

**Coco Coders, Inc.** (the “Company”) a Delaware Corporation

Statement of Financial Position (unaudited) and  
Independent Accountant’s Review Report

As of inception – June 2<sup>nd</sup>, 2023



## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To Management  
Coco Coders, Inc.

We have reviewed the accompanying statement of financial position as of June 2<sup>nd</sup>, 2023 and the related notes. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility 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; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying statement of financial position in order for it to be in accordance with accounting principles generally accepted in the United States of America.

### **Going Concern**

As discussed in Note 8, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs.

Vince Mongio, CPA, CIA, CFE, MACC  
Miami, FL  
January 17, 2024

*Vincenzo Mongio*

**Statement of Financial Position**

**As of June 2<sup>nd</sup>, 2023  
(inception)**

ASSETS	
TOTAL ASSETS	-
LIABILITIES AND EQUITY	
TOTAL LIABILITIES	-
EQUITY	-
TOTAL LIABILITIES AND EQUITY	-

**Coco Coders, Inc.**  
**Notes to the Unaudited Statement of Financial Position**  
**June 2<sup>nd</sup>, 2023 (inception)**  
**SUSD**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Coco Coders, Inc. (“the Company”) was formed in Delaware on June 2nd, 2023. The Company plans to earn revenue using a subscription model for services rendered in an online learning environment teaching children how to code. The Company's headquarters is in Incline Village, Nevada. The Company has an operational office in West Des Moines, Iowa. The Company's customers are located in the United States and United Kingdom.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

Our financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our fiscal year ends on December 31.

Use of Estimates and Assumptions

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 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 and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Fair Value of Financial Instruments

ASC 820 “*Fair Value Measurements and Disclosures*” establishes a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

These tiers include:

Level 1: defined as observable inputs such as quoted prices in active markets;

Level 2: defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3: defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Concentrations of Credit Risks

The Company’s financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. The Company’s management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

## Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606,” “Revenue Recognition” following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize Revenue When or As Performance Obligations Are Satisfied

The Company will identify and analyze its performance obligations with respect to customer contracts once the first contract is signed.

## Equity based compensation - ASC 718-10-50

The Company adopted their 2023 Equity Incentive Plan for which 1,000,000 shares of the authorized but unissued or reacquired shares of the Common Stock of the Company are reserved for issuance pursuant to the plan, subject to adjustment as provided in the plan. There were no stock shares or stock options granted as of June 2<sup>nd</sup>, 2023.

## Income Taxes

The Company is subject to Corporate income and state income taxes in the state it does business.

## Recent accounting pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

## **NOTE 3 – RELATED PARTY TRANSACTIONS**

The Company follows ASC 850, “Related Party Disclosures,” for the identification of related parties and disclosure of related party transactions.

See Note 7 – Subsequent Events disclosure for details of related party transaction occurring after June 2<sup>nd</sup>, 2023.

## **NOTE 4 – CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS**

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

## **NOTE 5 – DEBT**

None.

## **NOTE 6 – EQUITY**

The Company has authorized 15,000,000 common shares with a par value of \$0.0001 per share. No shares were issued and outstanding as of June 2<sup>nd</sup>, 2023.

Common stockholders are entitled to one vote and can receive dividends at the discretion of the board of directors.

## **NOTE 7 – SUBSEQUENT EVENTS**

The Company has evaluated events subsequent to June 2<sup>nd</sup>, 2023 to assess the need for potential recognition or disclosure in this report. Such events were evaluated through January 17, 2024, the date these financial statements were available to be issued.

In July of 2023, the Company bought their intellectual property from Cypher Coding Limited (Cypher) in exchange for £9,400. Cypher owns 1,080,000 of the Company's common shares. The intellectual property includes but is not limited to logos & variations thereof, typefaces and brand assets, website, social media and ad accounts, previous press mentioning Coco Coders, booking systems and classroom app, lesson content, and communications. The Company licenses this to Cypher for them to use for online customers. The original moneys for the loan are being held in Cypher bank accounts and the Company recorded an inter-company loan account in order to facilitate the license revenue from Cypher for the Company.

The Company entered into numerous SAFE agreements (Simple Agreement for Future Equity) with third parties totaling \$725,000. The SAFE agreements have no maturity date and bear no interest. The agreements provide the right of the investor to future equity in the Company during a qualified financing or change of control event at a 25% discount. The SAFEs do not contain any valuation caps.

The Company issued 9,000,000 common shares in exchange for \$900. 3,405,000 were repurchased by the Company on October 1<sup>st</sup>, 2023, when they agreed the investor would be an advisor to the Company, resulting in 5,595,000 total issued. 915,000 of those shares are vesting on a 24 month schedule, which began on October 1<sup>st</sup>, 2023.

## **NOTE 8 – GOING CONCERN**

The accompanying balance sheet has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The entity commenced principal operations in December of 2023 and will likely realize losses prior to generating positive working capital for an unknown period of time. The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time.