

# **REDDISH & WHITE**

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## **Communication with Those Charged with Governance**

August 8, 2023

To the Board of Directors  
Haile Village Center Owners Association, Inc.  
Gainesville, Florida

We have audited the financial statements of Haile Village Center Owners Association, Inc. (the Association) for the year ended December 31, 2022 and have issued our report thereon dated August 8, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 17, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in note 2 to the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the allowance for doubtful accounts is based on subsequent collections and historical data. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

### *Difficulties Encountered During the Audit*

We encountered significant difficulties in dealing with management in performing and completing our audit due primarily to the turnover in accounting and management personnel. It took numerous requests to obtain sufficient documentation (evidence) in order to complete the audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The audit adjustments included:

- 1) \$50,500 reclassification from a suspense account (equity) to a cash account.
- 2) \$11,339 adjustment to reclassify a loan equity adjustment account to the Postal Center Loan account.
- 3) \$4,304 adjustment to record the annual depreciation expense.
- 4) \$40,003 adjustment to close out the loan equity adjustment account to retained earnings, and
- 5) \$18,540 reclassification adjustment to transfer equity between pooled to roofs components.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 8, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. In addition, during our audit we became aware of several matters that are opportunities for strengthening internal policies and operating efficiency.

*Required Supplementary Information*

With respect to the supplementary information required by the Financial Accounting Standards Board, we applied certain limited procedures to the information, including inquiring of management about their methods of preparing the information; comparing the information for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements; and obtaining certain representations from management, including about whether the required supplementary information is measured and presented in accordance with prescribed guidelines.

This information is intended solely for the use of the board of directors and management of the Association and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Reddish & White, CPAs*