

HAILE VILLAGE CENTER OWNERS ASSOCIATION, INC.

August 8, 2023

Reddish & White, CPAs
134 E Call Street
Starke, Florida

This representation letter is provided in connection with your audit of the financial statements of Haile Village Center Owners Association, Inc., which comprise the balance sheet as of December 31, 2022, and the related statements of revenues, expenses, and changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of August 8, 2023, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the audit engagement letter dated June 17, 2022, including our responsibility for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Material concentrations have been properly disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the Association is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
12. Transfers or designations of fund balance or interfund borrowings have been properly authorized and approved and have been properly recorded or disclosed in accordance with GAAP.


Information Provided

13. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Association from whom you determined it necessary to obtain audit evidence.
14. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
15. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

16. We have no knowledge of any fraud or suspected fraud that affects the Association and involves:
 - a. Management
 - b. Employees who have significant roles in internal control, or
 - c. Others where fraud could have a material effect on the financial statements.
17. We have no knowledge of any allegations of fraud or suspected affecting the Association's financial statements communicated by employees, former employees, grantors, regulators, or others.
18. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
19. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
20. We have disclosed to you the identity of the Association's related parties and all related party relationships and transactions of which we are aware.
21. The Association has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
22. We acknowledge our responsibility for presenting the required supplementary information (RSI) in accordance with U.S GAAP. The RSI is measured and presented within prescribed guidelines, and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
23. The board of directors is collecting funds for future major repairs and replacements in conformity with the Association's policy to fund for those needs based on a study conducted in 2018. The board of directors believes the funds will adequately provide for future major repairs and replacements except as disclosed on note 5 to the financials statements where it is indicated that the funding for 5 out of the 8 study elements have been deferred indefinitely.
24. The Association's allocation of expenses against exempt and non-exempt function income conforms with IRS rules, which require that the allocation be made "on a reasonable basis." We have adequately documented such allocation.

25. We acknowledge that the association's new bank, Truist, received a deposit in the amount of \$50,500 from the previous management, and this is included as cash in the financial statements.
26. Receivables recorded in the financial statements represent valid claims against debtors for assessments or other charges arising on or before the balance sheet date and have been reduced to their net estimated net realizable value.
27. Upon implementation of ASU 2014-09, revenue from contracts with customers has been appropriately accounted for and disclosed in accordance with FASB ASC 606, *Revenue from Contracts with Customers*. All contracts underlying revenue recognized in the financial statements have commercial substance and have been approved by appropriate parties. We have considered side agreements, implied promises, and unstated customary business practices in identifying performance obligations in the contracts. We have sufficient and appropriate documentation supporting all estimates and judgements underlying the amount and timing of revenue recognized in the financial statements.
28. We have fully disclosed to you all terms of contracts that affect the amount and timing of revenue recognized in the financial statements, including price adjustments, side agreements, implicit provisions, unstated customary business practices, or other arrangements (written or oral).
29. We understand that you prepared the trial balance for use during the audit and that your preparation of the trial balance was limited to formatting the information in the Association's general ledger into a working trial balance. Also, as part of your audit, you prepared the cash to accrual conversions, prepared the depreciation schedule and financial statements, including the related notes from the trial balance, and future major repairs and replacements schedule based on the prior year audit report (which was based on a study in 2018). You also prepared the income tax return for cy 2022. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed and approved those financial statements and related notes and believe that are adequately supported by the books and records of the Association.

Signed:  dotloop verified
08/08/23 10:24 AM EDT
WOXN-YDNE-SYIM-CWMA Title: Jeff Price, Board President

Signed:  dotloop verified
08/15/23 4:03 PM EDT
HANE-AFK4-URWN-ZJH3 Title: Tom Black, Treasurer