



Allied New Technologies 2, Inc.
Intermodal Development Program

Program-Specific Audit in Accordance with
Government Auditing Standards and the
Florida Single Audit Act
Year Ended December 31, 2020

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**Allied New Technologies 2, Inc.
Intermodal Development Program**

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Part I - Financial



Independent Auditor's Report

Stockholders
Allied New Technologies 2, Inc.
Miami, Florida,

Report on the Audit of the Schedule of Expenditures of State Financial Assistance

Opinion

We have audited the schedule of expenditures of state financial assistance (the Schedule) for the Intermodal Development Program of Allied New Technologies 2, Inc. (the Company) for the year ended December 31, 2020, and the related notes to the Schedule.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the expenditures of state financial assistance for the Intermodal Development Program of Allied New Technologies 2, Inc. for the year ended December 31, 2020, 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); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650, *Rules of the Auditor General of the State of Florida* (the Rules). Our responsibilities under those standards and the Rules are further described in the Auditor's Responsibilities for the Audit of the Schedule of Expenditures of State Financial Assistance section of our report.

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

Responsibilities of Management for the Schedule of Expenditures of State Financial Assistance

Management is responsible for the preparation and fair presentation of the financial statement 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 a financial statement that is free from material misstatement, whether due to fraud or error.



Auditor's Responsibilities for the Audit of the Schedule of Expenditures of State Financial Assistance

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is 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, *Government Auditing Standards* and the Rules 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 statement.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Rules we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, 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 Schedule.
- 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 Company'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 Schedule.

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.

BDO USA, LLP

Certified Public Accountants
August 12, 2021

**Allied New Technologies 2, Inc.
Intermodal Development Program**

Schedule of Expenditures of State Financial Assistance

Year ended December 31, 2020

State Grantor/Project	State CFSA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total State Expenditures
Florida Department of Transportation				
Intermodal Development Program	55.014	45538-1-94-01 G1B12	\$ -	\$ 1,746,388
Total Expenditures of State Financial Assistance			\$ -	\$ 1,746,388

The accompanying notes are an integral part of this schedule.

Allied New Technologies 2, Inc.
Intermodal Development Program

Notes to Schedule of Expenditures of State Financial Assistance

1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state award activity of Allied New Technologies 2, Inc. (the Company) under projects of the State of Florida for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Section 215.97, *Florida Statutes*. Because the Schedule presents only a selected portion of the operations of the Company, it is not intended to and does not present the financial position, results of operations, or cash flows of the Company.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Section 215.97, *Florida Statutes*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the Company. In the opinion of management, all grant expenditures are in material compliance with the terms of the grant agreements and applicable state laws and regulations.

4. Relationship to State Financial Reports

The regulations and guidelines governing the preparation of state financial reports vary by state agency and among projects administered by the same agency. Accordingly, the amounts reported in the state financial reports do not necessarily agree with the amounts reported in the accompanying Schedule, which is prepared as explained in Note 1 and Note 2 above. The Company submits expenditures for reimbursement after the expenditures are paid in full, rather than incurred. Therefore, the Company submitted and received reimbursement for paid expenses of \$1,688,850 for the year ended December 31, 2020 as opposed to the amount of expenditures incurred using the accrual basis of accounting for the year ended December 31, 2020, \$1,746,388 as shown on the Schedule.

Part II - Internal Controls and Compliance Report



Independent Auditor’s Report on Compliance for a State Project and Report on Internal Control Over Compliance When Using the Project-Specific Audit Option to Satisfy the Requirements of the Florida Single Audit Act

Stockholders
Allied New Technologies 2, Inc.
Miami, Florida

Report on Compliance

Opinion on Compliance for Intermodal Development Program

We have audited Allied New Technologies 2, Inc.’s (the Company) compliance with the types of compliance requirements described in the Florida Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on its Intermodal Development Program for the year ended December 31, 2020.

In our opinion, the Company complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Intermodal Development Program for the year ended December 31, 2020.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650, *Rules of the Auditor General of the State of Florida* (the Rules). Our responsibilities under those standards and the Rules are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Company’s state project.



Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Company'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 GAAS, *Government Auditing Standards*, and the Rules 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 types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Company's compliance with the requirements of the state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Rules, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Company's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Company'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 Rules, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance



requirement of a state project 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, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been 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 Rules. Accordingly, this report is not suitable for any other purpose.

BDO USA, LLP

Certified Public Accountants
August 12, 2021

Part III - Schedule of Findings and Questioned Costs

**Allied New Technologies 2, Inc.
Intermodal Development Program**

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2020**

Section 1. Summary of Auditor's Results

Schedule of State Financial Assistance

Type of report the auditor issued on whether the schedule audited was prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to schedule noted? Yes No

State Award

Internal control over major state project:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for Intermodal Development Program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Rule 10.654(1)(h)4?

Yes No

Identification of specific project:

CSFA Number

Name of State Project

55.014

Intermodal Development
Program

Section 2. Schedule Findings

No matters were reported.

Section 3. State Award Findings and Questioned Costs

No matters were reported.

Section 4. State of Florida Management Letter

No items related to state financial assistance were required to be reported in the management letter pursuant to Section 215.97, *Florida Statutes*, for the current year.
