



FINANCIAL STATEMENTS AND OMB UNIFORM GUIDANCE REPORTS

FOR THE YEAR ENDED JUNE 30, 2024

Re:Coded, Co.

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June 30, 2024

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Independent Auditor's Report on the Audit of the Financial Statements and Supplementary Information

To the Board of Directors of
Re:Coded, Co.
New York, New York

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Re:Coded, Co. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Re:Coded, Co. (the "Organization") as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

Basis for Opinion

We conducted our audit in accordance with 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. 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 required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

Report on the Financial Statements (Continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 27, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control over financial reporting and compliance.



Bethesda, Maryland
March 27, 2025

Certified Public Accountants

Re:Coded, Co.

**Statement of Financial Position
June 30, 2024**

Assets

Cash and Cash Equivalents	\$	936,713
Contributions and Grants Receivable		45,722
Prepaid Expenses and Deposits		5,410
Total Assets	\$	987,845

Liabilities and Net Assets

Liabilities

Accounts Payable and Accrued Expenses	\$	4,323
Refundable Grants		500,042
Total Liabilities		504,365

Net Assets

Without Donor Restrictions		483,480
Total Net Assets		483,480
Total Liabilities and Net Assets	\$	987,845

See accompanying Notes to Financial Statements

Re:Coded, Co.
Statement of Activities
For The Year Ended June 30, 2024

	<u>Total</u>
Revenues, Support, and Reclassifications	
Grants and Contributions	\$ 605,675
Government Grants	1,247,933
Investment Income (Loss) - Net	21,209
Other Revenue	<u>2,655</u>
Total Revenue and Support	<u>1,877,472</u>
Expenses	
Program	<u>1,556,201</u>
Supporting Service	
Management and Administration	788,985
Fundraising	<u>367</u>
Total Supporting Service	<u>789,352</u>
Total Expenses	<u>2,345,553</u>
Changes in Net Assets Without Donor Restrictions	(468,081)
Net Assets Without Donor Restrictions, Beginning of Year	<u>951,561</u>
Net Assets Without Donor Restrictions, End of Year	<u>\$ 483,480</u>

See accompanying Notes to Financial Statements

Re:Coded, Co.

**Statement of Functional Expenses
For The Year Ended June 30, 2024**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel Costs	\$ 1,081,725	\$ 704,939	\$ -	\$ 1,786,664
Advertising	9,000	140	-	9,140
Professional Fees	61,000	16,893	300	78,193
Occupancy	5,000	1,735	-	6,735
Subaward Recipients	369,021	-	-	369,021
Information Technology	16,325	33,935	-	50,260
Travel	4,916	3,978	37	8,931
Stipends	9,116	13,474	-	22,590
Office	98	13,891	30	14,019
Total Expenses	<u>\$ 1,556,201</u>	<u>\$ 788,985</u>	<u>\$ 367</u>	<u>\$ 2,345,553</u>

See accompanying Notes to Financial Statements

Re:Coded, Co.

**Statement of Cash Flows
For The Year Ended June 30, 2024**

Cash Flows from Operating Activities

Change in Net Assets	\$ (468,081)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used in) Provided by Operating Activities	
<u>(Increase) Decrease in Assets</u>	
Contributions and Grants Receivable	633,814
Prepaid Expenses and Deposits	14,650
<u>Increase (Decrease) in Liabilities</u>	
Accounts Payable and Accrued Expenses	(82,102)
Refundable Grants	<u>(217,928)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(119,647)</u>
Increase (Decrease) in Cash and Cash Equivalents	(119,647)
Cash and Cash Equivalents, Beginning of Year	<u>1,056,360</u>
Cash and Cash Equivalents, End of Year	<u>\$ 936,713</u>

See accompanying Notes to Financial Statements

Re:Coded, Co.

**Notes to Financial Statements
June 30, 2024**

1. ORGANIZATION

The Organization was founded in the state of Delaware in the United States of America on December 6, 2016. It is an award winning 501(c)(3) non-profit organization with a mission to prepare talent from underserved and displaced backgrounds to start lifelong careers in the digital economy. To date, the Organization has provided education to over 25,000 young adults across Europe, the Middle East and Africa.

The core of the Organization's programming is immersive coding and design bootcamps which offers students a career transformation experience. Beyond learning the essential technical skills needed to launch a career as a software developer or product designer, students gain hands-on experience building real-world projects as well as access to mentorship and career coaching from industry professionals to help land their first jobs in tech. Students can quickly go from novice to designer or software developer working in the digital economy in less than 9 months. The outcomes of these programs are life-changing: approximately 87% of its graduates secure employment within 6 months of graduation and annual salaries of its graduates are three times higher than pre-program.

The Organization also offer shorter self-paced online courses to inspire a new generation to access and thrive in the digital economy. These courses are available in multiple languages and are designed to develop soft, career, and foundational technical skills for youth. Courses include mastering a job search, how to build a career as a freelancer and entry-level technical courses such as Intro to HTML/CSS, Intro to Data Science, and Intro to UX/UI Design.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Organization to report information regarding its financial position and activities according to the accrual basis of accounting and the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**Notes to Financial Statements
June 30, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

Cash Equivalents

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Contributions and Grants Receivable

The Organization's receivables are comprised primarily of contracts committed from various funding sources for use in the Organization's activities. Receivables are expected to be collected within one year. The Organization provides for probable uncollectible amounts through a provision for bad debt expense and adjustment to a valuation allowance based on its assessment of the current status receivable accounts. Based on management's estimate, no allowance for bad debts was necessary for the year ended June 30, 2024.

Revenue Recognition

Grants and contributions, including unconditional promises to give, are recognized in the appropriate category of net assets as revenues in the period received or pledged. The Organization has determined that all revenue streams are nonreciprocal and follow the contribution rules. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Awards from the United States Government are for direct and indirect program costs are both nonreciprocal and conditional and are recognized as contributions when the revenue becomes unconditional (generally when qualifying expenditures are incurred). Contributions of assets, other than cash, are recorded at their estimated fair value at the date of gift. Contributed services and materials are recorded at their estimated fair value if they would otherwise be purchased if not provided by donation and provided by professionals in their field.

The Organization received grants for specific purposes that are subject to review by the grantor agencies which could generate expenditure disallowance under terms of the grants. Restricted grants received during the year in which the restriction was satisfied during the year have been reported as net assets without donor restrictions.

**Notes to Financial Statements
June 30, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All purchases of property, plant and equipment that have useful lives greater than one year are stated at cost at the dates of the acquisitions or fair value at the dates of gifts. Depreciation and amortization of furniture, office equipment, software and website is provided on the straight-line basis over the assets' estimated useful lives which range from five to seven years. Amortization of leasehold improvements and commissions is computed on the straight-line basis over the life of the applicable lease. There was no property and equipment at June 30, 2024

Functional 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, the categories of expenses that are attributable to more than one program or supporting function have been allocated among the programs and supporting services based on time and effort.

Advertising Expenses

The Organization recognizes advertising expenses as incurred. Advertising expense for the year ended June 30, 2024 was \$9,140.

Income Taxes and Uncertainty in Income Taxes

The Organization is recognized as exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. The Society is not a private foundation under Section 509(a)(1), and its donors qualify to deduct their donations to the Society on their federal income tax returns. As of June 30, 2024, the Organization's IRS Form 990 filed with the Internal Revenue Service remain open for examination for the tax years ended June 30, 2023, 2022, and 2021, generally for three years after they were filed.

The Organization follows the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC), which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business income tax (UBIT). As of June 30, 2024, the Organization had no uncertain tax positions that qualified for either recognition of an unrecognized tax benefit or disclosure in its financial statements.

The Organization's policy is to recognize interest and penalties, if any, on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. No interest and penalties were assessed or recorded during the years ended June 30, 2024.

Re:Coded, Co.

**Notes to Financial Statements
June 30, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326). This guidance requires the Organization to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This standard was adopted in the current fiscal year and did not have a significant impact on the financial statements.

Subsequent Events

Management has evaluated subsequent events through March 27, 2025, the date which the financial statements were available to be issued.

Subsequent to year end, the federal administration introduced a series of Executive Orders, memos, and federal agency guidance regarding new compliance obligations, cost considerations, and enforcement risks which may directly impact federal, state, and local grants. The implications of many of these measures are unclear. As a result, there is considerable uncertainty regarding the future availability of grant funding and its potential impact on Organization.

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject Organization to significant concentrations of credit risk consist of cash and cash equivalents. Organization maintains cash deposit and transaction accounts, with financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) . Organization has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

4. OTHER COMMITMENTS AND CONTINGENCIES

Regulatory agencies may initiate administrative proceedings alleging that the Organization programs, employees, or agents violate statutes and regulations and seek to impose monetary penalties on the Organization. The Organization could be required to incur significant costs to respond to regulatory investigations or defend against civil lawsuits and, if the Organization does not prevail it could be required to pay substantial amounts of money in damages, settlement amounts or penalties.

Re:Coded, Co.

**Notes to Financial Statements
June 30, 2024**

5. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30, 2024:

Financial Assets at Year End:

Cash and Cash Equivalents	\$	936,713
Contributions and Grants Receivable		<u>45,722</u>

Financial Assets Available to Meet General Expenditures

Over the Next Twelve Months	\$	<u>982,435</u>
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As part of the Organization's liquidity management plan, cash in excess of daily requirements is transferred to income-generating accounts, when practical.

Supplementary Information

Re:Coded, Co.

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

<u>Federal Grantor/Program or Cluster Title</u>	<u>ALN</u>	<u>Contract No.</u>	<u>Federal Expenditures</u>	<u>Passed through to Subrecipients</u>
US Department of State				
PRM State Bureau of Population, Refugees and Migration				
Statutory Authority for Assistance - Migration and Refugee Act Preparing Youth and Women in Turkey for the Digital Economy	19.519	SPRMC022CA0141	\$ 734,586	\$ 369,021
Middle East Partnership Initiative: Improving Digital Employability Prospects for Youth and Women in Algeria	19.500	SNEAAC-22-GR-0038	200,669	-
Total US Department of State			<u>\$ 935,255</u>	<u>\$ 369,021</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All of the Organization's federal awards were in form of cash assistance for the year ended June 30, 2024.

The Organization had no federally funded insurance programs or loan guarantees during the year ended June 30, 2024.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization has elected to use the 10% de minimus cost rate.

3. RECONCILIATION WITH AUDITED FINANCIAL STATEMENTS

The following summary reconciles total federal awards with the audited financial statements for the year ended June 30, 2024:

	<u>Amount</u>
Total Federal awards per the schedule of expenditures of federal awards	\$ 935,255
Add: non-Federal awards contained in the audited financial statements	<u>312,678</u>
Total government grants revenue per audited financial statements	<u>\$ 1,247,933</u>



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 of
The Re:Coded, Co.
New York, New York

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 Re:Coded, Co. (a nonprofit organization) ,which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Re:Coded, Co.'s (the Organization) internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a

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The Board of Directors
The Re:Coded, Co.

direct and material effect on the financial statements. 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.

A handwritten signature in black ink that reads "Mullins PC". The signature is stylized, with the "M" and "P" being particularly prominent.

Bethesda, Maryland
March 27, 2025

Certified Public Accountants



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors of
The Re:Coded, Co.
New York, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Re:Coded, Co. (the Organization) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2024. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the

requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of

compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Bethesda, Maryland
March 27, 2025

Certified Public Accountants

The Re:Coded, Co.

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Summary of Auditor's Results

Section I – Summary of Independent Auditor's Results

Financial Statements:

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? _____ yes, ☒ no
- Significant deficiencies relating to the audit of the financial statements reported in the Independent Auditors' 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*? _____ yes, ☐ no

Noncompliance material to financial statements noted? _____ yes, ☐ no

Federal Awards:

Type of auditors' report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weakness (es) identified? _____ yes, ☒ no
- Significant deficiencies relating to the audit of the major Federal award programs reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance? _____ yes, ☒ no

Any audit findings that are required to be reported in accordance with the Uniform Guidance (2 CFR 200.516(a))? _____ yes, ☒ no

Identification of major programs:

Federal Grantor/Program or Cluster Title	ALN	Federal Expenditures
US Department of State		
PRM State Bureau of Population, Refugees and Migration		
Statutory Authority for Assistance - Migration and Refugee Act		
Preparing Youth and Women in Turkey for the Digital	19.519	\$ 734,586

Dollar threshold used for distinguishing between Type A and Type B programs: \$750,000.

Organization Auditee qualified as low-risk auditee? _____ yes, ☐ no

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**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section II - Financial Statement Findings

There were no findings related to the financial statements is required to be reported in accordance with generally accepted government auditing standards (GAGAS).

Section III - Federal Award Findings and Questioned Costs

There were no questioned costs for federal awards (as defined in section 2 CFR 200.516(a)) that are required to be reported.

Status of Prior Year Findings and Questioned Costs

The prior year finding of a late submission of the data collection form has been resolved for the current year and does not repeat.