequent events and the basis for the date, whether it is the date the financial statements were issued or were available to be issued. This topic should be applied to the accounting and disclosure of subsequent events not addressed on other applicable GAAP.

The Company evaluated subsequent events until September 18, 2018 date in which the financial statements are available to be issued.