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UNITECH TRAINING ACADEMY, INC.

Financial Statements

and

Independent Auditor's Reports

December 31, 2022

Andrew Pieri, CPA P.C.

UNITECH TRAINING ACADEMY, INC.

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December 31, 2022

ANDREW PIERI CPA, P.C.
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Independent Auditor's Report

Board of Directors
Unitech Training Academy, Inc.
Lafayette, LA

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Unitech Training Academy, Inc. (the "School") which comprise the balance sheet as of December 31, 2022, and the related statement of income and retained earnings, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as of December 31, 2022, and the results of its operations 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 (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (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 School, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 School's ability to continue as a going concern for one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued, when applicable).

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 GAAS 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 GAAS and *Government Auditing Standards*, we:

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

- 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 School'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 School'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 supplementary information, which includes Note A on related party transactions, Notes B, C, D and E on the Financial Responsibility Supplemental Schedule, as required by 34 C.F.R. Section 668.172 and 34 C.F.R. Appendix A to Subpart L of Part 668, and Note F on the School's calculation of its Title IV 90/10 revenue test is presented for purposes of additional analysis and is not a required part of the financial statements. The Supplementary 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 Supplementary Information 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 June 13, 2023 on our consideration of the School'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 the School'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 School's internal control over financial reporting and compliance.

ANDREW PIERI, CPA, P.C.
Queens, New York
June 13, 2023

UNITECH TRAINING ACADEMY, INC.

Balance Sheet

For the year ended December 31, 2022

ASSETS

CURRENT ASSETS:		
1	Cash and cash equivalents	$ 23,689
2	Certificates of deposit	80,302
3	Tuition receivable - *net of allowance for doubtful accounts*	3,194,358
4	ERC receivable	2,242,907
5	Related party receivables	100,000
6	Prepaid expenses	11,677
7	Total current assets	5,652,933
PROPERTY AND EQUIPMENT:		
8	Building and improvements	2,782,764
9	Computer equipment and software	1,163,262
10	Furniture and fixtures	413,346
11	Office equipment	672,832
12	Vehicles	72,468
		5,104,672
13	Less: accumulated depreciation	(3,346,031)
14	Property and equipment - *net of accumulated depreciation*	1,758,641
RIGHT-OF-USE ASSET:		
15	*- net of accumulated amortization*	6,258,355
OTHER ASSETS:		
16	Licensing agreements, *net of accumulated amortization*	602,105
17	Security deposits	101,828
18	Total other assets	703,933
19	TOTAL ASSETS	$ 14,373,862

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
20	Accounts payable and accrued expenses	$ 1,197,999
21	Student refunds payable	8,156
22	Unearned tuition	2,633,699
23	HERFF funds - unused	32,619
24	Loans payable, current	163,338
25	Lease liability, current	1,759,863
26	Total current liabilities	5,795,674
LONG TERM LIABILITIES:		
27	Line of credit	395,000
28	Loans payable, net of current portion	299,859
29	Leases liability	4,528,116
30	Total long term liabilities	5,222,975
31	TOTAL LIABILITIES	11,018,649
STOCKHOLDERS' EQUITY		
32	Common stock, $ 1 par value 10,000 share authorized, issued and outstanding	10,000
33	Additional paid in Capital	422,960
34	Retained earnings	2,922,253
35	Total stockholders' equity	3,355,213
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 14,373,862

See independent auditor's reports and notes to the financial statements.

UNITECH TRAINING ACADEMY, INC.

Statement of Income and Retained Earnings

For the year ended December 31, 2022

	REVENUES	
36	Tuition income, net of refunds	19,470,607
38	Other student service income	72,452
38	Grant income	2,242,907
39	Other income	1,856,260
40	Total revenues	23,642,226
	EXPENSES	
41	Salaries and related payroll costs	12,046,597
42	Instructional	1,129,406
43	Student recruitment	2,255,455
44	Occupancy	3,154,816
45	General and administrative	2,968,196
46	Depreciation and amortization	401,791
47	Total expenses	21,956,261
48	**Net income from operations**	**1,685,965**
49	Retained earnings - beginning of year	3,049,360
50	Less: drawings	(1,813,072)
51	Retained earnings - end of year	$ 2,922,253

See independent auditor's reports and notes to the financial statements.

UNITECH TRAINING ACADEMY, INC.

Statement of Cash Flows

For the year ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income	$ 1,685,965
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	401,791
Changes in assets and liabilities	
(Increase) / Decrease	
Tuition receivable	(644,919)
Related party receivables	30,000
ERC receivable	(2,242,907)
Prepaid expenses	189,323
Inventory	97,350
Right-of-use asset	(6,258,355)
(Decrease / Increase	
Accounts payable	731,320
Unearned tuition	579,449
Student refunds payable	(1,217)
Lease liability	6,287,979
Total adjustments	(830,186)
Net cash provided by operating activities	855,779
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of certificates of deposit	(80,302)
Security deposit	(2,750)
Purchase of fixed assets	(6,167)
Net cash used in investing activities	(89,219)
CASH FLOWS FROM FINANCING ACTIVITIES:	
HEERF funds - received	1,172,861
HEERF funds - expensed	(1,328,856)
Line of credit	395,000
Payment of loans	(10,340)
Stockholder distributions	(1,813,072)
Net cash used in financing activities	(1,584,407)
Net decrease in cash and cash equivalents	(817,847)
Cash and cash equivalents - beginning of year	841,536
Cash and cash equivalents - end of year	$ 23,689
SUPPLEMENTAL DISCLOSURES:	
Income taxes paid	$ -
Interest expense paid	$ 15,957

See independent auditor's reports and notes to the financial statements.

UNITECH TRAINING ACADEMY, INC.

Notes to the Financial Statements
December 31, 2022

NOTE 1 – ORGANIZATION

Unitech Training Academy ("School") was established on February 1997 under the laws of the state of Louisiana and has locations in Lafayette, West Monroe, Houma, Lake Charles, Metairie, Baton Rouge and Alexandria. The School offers to train students in various medical fields as well as computer information systems with the objective of providing students effective skills training in these vocational careers and to assist them in finding suitable employment. The School is accredited with the Council on Occupational Education.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the School have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents represent cash in deposit accounts at financial institutions. The balances at times, may exceed federally insured limits. The School has not experienced any losses in such accounts.

For the purpose of the statement of cash flows, the School considers all investments purchased with a maturity of three months or less to be cash equivalents.

Investments - Certificate of deposit

Certificates of deposits are investments with original maturities greater than three months and carried at cost plus accrued interest and does not meet the definition of securities as defined in FASB ASC 320-10-20.

Accounts Receivable and Allowance for Doubtful Accounts

Trade accounts receivable are presented in the balance sheets, net of estimated uncollectible amounts. The Company records an allowance for estimated uncollectible accounts in an amount approximating anticipated losses. Individual uncollectible accounts are written off against the allowance when collection of the individual accounts appears doubtful.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements

The School follows FASB ASC 820, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America and applies to all financial instruments that are measured and reported on a fair value basis. FASB ASC 820 sets out a fair value hierarchy and defines fair value which focuses on an exit price between market participants in an orderly transaction as prescribed by the standard. The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of the asset or liability at the measurement date.

Assets and liabilities are measured and reported at fair value and are classified and disclosed in one of the following categories:

Level 1: Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury Securities.

Level 2: Observable inputs other than Level I prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities included debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. government and agency mortgage-backed securities and corporate-debt securities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement or estimation. This category generally includes certain private debt and equity instruments and alternative investments.

The School's only investments were in certificates of deposits ("CDs"). Accordingly, the CDs are exempt from the disclosure requirement of FASB ASC 820-10-50 as they do not meet the definition of securities defined in FASB ASC 320-10-20.

Course Material Inventories

Inventories consist of teaching materials and supplies that are stated at the lower of cost or market. Cost is determined principally by the first-in first-out method.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs
Advertising costs are expensed as they are incurred. Advertising costs for the year ended December 31, 2022 were $ 2,255,455.

Revenue Recognition
The School recognizes tuition income on a straight-line basis over the number of months of the student's period of enrollment.

In May 2014 the Financial Accounting Standards Board issued ASU 2014-09 Revenue from Contracts with Customers, which amended the existing accounting standards for revenue recognition. The new guidance is effective for annual periods beginning after December 15, 2019. Management has determined that this ASU does not have a material impact on the amount and timing of revenue recognized in the College's financial statements.

The School's revenues consist primarily of tuition revenue arising from education services provided in the form of classroom instruction. Tuition revenue includes revenue from tuition and associated fees such as books, supplies and fees. Tuition revenue is deferred and recognized on a straight-line basis over the number of months of the student's period of enrollment. The School charges student's tuition at set points throughout the course of their program as governed by the student's contract. At the point in which the School charges tuition, the School records a liability for academic services to be provided (contract liability) and a receivable for tuition due from students (contract asset).

All tuition and related fees are due when incurred. Any amounts paid in excess of tuition and fees billed are recorded as a liability and included in student credit balances (contract liability) on the balance sheet. Revenues earned but not yet received are included in accounts receivable, net of allowance for doubtful accounts (contract asset) on the balance sheet. Accounts receivable, net of allowance for doubtful accounts was approximately $3,194,358 and $2,549,439 as of December 31, 2022 and 2021, respectively. Tuition billed and received in advance of being earned is included as unearned tuition (contract liability) on the balance sheet. Unearned tuition totaled was $2,633,699 and $2,054,250 as of December 31, 2022 and 2021, respectively.

In the event a student terminates his or her contract prior to completion, the School must determine the amount of tuition to which it's entitled based on its published refund policy. A refund will typically be due and payable within 30 days of the contract termination if the payments received from the student exceed the tuition charges after application of the refund policy.

Depreciation and Amortization
Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on a straight-line basis. Leasehold improvements are amortized over the life of the building. The straight-line method of depreciation is followed for substantially all assets for financial reporting and an accelerated method for tax purposes.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes
The School has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the School does not pay federal or state income taxes on its taxable income. Instead, the stockholder is liable for individual income taxes on the income of the School, included on the individual's income tax return.

The School evaluates all significant tax positions as required by accounting principles generally accepted in the United States of America. As of December 31, 2022, the School does not believe that it has taken any positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

All taxing authorities in jurisdictions in which the School files income tax returns have completed their income tax examinations for all years prior to 2019. It is the School's policy to recognize any interest and penalties.

Leases- ASU 2016-02- New Accounting Pronouncements
Effective January 1, 2022 the School adopted FASB ASC 842, Leases. The School determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities on the balance sheet. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The School does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. The School elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of FASB ASC 842 using the effective date method resulted in the recognition of right-of-use assets of $8,143,125 and operating lease liabilities of $8,143,125 as of January 1, 2022. Results for periods beginning prior to January 1, 2022, continue to be reported in accordance with the School's historical accounting treatment and as such, no restatement is required.

Concentration of Credit Risk
The School receives a significant portion of its revenue by participating in the U.S. Department of Education's Title IV program. Continuing participation in Title IV programs requires compliance with numerous federal regulations. Future non-compliance with these regulations, or a change in the laws governing these programs, would severely impact the operations of the School.

NOTE 3 - ACCOUNTS RECEIVABLE AND UNEARNED TUITION

Accounts Receivable

Accounts receivable includes amounts billed to students less payments received and allowances for doubtful accounts and cancellations. Accounts receivable as of December 31, 2022 consisted of the following:

Gross accounts receivable	$ 3,362,482
Less: net allowance for doubtful accounts	(168,124)
Net accounts receivable	$ 3,194,358

During the year the School expensed $ 464,379 of accounts receivable as bad debt.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and consists of the following:

Building and Improvements	$ 2,782,764
Computer equipment and software	1,163,262
Furniture and fixtures	413,346
Office equipment	672,832
Vehicles	72,468
Total	5,104,672
Less: Accumulated depreciation	(3,346,031)
Property and equipment – net	$ 1,758,641

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Operating leases

The School evaluated current contracts to determine which met the criteria of a lease. The ROU assets represents the School's right to use underlying assets for the lease term, and the lease liabilities represent the School's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The School has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted average discount rate applied to calculate lease liabilities as of December 31, 2022, was 1.54%.

NOTE 5 – COMMITMENTS AND CONTINGENCIES (continued)

The School leases its administrative offices and classrooms under non-cancelable operating leases expiring at various dates in the future through 2028. Cash paid for operating leases for the year ended December 31, 2022 was $1,847,344. There were no noncash investing and financing transactions related to leasing.

Future maturities of lease liabilities are presented in the following table, for the fiscal years ended December 31:

December 31, 2023	$ 1,843,667
2024	1,313,845
2025	1,334,537
2026	1,267,781
2027	719,817
Thereafter	21,680
Total	6,501,327
Less prese value discount	(213,348)
Total lease obligation - NPV	$ 6,287,979

Contingencies

The School entered into a lease agreement for its Alexandria location in 2012 whereby in lieu of a security deposit, the School obtained a letter of credit for $54,300 from a bank to be used in case the School defaults on its rent payments.

The School is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of the ultimate liability (if any) with respect to any actions not covered by insurance will not materially affect the financial position of the School.

NOTE 6 – RIGHT OF USE – ASSET (ROUA)

Net present value of ROUA	$ 8,143,125
Less: accumulated amortization	(1,884,770)
Net: ROUA	$ 6,258,355

The net present value of the ROUA was calculated based on a 1.54% discount rate on future total operating lease payments of $ 8,468,847 as of January 1, 2022 over the next 73 months.

NOTE 7 – LONG-TERM DEBT AND LEASES

	Short-term	Long-term
The School has 3 leases with various finance companies with lengths of 36 to 48 months secured by the computer equipment purchased. Interest is charged on the leases varying from 4% to 8% with a total monthly payment for all the leases of $ 1,009	$ 14,603	$ 2,389
Loan payable for licensing agreement due in equal payment by December 2025. No interest on amounts payable	148,735	297,470
Total	$ 163,338	$ 299,859

Future minimum payments approximate the following:

2023	163,338
2024	151,124
2025	148,735
Total	$ 463,197

The School has a revolving line of credit with payments of interest only at prime. The School had a balance of $395,000 as of December 31, 2022

NOTE 8 – GOVERNMENT GRANTS

Earned Retention Credit

Under the legislative CARES ACT, the School qualified for the Employee Retention Credit ("ERC"), a credit against certain payroll taxes allowed to an eligible employer for qualifying wages. For the year ended December 30, 2022, the School was eligible to receive a credit of $2,242,907 which is recorded as a receivable.

The ERC funds were accounted for on the gross method by disclosing the funds as grant income in following the IAS 20 standards. All related costs were expensed

United Stated Department of Education (US DOE) Cares Act Advance

In 2022 under the legislative CARES ACT, the School received $ 1,172,861 from the US DOE under the "Higher Education Emergency Relief (HEERF) Fund" earmarked to go directly to students and had available $ 188,614 of HEERF Funds from the previous year.

During the year ended December 31, 2022, the School expensed $ 1,328,856 of HEERF funds.. The unused balance of $ 32,619 is reflected as a liability.

The HEERF funds earmarked to go directly to students were accounted for on the net method following the IAS 20 standards. All funds received were netted off to related expenses.

NOTE 9 – SUBSEQUENT EVENTS

Management evaluated the activity of the School through June 13, 2023, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

SUPPLEMENTARY INFORMATION ("SI")

December 31, 2022

NOTE A - RELATED PARTY TRANSACTIONS:

The School participates in the Student Financial Aid under Title IV programs administered by the U.S. Department of Education pursuant to the Higher Education Act of 1965, as amended ("HEA"). The School must comply with the regulations promulgated under the HEA. Those regulations, specifically 34 CFR, 668.23(d) require that all related party transactions be disclosed, regardless of their materiality to the financial statements.

Deana Head the majority owner withdrew $ 1,813,072 and the related party receivable was:
NOIT: Note payable bearing interest 3.75% with monthly payments of interest and principle of $1,000.61. NOIT share the same ownership as the School

NOTE B - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE
- COMPOSITE SCORE

As a condition of eligibility to participate in the various federal financial assistance programs, the School is required to demonstrate financial responsibility as defined in United States Department of Education regulations. The School is also required to maintain a "composite score standard" of at least 1.5. The regulations established a composite score zone between 1.0 and 1.4, demonstrating an institution as financially weak, but viable. Regulations allow institutions falling within this zone up to three consecutive years to improve their financial conditions without surety.

The School's Composite Scores for the fiscal years December 31, 2022 was 2.0. The components of the score were:

Primary reserve weighted score	0.2
Equity weighted score	0.8
Net income weighted score	0.9
Total Composite Score	2.0

The financial elements required to compute the composite score can be found on the next page.

UNITECH TRAINING ACADEMY, INC.

Supplementary Information

For the year ended December 31, 2022

NOTE B - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - COMPOSITE SCORE

Primary Reserve Ratio			
Line	**Adjusted Equity**		
35	Total equity		3,355,213
5	Secure and Unsecured related party receivables and /or other related party assets	100,000	
5	Unsecured related party receivables		100,000
N/A	Other Unsecured related party assets		-
13	Property, plant and equipment, net - including construction in progress and capital leases	1,758,641	
SI Note C Line A	Property, plant and equipment, net - pre-implementation less any construction in progress		1,723,931
SI Note C Line B	Property, plant and equipment, net - post-implementation less any construction in progress with outstanding debt for original purchase with debt - **with debt**		-
SI Note C Line D	Property, plant and equipment, net - post-implementation less any construction in progress with outstanding debt for original purchase - **without debt**		34,710
SI Note C Line C	Construction in progress		-
SI Note D Line A and B	Lease right-of use asset	6,258,355	
SI Note D Line A	Lease right-of use asset - pre-implementation		6,157,171
SI Note D Line B	Lease right-of use asset - post implementation		101,184
16	Intangible assets		602,105
N/A	Post-employment and defined pension plan liabilities		-
SI Note E Line E	Long-term debt - for long-term purposes and Construction in Process debt	858,197	
SI Note E Line A	Long-term debt for long-term purposes pre-implementation		-
SI Note E Line B	Qualified long-term debt for long-term purposes post-implementation for purchase of Property, Plant and Equipment		-
SI Note E Line C	Line of Credit for Construction in progress		-
SI Note D Line C and E	Lease right- of-use asset liability	6,258,355	
SI Note D Line C	Pre-implementation right-of-use leases liabilities		6,157,171
SI Note D Line E	Post-implementation right-of-use leases liabilities		101,184
	Total Expenses and Losses		
47	Total Expenses and Losses	21,956,261	
47	Total Operating Expenses and Losses		21,956,261
N/A	Total Non Operating Expenses and Lossses		-
N/A	Comprehensive Losses		-
N/A	Discontiued Operations not classifed as operating expenses	-	
N/A	Loss on impairment of assets		-
N/A	Loss on disposal of assets		-
N/A	Change in accounting principle		-
N/A	Investment losses		-
N/A	Post-employment and defined pension plans losses less nonservice component of net periodic pension and other post-employment plan expenses		-

UNITECH TRAINING ACADEMY, INC.

Supplementary Information

For the year ended December 31, 2022

NOTE B - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - COMPOSITE SCORE

Equity Ratio			
Line	**Modified Equity**		
35	Total equity		3,355,213
SI Note D Line A	Lease right-of use asset - pre-implementation		6,157,171
SI Note D Line C	Pre-implementation right-of-use leases liabilities		6,157,171
16	Intangible assets		602,105
5	Secure and Unsecured related party receivables and /or other related party assets	100,000	
3	Unsecured related party receivables and Other Unsecured related party assets		100,000
	Modified Assets		
19	Total assets		14,373,862
SI Note D Line A	Lease right-of use asset - pre-implementation		6,157,171
16	Intangible assets		602,105
5	Secure and Unsecured related party receivables and /or other related party assets	100,000	
3	Unsecured related party receivables and Other Unsecured related party assets		100,000

Net Income Ratio			
Line	**Income Before Taxes**		
48	Income Before Taxes (loss)	1,685,965	
48	Net Income before income taxes (loss)		1,685,965
N/A	Net Comprehensive income (loss)		-
	Total Revenue and Gains		
40	Total Revenues and Gains	23,642,226	
40	Total Operating Revenues and Gains		23,642,226
N/A	Total Other Revenue and Gains		-
N/A	Comprehensive Income and Gains		-
N/A	Discontinued Operations not classified as an operating Gain		-
N/A	Change in Accounting Principle Gains		-

Primary reserve ratio	Adjusted Equity	894,468	0.0407
	Total Expenses and Losses	21,956,261	

Equity weighted ratio	Modified Equity	2,653,108	0.3531
	Modified Assets	7,514,587	

Net income ratio	Income Before Taxes	1,685,965	0.0713
	Total Revenues and Gains	23,642,226	

	Ratios	Factor	Weights	Scores
Primary reserve weighted score	0.041	0.8148	30%	0.2444
Equity weighted score	0.353	2.1184	40%	0.8473
Net income weighted score	0.071	3.0000	30%	0.9000
			Total Composite Score	**1.9918**
			Total Composite Score - Rounded	**2.0**

UNITECH TRAINING ACADEMY, INC.

Supplementary Information

For the year ended December 31, 2022

NOTE C - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - NET PROPERTY PLANT AND EQUIPMENT

A	Pre-implementation Property and Equipment	1,723,931
B	Post-Implementation Property, and Equipment	-
C	Construction in progress	-
D	Post-Implementation Property and Equipment, with no outstanding debt	34,710
	Total	1,758,641

NOTE D - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - LEASE RIGHT OF USE ASSETS

A	Lease right of use assets – pre-implementation	6,157,171
B	Lease right of use assets – post-implementation	101,184
C	Lease right of use assets liability– pre-implementation, allowable	6,157,171
D	Lease right of use assets liability– pre-implementation, not allowable	29,624
E	Lease right of use assets liability – post-implementation, allowable	101,184
F	Lease right of use assets liability – post-implementation, not allowable	-

NOTE E - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE - LONG-TERM DEBT FOR LONG TERM PURPOSES

A	Pre-implementation Long Term Debt	-
B	Allowable Post-Implementation Long-term Debt	-
C	Construction in progress – debt	-
D	Long-term debt not for the purchase of Property and Equipment or liability greater than assets value	858,197
E	Total	858,197

UNITECH TRAINING ACADEMY, INC.

Supplementary Information

For the year ended December 31, 2022

NOTE F - PERCENTAGE OF REVENUE DERIVED FROM TITLE IV PROGRAMS AS REQUIRED BY 34 CFR 668.23 AND RECALCULATED TO A CASH BASIS IN ACCORDANCE WITH 34 CFR 600.5.

The School derives a substantial portion of its revenues from financial aid received by its students under programs authorized by Title IV of the HEA, which are administered by the U.S. Department of Education. To continue to participate in the programs, the School must comply with the regulations promulgated under the HEA. The regulations restrict the proportion of cash receipts for tuition, fees, and other institutional charges from eligible programs to not be more than 90 percent from Title IV programs. The failure of the School to meet the 90 percent limitation for two consecutive years will result in the loss of the School's ability to participate in Title IV programs. If a school receives more than 90 percent of its revenue from Title IV programs during its fiscal year, the school becomes provisionally certified for the next two fiscal years. This information is required by the U.S. Department of Education and is presented for purposes of additional analysis and is not a required part of the basic financial statements. For the fiscal year ended December 31, 2022 the School's cash basis calculation is:

The cash basis revenue totaled $ 20,105,744 of which $ 17,924,502 (89.15%) was derived from Title IV funds for the year ended December 31, 2022. From the calculations provided below the School's cash basis revenue derived from Title IV funds did not exceed 90% of the total cash basis revenue.

Revenue by Source - Cash Basis

TITLE IV 90/10 REVENUE PERCENTAGE

	Amount Disbursed	Adjusted Amount
Adjusted Student Title IV Revenue		
Subsidized Loan	$ 4,482,753	$ 4,482,753
Unsubsidized Loan	6,435,158	6,435,158
Plus Loan	761,486	761,486
Federal Pell Grant	8,506,965	8,506,965
FSEOG	-	-
Federal Work Study Applied to Tuition and Fees	-	-
Student Title IV Revenue	20,186,362	20,186,362
Revenue Adjustment		(111,425)
Title IV funds returned for a student under 34 C.F.R. §668.22		(2,150,435)
Adjusted Student Title IV Revenue		17,924,502

UNITECH TRAINING ACADEMY, INC.

Supplementary Information

For the year ended December 31, 2022

NOTE F - PERCENTAGE OF REVENUE DERIVED FROM TITLE IV PROGRAMS (continued)

Student Non-Title IV Revenue		
Grant funds for the students from non-federal public agencies or private sources independent of the Company	59,317	
Fund provided for the student under a contractual arrangement with a Federal, State, or local government agency for the purpose of providing job training to low income individuals	136,748	
Funds used by a student form savings plans for educational expenses established by or on behalf of the student that qualify for special tax treatment under the Internal Revenue Code	-	
School scholarships disbursed to the student	-	
Student payments on current charges	774,787	
Total Eligible Cash for Purchase of Eligible Institutional Charges from Unrelated Party	-	
Total Student Non-Title IV Revenue	970,852	
Revenue From Other Sources		
Activities conducted by the institution that are necessary for education and training (34 C.F.R. § 668.28 (a) (3) (ii))	1,210,390	
Funds paid by a student, or on behalf of a student by a party other than the school for an education or training program that is not eligible (34 C.F.R. § 668.28 (a) (3) (iii))	-	
Total Revenue From Other Sources	1,210,390	
Total Non-Title IV Revenue (Student Non-Title IV Revenue + Revenue From Other Sources)		2,181,242
Total Revenue (Adjusted Student Title IV Revenue + Total Non Title-IV Revenue + Revenue From Other Sources)		$ 20,105,744
Percentage of Title IV revenue to Total Revenue		**89.15%**
Percentage of Non-Title IV and Other Source Revenue to Total Revenue		**10.85%**

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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*

Board of Directors
Unitech Training Academy, Inc.
Lafayette, LA

We have audited, 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, the financial statements of Unitech Training Academy, Inc. (the "School"), which comprise the balance sheet as December 31, 2022 and the related statements of income and retained earnings, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 13, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's 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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 s*ignificant 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 the 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. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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 direct and material effect on the financial statements. Such tests included compliance tests as set forth in the *Guide For Audits of Proprietary Schools and For Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs,* issued by the U.S. Department of Education, Office of Inspector General (the Guide) including those relating to related partied and percentage of revenue derived from Title IV programs. 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 or the Guide.

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 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.

ANDREW PIERI, CPA, P.C.
Queens, New York
June 13, 2023