

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017**

Joel I. González Aponte, CPA

Member : Puerto Rico Society Of Certified Public Accountants

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

For the year ended December 31, 2018 and 2017

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ACCOUNTANT'S COMPILATION REPORT

The Board of Directors and Stockholder of
Centro de Investigación y Política Pública, Corp.

Management is responsible for the accompanying financial statements of Centro de Investigación y Política Pública, Corp. which comprise the statement of financial position as of December 31, 2018 and 2017, and the related statement of activities and changes in net assets and statement of cash flows for the year then ended, and the related notes to the financial statement in accordance with accounting principles generally accepted in Puerto Rico. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the statement of financial condition nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these statements of financial condition.

Joel I. González Aponte
JOEL I. GONZALEZ APONTE, CPA

San Juan, Puerto Rico
February 12, 2019



CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

STATEMENTS OF FINANCIAL POSITION

December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS:		
Cash	\$ 59,511	\$ 58,347
Accounts receivable	570	570
Total assets	<u>\$ 60,081</u>	<u>\$ 58,917</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Due to affiliates	<u>\$ 47,425</u>	<u>\$ 47,425</u>
Total liabilities	47,425	47,425
NET ASSETS:		
Undesignated net assets	<u>12,656</u>	<u>11,492</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 60,081</u>	<u>\$ 58,917</u>

See accompanying notes to the financial statements.

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the years ended December 31, 2018 and 2017

	Without Donor Restrictions	
	2018	2017
REVENUES:		
Contributions	\$ 288,845	\$ 75,976
Total revenues	<u>288,845</u>	<u>75,976</u>
EXPENSES:		
Professional services	243,844	8,021
Computer and webpage	41,177	-
Advertising	2,470	-
Bank charges	190	90
Total expenses	<u>287,681</u>	<u>8,111</u>
CHANGE IN NET ASSETS	1,164	67,865
NET ASSETS (DEFICITI), BEGINNING OF YEAR	<u>11,492</u>	<u>(56,373)</u>
NET ASSETS, END OF YEAR	<u>\$ 12,656</u>	<u>\$ 11,492</u>

See accompanying notes to the financial statements.

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,164	\$ 67,865
Adjustments to reconcile change in net assets to cash provided in operating activities:		
Increase in accounts receivable	-	(500)
Decrease in due to affiliates	-	(9,018)
Total adjustments	-	(9,518)
Net cash provided by operating activities	<u>1,164</u>	<u>58,347</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>1,164</u>	<u>58,347</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>58,347</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 59,511</u>	<u>\$ 58,347</u>

See accompanying notes to the financial statements.

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2018 and 2017

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

Centro de Investigación y Política Pública, Corp. ("CIPP") was organized during the year 2012 under the laws of the Commonwealth of Puerto Rico. CIPP was established to promote the transparency of government carrying out public policy analysis related to the problems Puerto Rico is facing.

Cash Equivalents:

For purpose of the statement of cash flows, the Company considers all highly liquid debt instruments purchased, if any, with a maturity of three months or less to be cash equivalents.

Accounts receivable:

Accounts receivable are stated at their net realizable value.

Estimates:

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Income Taxes:

Under current provisions of the Puerto Rico Income Tax Act and other applicable laws, the CIPP is exempt from income taxes, property taxes and municipal license. 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.

Basis of presentation:

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.

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2018 and 2017

1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition:

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions:

The CIPP also elected to adopt SFAS No. 116, "Accounting for Contributions Received and Contributions Made". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Donated Services:

CIPP records contributed services if the services received create or enhance long-lived assets or require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A number of unpaid volunteers, who serve in the capacity of board members and various volunteer assistants, have made significant contributions of their time in the furtherance of the CIPP. The value of this contributed time during the year 2018 is reflected in these financial statement as follow:

Directors (\$75 per hour)	
Arnaldo Cruz	\$ 39,000
Farash López	31,200
Juan G. Herrans	31,200
Zulmarie Urrútia, CPA	31,200
Elizabeth Pérez	22,500
Christian G. González	19,500
Alvin Quiñonez	19,500
José J. Villamil	11,700
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Total Directors	205,800
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Assistants (\$8 per hour)	30,400
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	\$ 236,200

CENTRO DE INVESTIGACIÓN Y POLÍTICA PÚBLICA, CORP.

NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2018 and 2017

2) SUBSEQUENT EVENTS

The Company evaluated subsequent events until February 12, 2019, date in which the financial statement is available to be issued.