



**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

FINANCIAL STATEMENTS

For the Year Ended December 31, 2017 and 2016
Attachment: Independent Auditor's report

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

FINANCIAL STATEMENTS

For the Year Ended December 31, 2017 and 2016

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INDEPENDENT AUDITOR’S REPORT ON FINANCIAL STATEMENTS

To
The General Assembly, Board of Directors, Advisory Council and Fiscal Council
Instituto de Políticas de Transporte e Desenvolvimento - ITDP Brasil
Rio de Janeiro - Brasil

Dear Sirs,

Opinion

We have audited the financial statements of **Instituto de Políticas de Transporte e Desenvolvimento -ITDP Brasil** (the Entity), which comprise the balance sheet as at December 31, 2017, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Entity are prepared, in all material respects, in accordance with accounting practices adopted in Brazil.

Basis for Opinion

We conducted our audit in accordance with Brazilian and international auditing standards. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Professional Code of Ethics of the Accountant, norms issued by the Federal Accounting Council, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Functional and Presentation Currency

Financial Statements are presented in Reais (R\$), which correspond to ITDP-Brasil’s functional currency and have also been translated and converted into U.S. Dollar (US\$) producing reports on the presentation currency as supplementary information, as described in Note 2 letter a.

Audit of the values for previous year

Figures for the year ended December 31, 2016, presented for comparison purposes, were audited by us and issued an Independent Auditors Report, and with unqualified opinion dated March 31, 2017, which did not contain modification.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with accounting practices adopted in Brazil, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rio de Janeiro, April 6, 2018.



ANDERSON TARGINO FRANCO
Engagement Partner CRC - RJ - 083382/O

MEDEIROS & ASSOCIADOS AUDITORES INDEPENDENTES LTDA.
CRC - RJ - 003664/O

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Balance Sheet
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

	Notes	<u>2017</u>	<u>2016</u>		Notes	<u>2017</u>	<u>2016</u>
Assets				Liabilities			
Current Assets				Current Liabilities			
Cash and cash equivalents	4	125,106.49	72,225.22	Suppliers	9	21,858.04	5,410.21
Advances	5	2,080.58	1,979.91	Labor and Tax Liabilities	10	100,634.88	13,292.19
Tax Refund	-	-	228.28	Others Liabilities	11	2,208.09	2,888.97
Prepaid expenses	6	2,158.77	2,500.88			<u>124,701.01</u>	<u>21,591.37</u>
		<u>129,345.84</u>	<u>76,934.29</u>				
Non-Current Assets				Net Equity			
Fixed Assets	7	12,339.12	16,019.61	Accumulated Surplus or Deficit	12	60,858.82	121,057.30
Intangible Assets	8	-	-	Other Comprehensive Income		(43,874.87)	(49,694.77)
		<u>12,339.12</u>	<u>16,019.61</u>			<u>16,983.95</u>	<u>71,362.53</u>
		<u>141,684.96</u>	<u>92,953.90</u>			<u>141,684.96</u>	<u>92,953.90</u>

The explanatory notes are an integral part of financial statements

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Income Statement for the Period
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

	Notes	<u>2017</u>	<u>2016</u>
Revenue			
Donations	13	1,194,147.94	981,152.19
Services	14	50,365.56	292.57
Financials	15	8,707.39	14,427.71
		<u>1,253,220.89</u>	<u>995,872.47</u>
 Tributary Expense (tax expense)	 16	 (42,449.93)	 (7,495.85)
 Net Revenue		 <u>1,210,770.96</u>	 <u>988,376.62</u>
 Expenses			
Staff, financial charges and Benefits	17	(701,542.78)	(76,060.97)
Administrative	18	(555,367.29)	(891,180.93)
Depreciation	19	(7,125.88)	(12,164.15)
Financials	20	(7,291.65)	(7,314.36)
		<u>(1,271,327.60)</u>	<u>(986,720.41)</u>
 Other Income / Expenses	 21	 <u>358.16</u>	 <u>(1,465.49)</u>
 Surplus or Deficit for the Period		 <u>(60,198.48)</u>	 <u>190.72</u>

The explanatory notes are an integral part of financial statements

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Statement of Changes in Net Equity
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

	<u>Accumulated Surplus or Deficit</u>	<u>Other Comprehensive Income</u>	<u>Net Equity</u>
Balance on December, 31 2015	120,866.58	(68,234.46)	52,632.12
Surplus or Deficit for the Period	190.72	-	190.72
Prior Year Adjustments	-	-	-
Conversion Adjustments	-	18,539.69	18,539.69
Balance on December, 31 2016	121,057.30	(49,694.77)	71,362.53
Surplus or Deficit for the Period	(60,198.48)	-	(60,198.48)
Prior Year Adjustments	-	-	-
Conversion Adjustments	-	5,819.90	5,819.90
Balance on December, 31 2017	60,858.82	(43,874.87)	16,983.95

The explanatory notes are an integral part of financial statements

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Cash Flow Statement
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

	2017	2016
Cash flows from investment activities		
Surplus or Deficit for the Period	(60,198.48)	190.72
Adjustments to reconcile income for year with cash flow from Investment Activities		
Depreciation and amortization	7,125.88	12,164.15
Adjustments	-	-
Loss of fixed assets	-	1,095.95
Receipts of donated assets	-	-
Effects of exchange rate changes at balance sheet and cash flow	5,819.89	18,703.64
Decrease (increase) in Assets		
Accounts receivable	-	-
Advances	(100.67)	(1,807.01)
Tax Refund	228.28	(37.75)
Prepaid expenses	342.11	(1,117.73)
Long Term Assets	-	-
Other receivables	-	-
Increase (decrease) in Liabilities		
Suppliers	16,447.83	(8,574.97)
Labor and Tax Liabilities	87,342.69	10,360.85
Provision for contingencies	-	-
Other liabilities	(680.88)	1,175.99
Net receipts from investment activities	56,326.65	32,153.84
Cash flows from investment activities		
(-) Acquisition of Fixed Assets	(3,445.38)	(7,797.11)
(-) Acquisition of intangible assets	-	-
Net receipts used in investment activities	-	-
Increase (decrease) in Cash and Cash Equivalents	52,881.27	24,356.73
Cash and Cash Equivalents at beginning of year	72,225.22	47,868.49
Cash and Cash Equivalents at end of year	125,106.49	72,225.22
Increase (Decrease) in Cash and Cash Equivalents	52,881.27	24,356.73

The explanatory notes are an integral part of financial statements

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

1. Context of activities

The **INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO**, hereinafter **ITDP BRASIL**, is a legal entity under private law, established as non-economic and non-profit association, of indetermined duration, with headquarters at 6 Almirante Barroso Avenue 5º floor, rooms 501-503 Center - RJ, CEP: 20050-002 - Rio de Janeiro, Brazil, governed by its bylaws, dated October 28, 2009, and amendment recorded at the County Records Office of Legal Entities under registration N° 201306131628031, Protocol on 08/13/2013.

The Institute's objectives are: I - Promote the development and use of environmentally sound, equitable and sustainable transportation, with educational and charitable purposes, helping to meet low-income population's mobility needs; II - Enhance public transport and its importance in building a more equitable and fair society; III - Encourage and support the implementation of projects that improve mobility through the democratic use of transport; IV - Create greater public awareness for sustainable and viable transport solutions; V - Promote ethics, peace, citizenship, human rights, democracy and other universal values; VI - Create, promote and develop programs, projects, events and research in the social, transportation, environment, and cultural areas. VII - Promote the defense, preservation and conservation of environment and sustainable development. VIII - Conduct research and develop actions in production of knowledge related to all its field of work, through any means or medias, including, with no limitation, publishing of books, booklets, magazines, handbooks, notebooks, brochures; audio-visual products such as CDs, DVDs, Software, and any other media that may be released. IX - Strengthen projects, and networks and partnerships at national and international levels in its field of work. X - Promote culture, through also the development of cultural projects supported by laws for the incentive of culture at federal, state and city levels.

The Institute is legally registered under numbers:

- CNPJ n° 11.603.147/0001-92
- Municipal Registration - RJ n° 463.375-0

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

1. Context of activities (cont'd)

ITDP BRASIL has the following statutory bodies:

- General Assembly, comprised of all members in full possession of their rights;
- Board of Directors, currently comprised of 3 (three) members: one (1) President, one (1) Administrative and Financial Director and one (1) Director of Operations;
- Advisory Council comprised of unlimited number of members; and
- Fiscal Council, comprised of up to 3 (three) members.

The entity has not made payments of remuneration, advances, representation allowances, or distribution of results to its elected Directors or advisers; nor its managers overlap functions.

2. Financial statements preparation and presentation Basis

Financial Statements have been prepared in accordance with accounting practices adopted in Brazil applicable to nonprofit entities, issued by Brazilian Accounting Standards and within our operating environment, with observance of compliance to international accounting standards.

a) Conversion

Financial Statements are presented in Reais (R\$), which correspond to the functional currency of "ITDP-Brasil" and have also been translated and converted to U.S. Dollars (U.S. \$), producing reports in presentation currency as supplementary information.

According to standards for NBC TG 02 (R1) - Effects of Changes in Foreign Exchange Rates and Conversion of Financial Statements, the preparation of income statements were translated into U.S. dollars at average monthly exchange rate, which is approximate to the exchange rate prevailing at the date of the corresponding transactions. Balance sheet has been converted to U.S. dollars at the exchange rates of the end of each year.

Currency conversions occurred by using the official exchange rate announced by the Receita Federal do Brasil, for drawing up the balance sheet.

The effects of exchange rate changes (exchange differences) resulting from these conversions are presented under "Other Comprehensive Income" in Social Equity.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

3. Summary of significant accounting practices

a) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and short-term investments of highly liquid which are readily convertible into a known amount of cash and are subject to an insignificant risk of changes in value.

b) Other assets and liabilities and current and non-current liabilities

Stated at realizable values (assets) and the known or estimated amounts including, when applicable, accrued charges and monetary variations (liabilities).

c) Fixed Assets and Intangible Assets

Fixed assets and intangible assets are recorded at cost or donation, deducted for depreciation / amortization calculated by straight-line method, at annual rates that take into account assets lifetime.

d) Revenue and Expenses

Revenues are generated through donations and investment income, which are recorded at the time of actual receipt. Expenses are recognized by the accrual basis.

4. Cash and Cash Equivalents	2017	2016
Cash	129.25	131.35
Banks	179.33	1,811.10
Financial Investments	124,797.91	70,282.77
	125,106.49	72,225.22

On Cash record refers to cash amount to meet immediate entity's financial needs.

On Bank record refers to sight deposits to meet immediate entity's financial needs.

Financial Investments represent amounts invested in the market, aiming profitability and liquidity to comply with entity's commitments.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

5. Advances	<u>2017</u>	<u>2016</u>
Transportation allowance	454.53	335.06
Meals allowance	1,626.05	1,644.85
	<u>2,080.58</u>	<u>1,979.91</u>

Amounts are related to payments made in advance, to be appropriated according to relevant year.

6. Prepaid expenses	<u>2017</u>	<u>2016</u>
Insurance	2,158.77	2,500.88

Balance for insurance to be appropriate in the next year.

7. Fixed Assets		<u>2017</u>			<u>2016</u>
	<u>Range of Assets Life</u>	<u>Cost</u>	<u>Accumulated Depreciation / Amortization</u>	<u>Net</u>	<u>Net</u>
Furniture	5 years	7,210.74	(7,210.74)	-	-
Equipments	3 years	3,211.81	(1,577.66)	1,634.15	-
Computer Equipment	3 years	30,385.70	(22,766.27)	7,619.43	11,749.99
Appliances	3 years	2,464.89	(2,464.89)	-	-
Leasehold Improvements	2 years	17,247.70	(14,162.16)	3,085.54	4,269.62
		<u>60,520.84</u>	<u>(48,181.72)</u>	<u>12,339.12</u>	<u>16,019.61</u>

In the year 2017 there were US\$ 1,729.09 fixed assets acquisitions on equipments and US\$1,716.29 in computer equipment.

8. Intangible Assets		<u>2017</u>			<u>2016</u>
	<u>Range of Assets Life</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Software and Programs	3 years	<u>1,710.83</u>	<u>(1,710.83)</u>	-	-

The Software and Programs are fully amortized.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

9. Suppliers	2017	2016
Unimed Rio Coop. de Trab.	-	1,290.90
Pumamarca Editoração Ltda	5,154.17	-
Edita Comunic. e Repres. Ltda.	8,590.18	-
Limpert Rio Serv. Gerais	212.77	199.41
Foco Treinamento Empresarial Eireli	5,598.76	-
Clipping Express	-	229.00
MLS Wireless S A	79.81	81.01
Ribeiro & Sathler Soluções Informática	-	303.76
Walprint Gráfica e Editora	-	3,306.13
Vega Soluções em Informatica Eireli	299.27	-
Onion Brindes Ltda	857.01	-
Brasil 21 Eventos e Hotelaria Ltda	1,066.07	-
	21,858.04	5,410.21

Balance relating to obligations with suppliers to be settled in the next financial year.

10. Labor and Tax Liabilities	2017	2016
INSS Payable	10,482.19	1,906.55
FGTS Payable	3,625.76	474.57
PIS Payable	627.16	72.62
Salaries Payable	23,715.68	3,806.85
Vacation Payable	39,218.05	3,545.64
IRRF on Salary Payable	9,239.43	210.30
INSS Vacation Provision	9,804.52	939.56
FGTS Vacation Provision	3,137.45	283.65
INSS Payable	26.30	24.64
IRRF on Corporate Payable	46.70	204.48
PIS / COFINS / CSLL Payable	144.79	913.39
IRRF on Rent Payable	267.58	271.54
ISS Payable	299.27	638.40
	100,634.88	13,292.19

Balances of labor and tax obligations are related to the provisions of December/17, to be paid off next financial year. Payroll is high because in 2016 had 5 employees and in 2017 had 15 employees.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

11. Other Liabilities	<u>2017</u>	<u>2016</u>
Phone Payable	102.51	126.26
Power Payable	120.75	111.54
Rents Payable	1,738.45	1,826.70
Credit Card Payable	126.22	665.78
Internet Payable	91.44	158.69
Refund Payable	28.72	-
	<u>2,208.09</u>	<u>2,888.97</u>

Balances are related to provision of December with service providers to be paid off in the next financial year.

12. Net Equity	<u>2017</u>	<u>2016</u>
Accumulated Surplus or Deficit		
Accumulated Surplus or Deficit	121,057.30	120,866.58
Prior Year Adjustments	-	-
Surplus or Deficit for the Period	<u>(60,198.48)</u>	<u>190.72</u>
	60,858.82	121,057.30
Other Comprehensive Income	<u>(43,874.87)</u>	<u>(49,694.77)</u>
	16,983.95	71,362.53

The Institute's Net Equity is made up of the Accumulated Surplus or Deficit, as well as the outcome of this current year.

Other Comprehensive Income is considered the effects of changes in exchange rates resulting from conversions on patrimony (Asset and Liability) and income (revenue and expenditure).

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

13. Donations Revenue

Revenues occurred this year focused mostly (95%) in donations. Institute for Transportation and Development Policy (ITDP) transferred the amount of US\$ 886,428.50 and the Instituto Clima e Sociedade - ICS transferred the amount of US\$ 307,719.44.

14. Services Revenue

The Services Revenue of US\$ 50,365.56 was received through Financial Notes issued by the Institute.

Company	US\$	Services
GITECK IGIP	20,835.83	urban mobility consulting
WRI BRASIL	5,522.55	speaker for event
GITECK IGIP	16,343.75	urban mobility consulting
GITEC BRASIL	1,657.97	urban mobility consulting
GITEC BRASIL	6,005.46	urban mobility consulting
	50,365.56	

15. Financials Revenue

The Financials Revenue of US\$ 8,707.39 constitute annual investment income.

The currency conversions used for drawing up this report were based on the official exchange rate announced by the Receita Federal do Brasil (the IRS of Brazil), and, however, does not represent the rate used by Itaú bank.

16. Tributary Expenses

The Tributary expense consists of tax on donations from NY in the amount of US\$ 39,935.97 and service tax in the amount of US\$ 2,513.96.

17. Staff, financial charges and Benefits Expenses

These are the expenses of employees hired by local laws with their respective amounts of staff with US\$ 487,239.50, of financial charges with US\$ 164,382.45 and of Benefits with US\$ 49,920.83.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

18. Administrative Expenses

The Administrative Expenses of US\$ 555,367.29 have 70% legal entity expenses with US\$390,023.98 represents services of consultants and another's services.

The other administrative expenses were office rental, condominium, accounting, advocacy, travels, events and other expenses.

19. Depreciation Expenses

The depreciation expenses are the portions of fixed assets values calculated by annual rates that take into account assets lifetime.

20. Financials Expenses

The Financial Expenses are bank fees and taxes from financial income.

21. Other Income / Expenses

In Other Income stands out the highest value of US\$ 309.18 received from the Insurer's reimbursement for the damaged asset.

22. Insurance

Name of Insurance Company	Description	Coverage	Insured Amount
Porto Seguro	The building located at 6 Av. Almirante Barroso, 6 Gr. 501 / 502 / 503- Center - Rio de Janeiro	Fire, explosion, electrical damage and other	151,148.73
Porto Seguro	The building located at Av. Almirante Barroso, 6 Gr. 501 / 502 / 503 - Center- Rio de Janeiro	Rental agreement, condominium expenses and taxes	55,946.55
Porto Seguro	Notebooks	Physical damage and theft	9,746.92
Porto Seguro	Notebooks	Physical damage and theft	4,274.20

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

22. Insurance (continuation)

Name of Insurance Company	Description	Coverage	Insured Amount
Porto Seguro	Canon Camera and Lens	Physical damage	665.05
Travelers Seguros	Civil Responsibility of Directors and Administrators	World Territory ¹	151,148.73

For preventive measures, the entity adopts a policy of insurance coverage, as demonstrated above.

The Institute's headquarters are insured by Itaú insurance company through insurance policy nº 1-18-5106693-0 with duration of 07/26/2016 up to 07/26/2017.

The Institute hired insurance guarantee by Porto Seguro through policy nº 0746.91.15.045-6 with duration of 10/08/2016 up to 10/08/2017.

The notebooks hired insurance guarantee by Porto Seguro through policy nº 0171.91.89.576-2 with duration of 06/22/2016 up to 06/22/2017 and also by through policy nº 65-57182070 with duration of 11/07/2016 up to 11/07/2017.

The Canon Camera and Lens insurance guarantee by Porto Seguro through policy nº 0171.92.95.913-9 with duration of 10/03/2017 up to 10/03/2018.

The civil liability insurance from directors and managers are insured by Travelers Seguros through insurance policy nº 100.10.00000578 with duration of 02/26/2016 up to 02/26/2017.

23. Lawsuits

There are no fiscal, labor, social security, commercial and legal lawsuits.

**INSTITUTO DE POLÍTICAS DE TRANSPORTE E DESENVOLVIMENTO
ITDP BRASIL**

**Notes to Financial Statements
Years Ended December, 31 2017 and 2016
(in U.S. dollars)**

24. Performance Assessment	2017	2016
Current Liquidity		
$\frac{\text{Current Assets}}{\text{Current Liability}}$	$= \frac{129,345.84}{124,701,01} = 1,04$	3.56
Net Equity Immobilization		
$\frac{\text{Fixed and Intangible Assets}}{\text{Net Equity}} \times 100$	$= \frac{12,339.12 \times 100}{16,983.95} = 73\%$	22%

The Institute's current liquidity situation holds safety margin for this index measures how much investment it has in Current Assets investments for every US\$ 1.00 in enforceability under current liabilities, i.e., for each owed US\$ 1.00 it holds US\$ 1.04.

The degree of Immobilization demonstrates that the Institute has invested in Fixed and Intangible Assets the equivalent to 73% of Net Equity in 2017.

25. Subsequent Events

In preparing these financial statements, ITDP has evaluated events and transactions for potential recognition or disclosure through, the date the financial statements were issued.

* * *