

Consolidated Financial Statements and
Independent Auditor's Reports as
Required by Title 2 *U.S. Code of
Federal Regulations Part 200, Uniform
Administrative Requirements, Cost
Principles, and Audit Requirements for
Federal Awards and Government
Auditing Standards* and Related
Information

Teach For All, Inc. and Subsidiary

September 30, 2024 and 2023

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Teach For All, Inc.

Report on the audit of the financial statements**Opinion**

We have audited the consolidated financial statements of Teach For All, Inc. and its subsidiary, Teach for All Network (collectively, "TFALL"), which comprise the consolidated statements of financial position as of September 30, 2024 and 2023 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of TFALL as of September 30, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of TFALL and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US 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 consolidated financial statements.

In performing an audit in accordance with US 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 consolidated 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 consolidated 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 TFALL'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TFALL'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 audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 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 consolidated financial statements. Such 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report February 21, 2025 on our consideration of TFALL'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 TFALL'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 TFALL's internal control over financial reporting and compliance.

Grant Thornton LLP

New York, New York
February 21, 2025

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

September 30,

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 27,133,964	\$ 14,952,377
Prepaid expenses and other assets	1,036,273	1,639,245
Contributions receivable, net	42,185,099	38,539,394
Grants and contracts receivable, net of allowance of \$11,340 and \$4,440 in 2024 and 2023, respectively	1,123,041	439,511
Advances to network partners	21,311,752	22,413,335
Other receivables	724,434	679,583
Short-term investments	-	11,985,960
Fixed assets, net	164,292	273,824
Total assets	\$ 93,678,855	\$ 90,923,229
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 2,337,124	\$ 1,869,026
Deferred revenue	87,933	352,284
Total liabilities	2,425,057	2,221,310
Commitments and contingencies		
Net assets		
Net assets without donor restrictions	12,217,849	11,431,316
Net assets with donor restrictions	79,035,949	77,270,603
Total net assets	91,253,798	88,701,919
Total liabilities and net assets	\$ 93,678,855	\$ 90,923,229

The accompanying notes are an integral part of these consolidated financial statements.

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended September 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues, gains and other support			
Contributions	\$ 20,636,601	\$ 28,798,828	\$ 49,435,429
Grants and contracts	2,614,779	-	2,614,779
Other income	1,672,833	-	1,672,833
Net assets released from restrictions	<u>27,033,482</u>	<u>(27,033,482)</u>	<u>-</u>
Revenues, gains and other support before contributed services	51,957,695	1,765,346	53,723,041
Contributed services	<u>5,930,176</u>	<u>-</u>	<u>5,930,176</u>
Total revenues, gains and other support	<u>57,887,871</u>	<u>1,765,346</u>	<u>59,653,217</u>
Expenses			
Program services			
Early stage partner support	3,062,176	-	3,062,176
Network partner support	<u>44,588,969</u>	<u>-</u>	<u>44,588,969</u>
Total program services	<u>47,651,145</u>	<u>-</u>	<u>47,651,145</u>
Supporting services			
Management and general	6,488,924	-	6,488,924
Fundraising	<u>2,961,269</u>	<u>-</u>	<u>2,961,269</u>
Total supporting services	<u>9,450,193</u>	<u>-</u>	<u>9,450,193</u>
Total expenses	<u>57,101,338</u>	<u>-</u>	<u>57,101,338</u>
CHANGE IN NET ASSETS	786,533	1,765,346	2,551,879
Net assets, beginning of year	<u>11,431,316</u>	<u>77,270,603</u>	<u>88,701,919</u>
Net assets, end of year	<u>\$ 12,217,849</u>	<u>\$ 79,035,949</u>	<u>\$ 91,253,798</u>

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

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended September 30, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenues, gains and other support			
Contributions	\$ 18,710,811	\$ 32,827,360	\$ 51,538,171
Grants and contracts	2,260,685	-	2,260,685
Other income	1,656,516	-	1,656,516
Net assets released from restrictions	<u>21,452,736</u>	<u>(21,452,736)</u>	<u>-</u>
Revenues, gains and other support before contributed services	44,080,748	11,374,624	55,455,372
Contributed services	<u>4,202,791</u>	<u>-</u>	<u>4,202,791</u>
Total revenues, gains and other support	<u>48,283,539</u>	<u>11,374,624</u>	<u>59,658,163</u>
Expenses			
Program services			
Early stage partner support	2,619,715	-	2,619,715
Network partner support	<u>35,406,185</u>	<u>-</u>	<u>35,406,185</u>
Total program services	<u>38,025,900</u>	<u>-</u>	<u>38,025,900</u>
Supporting services			
Management and general	5,717,748	-	5,717,748
Fundraising	<u>3,194,568</u>	<u>-</u>	<u>3,194,568</u>
Total supporting services	<u>8,912,316</u>	<u>-</u>	<u>8,912,316</u>
Total expenses	<u>46,938,216</u>	<u>-</u>	<u>46,938,216</u>
CHANGE IN NET ASSETS	1,345,323	11,374,624	12,719,947
Net assets, beginning of year	<u>10,085,993</u>	<u>65,895,979</u>	<u>75,981,972</u>
Net assets, end of year	<u>\$ 11,431,316</u>	<u>\$ 77,270,603</u>	<u>\$ 88,701,919</u>

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

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended September 30, 2024

	Program Services			Supporting Services			Total
	Early Stage Partner Support	Network Partner Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Personnel expenses							
Salaries	\$ 1,515,068	\$ 12,497,718	\$ 14,012,786	\$ 3,721,450	\$ 2,134,246	\$ 5,855,696	\$ 19,868,482
Payroll taxes and related expenses	390,832	3,230,240	3,621,072	980,969	548,379	1,529,348	5,150,420
Total personnel expenses	1,905,900	15,727,958	17,633,858	4,702,419	2,682,625	7,385,044	25,018,902
Non-personnel expenses							
Grants	138,525	17,362,618	17,501,143	-	-	-	17,501,143
Travel	81,700	717,482	799,182	84,130	59,948	144,078	943,260
Conferences, workshops and meetings	51,020	2,336,143	2,387,163	41,808	8,479	50,287	2,437,450
Professional services	167,886	1,776,984	1,944,870	820,026	897	820,923	2,765,793
Information technology	45,293	380,053	425,346	291,373	61,208	352,581	777,927
Occupancy and office expenses	83,684	998,361	1,082,045	343,275	148,112	491,387	1,573,432
Other expenses	525	585	1,110	42,612	-	42,612	43,722
Total non-personnel expenses	568,633	23,572,226	24,140,859	1,623,224	278,644	1,901,868	26,042,727
Total expenses before non-cash items	2,474,533	39,300,184	41,774,717	6,325,643	2,961,269	9,286,912	51,061,629
Depreciation	-	-	-	109,532	-	109,532	109,532
Contributed services	587,643	5,288,785	5,876,428	53,749	-	53,749	5,930,177
Total expenses	\$ 3,062,176	\$ 44,588,969	\$ 47,651,145	\$ 6,488,924	\$ 2,961,269	\$ 9,450,193	\$ 57,101,338

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

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended September 30, 2023

	Program Services			Supporting Services			Total
	Early Stage Partner Support	Network Partner Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Personnel expenses							
Salaries	\$ 1,378,132	\$ 11,770,830	\$ 13,148,962	\$ 3,203,002	\$ 2,228,269	\$ 5,431,271	\$ 18,580,233
Payroll taxes and related expenses	388,147	3,300,418	3,688,565	915,902	633,108	1,549,010	5,237,575
Total personnel expenses	1,766,279	15,071,248	16,837,527	4,118,904	2,861,377	6,980,281	23,817,808
Non-personnel expenses							
Grants	25,000	11,327,909	11,352,909	-	-	-	11,352,909
Travel	65,196	844,494	909,690	75,584	57,381	132,965	1,042,655
Conferences, workshops and meetings	56,643	1,445,943	1,502,586	21,037	19,724	40,761	1,543,347
Professional services	178,993	1,748,076	1,927,069	737,065	73,111	810,176	2,737,245
Information technology	40,340	349,976	390,316	314,830	59,463	374,293	764,609
Occupancy and office expenses	73,773	865,691	939,464	332,426	123,512	455,938	1,395,402
Other expenses	-	23,019	23,019	3,665	-	3,665	26,684
Total non-personnel expenses	439,945	16,605,108	17,045,053	1,484,607	333,191	1,817,798	18,862,851
Total expenses before non-cash items	2,206,224	31,676,356	33,882,580	5,603,511	3,194,568	8,798,079	42,680,659
Depreciation	-	-	-	54,766	-	54,766	54,766
Contributed services	413,491	3,729,829	4,143,320	59,471	-	59,471	4,202,791
Total expenses	\$ 2,619,715	\$ 35,406,185	\$ 38,025,900	\$ 5,717,748	\$ 3,194,568	\$ 8,912,316	\$ 46,938,216

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

Teach For All, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended September 30,

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 2,551,879	\$ 12,719,947
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	109,532	54,766
Change in discount of contributions receivable	(553,235)	171,844
Change in allowance for doubtful accounts - contributions receivable	31,692	(61,055)
Change in allowance for doubtful accounts - grants and contracts receivable	6,900	(8,497)
Unrealized gains on short-term investments	(795,296)	(175,687)
Changes in operating assets and liabilities:		
Prepaid expense and other assets	602,972	(982,208)
Contributions receivable	(3,124,162)	(1,923,112)
Grants and contracts receivables	(690,430)	336,533
Advances to network partners	1,101,583	(8,061,384)
Other receivables	(44,851)	(91,058)
Accounts payable and accrued expenses	468,098	(103,381)
Deferred revenue	(264,351)	(880,971)
	<u>(599,669)</u>	<u>995,737</u>
Net cash provided by operating activities		
Cash flows from financing activities		
Purchase of fixed assets	-	(126,125)
Proceeds from maturities of short-term investments	51,000,000	-
Purchases of short term investments	(38,218,744)	(11,810,273)
	<u>12,781,256</u>	<u>(11,936,398)</u>
Net cash provided by (used in) financing activities		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,181,587	(10,940,661)
Cash and cash equivalents, beginning of year	<u>14,952,377</u>	<u>25,893,038</u>
Cash and cash equivalents, end of year	<u>\$ 27,133,964</u>	<u>\$ 14,952,377</u>

The accompanying notes are an integral part of these consolidated financial statements.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Teach For All, Inc. is a not-for-profit corporation incorporated in the State of New York on February 29, 2008 and is exempt from corporate federal income tax under Section 501(c)(3) of the Internal Revenue Code and similar state provisions.

Teach For All, Inc. is a global organization that works to accelerate the progress of the more than 60 independent, locally led and governed partner organizations within the overall Teach For All global network. Each network partner recruits and develops promising future leaders to teach in their nations' under-resourced schools and communities and, with this foundation, to work with others, inside and outside of education, to ensure all children are able to fulfill their potential. Teach For All, Inc. works to increase the network's impact by supporting the development of new organizations, fostering network connectivity and learning, providing coaching and consulting, and enabling access to global resources for the benefit of the network.

Teach For All Network, established in 2011, is a company limited by guarantee and a registered charity in England and Wales, and is dedicated to the advancement of education for the public benefit and shares the same mission as Teach For All, Inc.

Teach For All, Inc. and Teach For All Network are separate legal entities for which there are overlapping board members and officers and, since its establishment, Teach For All, Inc. has been the sole member of Teach For All Network.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements, which consolidate the accounts of Teach For All, Inc. and Teach For All Network (collectively, "TFALL"), have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany accounts and transactions have been eliminated in consolidation.

The net assets of TFALL and changes therein are classified and reported based on the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions represent resources that are not restricted by donors, and therefore, are fully available at the discretion of TFALL in meeting its organizational mission and operational objectives.

Net Assets With Donor Restrictions

Net assets with donor restrictions represent resources that are subject to donor-imposed stipulations whose use is restricted by time and/or purpose.

Revenues and gains and losses on investments and other assets are reported as changes in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Gifts whose donor-stipulated purposes are met in the same year as received are reported within net assets without donor restrictions.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

Cash and Cash Equivalents

Cash consists of cash on deposit with banks. Cash equivalents represent short-term investments with original maturities of three months or less from the date of purchase.

Short-Term Investments

Short-term investments are reported at fair value based on quoted market prices as of the reporting date and consist entirely of U.S. treasury funds with original maturities of less than one year. These investments are intended to be available for current operations.

Realized and unrealized gains and losses on investments are reflected in the accompanying consolidated statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the consolidated statements of activities in the period in which the securities are sold. Dividends are accrued based on the ex-dividend date. Interest is recognized as earned.

Fair Value Measurements

Fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. TFALL measures the fair value of its financial assets using a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). At September 30, 2023, TFALL's investments were all categorized as Level 1.

Functional Allocation of Expenses

The costs of providing TFALL's programs and supporting services have been summarized on a functional basis within the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited, generally using personnel and related costs.

The following is a description of TFALL's programs:

Early Stage Partner Support

Expenditures for early stage partner support enable TFALL to respond to interest from social entrepreneurs around the world and help to ensure that future partner organizations lay the necessary foundation to develop into effective and sustainable network partners. TFALL staff work with social entrepreneurs to evaluate the feasibility of the approach within their country's context, to develop and refine business plans, and to set up the organization for a successful launch by anticipating upcoming challenges. Additionally, TFALL assists in garnering financial and other support and connects existing and emerging partners with peer programs in their region.

Network Partner Support

Expenditures in the area of network partner support provide ongoing assistance to programs established as TFALL network partners, to accelerate impact in the areas of scale, network impact and learning, alumni leadership, and organizational strength. TFALL support for network partners focuses on four areas: identifying effective practices across the network, creating tools and resources, and advising partners in adapting these approaches to their individual contexts; facilitating direct

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

connections for peer-to-peer learning and experience-sharing; accessing global knowledge and resources for the network; and contributing to the leadership development of network staff, alumni and participants.

The focus and delivery method of support differs by partner needs and “life stage.” Levels of support include: direct support by representatives of the partner engagement team and functional area specialists; opportunities for leadership development and networking through conferences for partner staff, participants and alumni; and the generation and sharing of global funding, technology, public affairs opportunities, and staffing leads.

Contributions and Grants

TFALL recognizes government and private contracts and grants as either contributions or exchange transaction revenues, depending on whether the transaction is reciprocal or nonreciprocal. For contributions, revenue is recognized when a contribution becomes unconditional. Typically, contract and grant agreements contain a right of return or right of release from the respective obligation provision on the part of the grantor and TFALL has limited discretion over how funds transferred should be spent. As such, TFALL recognizes revenue for these conditional contributions when the related barrier to entitlement has been overcome.

As of September 30, 2024, and 2023, TFALL's outstanding conditional contributions totaled approximately \$2.5 million and \$3.3 million, respectively, which will be recognized as revenue as conditions are met. Funds received in advance of conditions being met are reported as deferred revenue within the accompanying consolidated statements of financial position.

Contributions, including unconditional promises to give, are reported as revenues in the period received or pledged based upon donor restriction, if any. Contributions to be received in future periods are discounted using a risk-adjusted rate. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any. Contributions of assets other than cash, including goods and services, are recorded at their estimated fair value at the date of contribution.

Contributed Services

Certain donated professional services have been recognized in the accompanying consolidated financial statements based on the estimated fair value for such services on the date received, in accordance with the criteria for recognition under U.S. GAAP. These professional services included expertise in international trademarks, legal affairs, and program consulting.

Allowances for Doubtful Accounts

Allowances for doubtful accounts are provided based upon management's judgment including such factors as prior collection history and type of receivable. Receivables are written-off when deemed uncollectible. Payments, if any, subsequently received on previously reserved receivables are credited to the allowance for doubtful accounts.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

Advances to Network Partners

Advances to network partners represent sub-grant advances that will be recognized by TFALL as grant expenditures in future years as the respective network partners meet all of the applicable sub-grant requirements. At September 30, 2024 and 2023, TFALL had advances outstanding to the following network regions:

	<u>2024</u>	<u>2023</u>
Africa	\$ 10,206,952	\$ 8,319,251
Asia	2,178,775	1,577,346
Central America	530,618	584,470
East Asia & Pacific	2,105,146	2,023,880
Europe	1,013,815	4,022,245
Middle East	2,798,017	3,578,004
North America	1,015,000	378,458
South America	1,463,429	1,929,681
Total	<u>\$ 21,311,752</u>	<u>\$ 22,413,335</u>

Grants Made

Grant awards made by TFALL to recipients are recorded as an expense and a liability when the respective grantee has been selected and notified. Conditional grants are recognized when substantially all conditions have been satisfied.

Fixed Assets

Equipment, website, and other fixed assets with a unit cost in excess of \$5,000 are recorded at cost and depreciated on a straight-line basis over an estimated useful life ranging from three to five years.

Income Taxes

TFALL follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This standard provides that the tax effects from an uncertain tax position can be recognized in the consolidated financial statements only if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. This standard also provides guidance on measurement, classification, interest and penalties, and disclosure, and its adoption had no material impact on the accompanying consolidated financial statements. TFALL has processes presently in place to ensure the maintenance of its tax-exempt status; identify and report unrelated income; determine its filing and tax obligations in jurisdictions for which it has nexus; and identify and evaluate other matters that may be considered tax positions.

Concentration of Credit Risk

Financial instruments which potentially subject TFALL to concentrations of credit risk consist primarily of cash, cash equivalents, and short-term investments. TFALL maintains its cash, cash equivalents, and short-term investments with creditworthy, high-quality financial institutions. At certain times, TFALL's bank balances may exceed federally insured limits. However, TFALL has not experienced, nor does it anticipate, any losses with respect to such bank balances. TFALL regularly evaluates its depository arrangements, including performance thereof.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

Use of Estimates

The preparation of the consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncements

On October 1, 2023, TFALL adopted Accounting Standards Update (ASU) 2016-13, Financial Instruments - Credit Losses. This ASU addresses the measurement of credit losses on financial instruments and replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of information to inform credit loss estimates. TFALL evaluated the ASU and determined that adoption did not have a material impact on the consolidated financial statements.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

TFALL's financial assets available within one year of the consolidated statements of financial position date for general expenditures are as follows:

	2024	2023
Cash and cash equivalents	\$ 27,133,964	\$ 14,952,377
Contributions and grants receivable	26,361,226	17,736,998
Short-Term investments	-	11,985,960
Total financial assets available at September 30,	53,495,190	44,675,335
Less:		
Restricted to sub-grantees	29,148,261	24,367,720
Contractual and other obligations due	1,517,298	1,315,903
Total financial assets available within one year	\$ 22,829,631	\$ 18,991,712

TFALL is primarily supported by contributions (both with and without donor restrictions). As donor restrictions require resources to be used in a particular manner or in future periods, TFALL maintains sufficient resources to meet those responsibilities to its donors. As part of TFALL's liquidity management, through budget planning and monitoring, financial assets are made available as its general operations, liabilities, and other obligations require. It is TFALL's goal to build reserves to meet current and unexpected operating needs in the event of financial distress or an immediate liquidity need resulting from events outside general operations.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

NOTE 4 - CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable at September 30, 2024 and 2023, were scheduled to be collected as follows:

	2024	2023
Less than one year	\$ 25,493,570	\$ 17,472,209
One to five years	18,693,580	23,590,779
	44,187,150	41,062,988
Less: discount to present value ranging from .13% to 5.03%	(1,559,729)	(2,112,964)
	42,627,421	38,950,024
Less: allowance for doubtful accounts	(442,322)	(410,630)
Contributions receivable, net	\$ 42,185,099	\$ 38,539,394

NOTE 5 - FIXED ASSETS, NET

Fixed Assets, net consisted of the following at September 30:

	2024	2023
Equipment	\$ 50,060	\$ 50,060
Intangible assets	1,000,308	1,000,308
	1,050,368	1,050,368
Less: accumulated depreciation	(886,076)	(776,544)
Fixed assets, net	\$ 164,292	\$ 273,824

NOTE 6 - RELATED-PARTY TRANSACTIONS

Teach For Armenia, Teach For Nigeria, Teach First, Teach For India, Teach For Italy, Enseña por Colombia, Enseña por Argentina, Fundación Empieza Por Educar, are related parties and members of the Teach For All global network. TFALL's Chief Executive Officer is a board member of Teach For Armenia and also an advisory board member of Teach For India. A board member of Teach For Nigeria is also a board member of Teach For All, Inc. Teach First's Chief Executive Officer is also a board member of Teach For All, Inc. Teach For Italy's Chief Executive Officer has a service agreement/contract to do some paid work for TFALL. A board member of Enseña por Colombia is also a board member of TFALL's. A board member of Enseña por Argentina is also a board member of Teach For All, Inc. A board member of Teach For All, Inc. is also a board member of Empieza por Educar.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

Additionally, TFALL provided certain technical advice to each of these related parties and awarded:

- Teach For Armenia - grants totaling approximately \$4,815,000 during the years ended September 30, 2023.
- Teach For Nigeria - grants totaling approximately \$2,104,000 during the year ended September 30, 2023.
- Teach First - grants totaling approximately \$125,000 during the year ended September 30, 2024.
- Teach For India - grants totaling approximately \$427,000 and \$885,000 during the years ended September 30, 2024 and 2023, respectively.
- Teach For Italy - grants totaling approximately \$605,000 during the year ended September 30, 2024.
- Ensenar Por Colombia - grants totaling approximately \$610,000 and \$668,000 during the years ended September 30, 2024 and 2023, respectively.
- Ensenar Por Argentina - grants totaling approximately \$222,000 during the year ended September 30, 2023.
- Fundacion Empieza Por Educar - grants totaling approximately \$103,000 during the year ended September 30, 2024.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

At September 30, 2024 and 2023, net assets with donor restrictions were comprised of the following:

	2024	2023
Time restricted	\$ 17,120,347	\$ 19,089,181
Expansion	7,914,492	3,089,152
Regional support	54,001,110	55,092,270
	\$ 79,035,949	\$ 77,270,603

Time restricted net assets represent general support contributions to be received by TFALL in future fiscal years.

Net assets restricted to expansion represent contributions that are purpose restricted for expanding and improving the quality of TFALL's programmatic work globally.

Net assets restricted to regional support represent contributions that are purpose restricted for the support of specific network or early stage partners, or groups thereof.

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes specified by the donors or by having met the respective time restrictions during the years ended September 30, 2024 and 2023, as follows:

	2024	2023
Time restricted	\$ 9,416,133	\$ 9,590,241
Expansion	1,822,493	612,111
Regional support	15,794,856	11,250,384
	<u>\$ 27,033,482</u>	<u>\$ 21,452,736</u>

NOTE 8 - RETIREMENT PLAN

TFALL offers the opportunity to participate in a retirement program to all eligible staff members. Unless otherwise governed by local regulations, full time employees who are scheduled to work at least 30 hours a week or 1,560 hours per year are eligible to participate in a retirement program. A 403(b) retirement plan and a 457(b) deferred compensation plan is offered to eligible U.S. staff and a group pension plan is offered to staff. Staff members from other locales are offered a comparable retirement plan in line with local regulations, requirements and customs. The 403(b) and group pension plans are defined contribution plans with employer matching contributions. The employer contribution in the U.S. and UK plans is equal to 100% of the employee's contribution up to 6% of their gross earned salary per pay period. Matching contributions in other locales are either governed by local regulations or equal to 100% of the employee's contributions up to 6% of their gross earned salary per pay period. Participants become eligible for the employer matching contributions and are fully vested after 12 months of full time and continuous employment. Withdrawal cannot be made without penalty prior to the locally-determined retirement age (59½ and 55 in the United States and United Kingdom, respectively). The 457(b) deferred compensation plan is established to mitigate lost benefits of employer matching contributions that are otherwise not available to an individual's 403(b) retirement plan due to the Internal Revenue Service earnings limit. These contributions are fully vested immediately and there are two qualifying distribution events: at separation of service or on April 1st in the calendar year after the participant has turned 70½. TFALL's matching contributions under all plans totaled \$796,106 and \$761,704 for the years ended September 30, 2024 and 2023, respectively.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation

In the normal course of its operations, TFALL is a party to various claims, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of TFALL is not aware of any claims or contingencies that would have a material adverse effect on TFALL's consolidated financial position, changes in net assets or cash flows.

NOTE 10 - SUBSEQUENT EVENTS

TFALL evaluated its September 30, 2024 consolidated financial statements for subsequent events through February 21, 2025, the date the consolidated financial statements were available to be issued. In January 2025, Teach For All received a stop-work order applicable to its USAID funded programs. This directive was issued as a result of the Presidential Executive Order entitled "Reevaluating and Realigning United States Foreign Aid," which was issued on January 20, 2025 and mandates a 90-day pause in United States foreign development assistance for assessment of programmatic efficiencies and consistency with United

Teach For All, Inc. and Subsidiary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2024 and 2023

States foreign policy. Teach For All is currently assessing the financial and operational impact of this event. Management does not anticipate any immediate significant effects on other programs or funding sources, however there is inherent uncertainty regarding the long-term implications of the foreign aid freeze. These financial statements do not reflect any adjustments related to this subsequent event.

SUPPLEMENTARY INFORMATION

Teach For All, Inc. and Subsidiary

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended September 30, 2024

<u>Federal Grantor/ Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
U.S. Agency for International Development (USAID): Foreign Assistance for Programs Overseas	98.001	N/A	\$ 1,630,641	\$ 838,292

The accompanying notes to the schedule of expenditures of federal awards should be read in conjunction with this schedule.

Teach For All, Inc. and Subsidiary

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended September 30, 2024

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Teach For All, Inc. and its subsidiary ("TFALL") for the year ended September 30, 2024. The information presented on this schedule has been prepared on the accrual basis of accounting and is presented in accordance with the provisions of the Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance").

NOTE 2 - INDIRECT COST RATE

TFALL has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT
AUDITING STANDARDS***

To the Board of Directors of
Teach For All, Inc.

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 (*Government Auditing Standards*), the consolidated financial statements of Teach For All, Inc. and its subsidiary, Teach for All Network (collectively, "TFALL"), which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, which collectively comprise TFALL's basic consolidated financial statements, and have issued our report thereon dated February 21, 2025.

Report on internal control over financial reporting

In planning and performing our audit of the consolidated financial statements, we considered TFALL'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of TFALL's internal control. Accordingly, we do not express an opinion on the effectiveness of TFALL'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 TFALL's consolidated 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. 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 TFALL's consolidated financial statements are free from 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 consolidated 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 TFALL's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering TFALL's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grant Thornton LLP

New York, New York
February 21, 2025

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Teach For All, Inc.

Report on compliance for the major federal program

Opinion on the major federal program

We have audited the compliance of Teach For All, Inc. and its subsidiary, Teach for All Network (collectively, "TFALL") with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on TFALL's major federal program for the year ended September 30, 2024. TFALL'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, TFALL complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for opinion on the major federal program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (US GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 TFALL 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of TFALL'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 TFALL's federal program.

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 TFALL'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 US GAAS, *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 TFALL's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with US GAAS, *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 TFALL'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 TFALL'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 TFALL'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

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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies. 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.

Grant Thornton LLP

New York, New York
February 21, 2025

Teach For All, Inc. and Subsidiary
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended September 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued:		Unmodified	
Internal control over financial reporting:			
• Material weakness(es) identified?	_____ yes	_____ <u>X</u> no	
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ yes	_____ <u>X</u> none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no	

Federal Awards:

Internal control over the major program:			
• Material weakness(es) identified?	_____ yes	_____ <u>X</u> no	
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ yes	_____ <u>X</u> none reported	
Type of auditor's report issued on compliance for the major program:		Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance?	_____ yes	_____ <u>X</u> no	

Identification of the major program:

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number
U.S. Agency for International Development: Foreign Assistance for Programs Overseas	98.001
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	_____ <u>X</u> yes _____ no

Teach For All, Inc. and Subsidiary
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
For the year ended September 30, 2024

SECTION II - FINANCIAL STATEMENT FINDINGS

None identified.

SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None identified.

Teach For All, Inc. and Subsidiary
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the year ended September 30, 2024

None reported.