

**Mortgage Loan Officers Association of Puerto Rico, Inc.**

*Financial Statements*

*December 31, 2023*

*Together with Accountants' Compilation Report*

# Mortgage Loan Officers Association of Puerto Rico, Inc.

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## Accountants' Compilation Report

To the Board of Directors  
of **Mortgage Loan  
Officers Association of  
Puerto Rico, Inc.:**

Management is responsible for the accompanying financial statements of **Mortgage Loan Officers Association of Puerto Rico, Inc.**, which comprise of the statement of financial position as of **December 31, 2023**, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

*AFS-CPA Group, LLC*

AFS-CPA Group, LLC  
License Number LLC-280

By: 

Antonio F. Sécola, CPA  
Lic.# 3550

Gurabo, Puerto Rico  
September 30, 2024

**AFS - CPA GROUP, LLC**  
**Certified Public Accountants**  
**License Number LLC - 280**



**Mortgage Loan Officers Association of Puerto Rico, Inc.**  
**Statement of Financial Position**  
**As of December 31, 2023**

**Assets**

<b>Current Assets</b>	
Cash	\$ 185,699
<b>Total Current Assets</b>	<u>185,699</u>
<b>Fixed Asset, at cost</b>	<u>51,000</u>
<b>Total Assets</b>	<u><u>\$ 236,699</u></u>

**Liabilities and Net Assets**

<b>Current Liabilities</b>	
Accounts Payable	\$ <u>6,299</u>
<b>Net Assets:</b>	
With Donor Restrictions	-
Without Donor Restrictions	<u>230,400</u>
<b>Total Net Assets</b>	<u>230,400</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 236,699</u></u>

*The accompanying notes are an integral part of this financial statement.*

**Mortgage Loan Officers Association of Puerto Rico, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues</b>			
Convention Fee	\$ 221,651	\$ -	\$ 221,651
Activities Fee	39,498	-	39,498
Members Contributions	16,950	-	16,950
Other Income	354	-	354
Interest Revenue	135	-	135
	<u>278,588</u>	<u>-</u>	<u>278,588</u>
<b>Expenses</b>			
Convention Expenses	184,285	-	184,285
Professional Services	28,603	-	28,603
Activities Expenses	28,508	-	28,508
Repairs and Maintenance	3,801	-	3,801
Seminars	480	-	480
Bank Charges and Interest Expense	312	-	312
Income Tax Expense	500	-	500
Other Expenses	6,899	-	6,899
	<u>253,388</u>	<u>-</u>	<u>253,388</u>
<b>Change in Net Assets</b>	25,200	-	25,200
<b>Net Assets, Beginning of the Year</b>	196,200	-	196,200
<b>Prior Year Adjustments</b>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
<b>Net Assets, End of the Year</b>	<u>\$ 230,400</u>	<u>\$ -</u>	<u>\$ 230,400</u>

*The accompanying notes are an integral part of this financial statement.*

**Mortgage Loan Officers Association of Puerto Rico, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

<b>Cash Flows from Operating Activities</b>	
Change in Net Assets	\$ 25,200
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Changes in Assets and Liabilities:	
Accounts Payable	4,020
Total Adjustments	<u>4,020</u>
<b>Net Cash Provided by Operating Activities</b>	<u>29,220</u>
<b>Net Change in Cash</b>	29,220
<b>Cash, Beginning of the Year</b>	<u>156,479</u>
<b>Cash, End of the Year</b>	<u><u>\$ 185,699</u></u>

*The accompanying notes are an integral part of this financial statement.*

# Mortgage Loan Officers Association of Puerto Rico, Inc.

## Notes to the Financial Statements

December 31, 2023

### **1. Reporting Entity:**

Mortgage Loan Officers Association of Puerto Rico, Inc. (from now on referred to as “the Company”), was incorporated under the laws of the Commonwealth of Puerto Rico on November 13, 1987. The Company is engaged in promoting the improvement of the professional staff in the mortgage bank industry of Puerto Rico.

### **2. Summary of Significant Accounting Policies:**

The following is a summary of the significant accounting policies followed by the Company:

#### Basis of Accounting

The financial statements of the Company have been prepared based on the accrual method of accounting in adherence to the generally accepted accounting principles of the United States of America. Consequently, revenues are recognized when earned or donor make a promise to give regardless of when cash is received, and expenses are recognized when incurred regardless of when cash is disbursed.

#### Basis of Presentation

In accordance with Statement of Financial Accounting Standards all not-for-profit organizations are required to provide a statement of financial position, a statement of activities and changes in net assets, and a statement of cash flows. It is also required the classification of an organization's net assets and its revenues, expenses, gains, and losses based on the existence or absence of imposed restrictions. Accordingly, the net assets of the Company and changes therein are generally classified and reported as follows, depending on the circumstances and applicability each year:

- Net Assets without Donor Restrictions - This category consists of net assets that are not subject to donor-imposed or legal stipulations.
- Net Assets with Donor Restrictions - This category consists of net assets that are subject to donor-imposed or legal stipulations.

# **Mortgage Loan Officers Association of Puerto Rico, Inc.**

## **Notes to the Financial Statements**

**December 31, 2023**

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. As of December 31, 2023, the Company had no cash equivalents.

### Accounts Receivable

Accounts receivable are recorded at the billed date and bears no interest. Unbilled revenues represent amounts recognized as revenue for which invoices have not yet been sent to pledgers.

### Revenue Recognition

Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in without donor restriction net assets. All other donor restricted support is reported as an increase in with donor restricted net assets, depending on the nature of the restriction.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received or at values indicated by the donor. Due to the nature of the donated services, there might be activities which the organization has not been able to account for.

Memberships program and services fees are recorded as an increase in without donor restrictions when earned and the related receivable collections is probable.

### Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When equipment is sold, retired, or otherwise disposed of, the cost and accumulated depreciation are eliminated from the books and the gain or loss on such disposition is reflected in current earnings.



# **Mortgage Loan Officers Association of Puerto Rico, Inc.**

## **Notes to the Financial Statements**

**December 31, 2023**

### Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

### Fair Value of Financial Instruments

The carrying amounts reported in the accompanying statement of financial position for cash and accounts payable, approximate fair value because of the short-term durations of these financial instruments.

### **3. Concentration Risk**

The Company maintains its cash balances in a high credit quality financial institutions located in Puerto Rico. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2023, the Company had no uninsured cash balance.

### **4. Income Taxes**

The Organization (a nonprofit organization) which qualifies for tax-exempt under Section 1101.01 of the Internal Revenue Code of 2011 of the Commonwealth of Puerto Rico, as amended, has not filed the exemption filing Form SC 2645 with the Puerto Rico Department of Treasury. Therefore, the Company may be subject to income tax under the Internal Revenue Code of 2011, as amended.

**Mortgage Loan Officers Association of Puerto Rico, Inc.**  
**Notes to the Financial Statements**  
**December 31, 2023**

**5. Expenses**

The Statement of Financial Accounting Standards requires that all not-for-profit must present their expenses by their nature and their function. The Statements of Activities for December 31, 2023, presented the expenses by their nature. The Company has determined that all expenses are related to the same function, program service.

**6. Subsequent Events:**

Management has evaluated subsequent events occurring through September 30, 2024, the date the financial statements were available to be issued and concluded that there are no subsequent events which require disclosure.