

December 15, 2015

To: Ihde CPA, PC

We are providing this letter in connection with your review of The Statement of Assets, Liabilities and Fund Balance-Modified Cash Basis and the Statement of Receipts, Disbursements, and Changes in Fund Balance-Modified Cash Basis of Four Seasons Homeowners Association as of December 31, 2014 and for the year then ended for the purpose of obtaining limited assurance that there are no material modifications that should be made to the statements in order for them to be in conformity with the modified cash basis of accounting. We confirm that we are responsible for the fair presentation in the financial statements of Four Seasons Homeowners Association in accordance with the modified cash basis of accounting, which is a Special Purpose Framework.

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 the light of surrounding circumstances, makes it probable that the judgment of a reasonable person using the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of December 15, 2015, the following representations made to you during your review(s).

- 1) The financial statements referred to above are fairly presented in conformity with the modified cash basis of accounting.
- 2) We have made available to you all—
 - a) Financial records and related data.
 - b) Minutes of the meetings of board members, directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not been prepared.
- 3) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 4) No material transactions exist that have not been properly recorded in the accounting records underlying the financial statements.
- 5) We acknowledge our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.
- 6) We acknowledge our responsibility to prevent and detect fraud.
- 7) We have no knowledge of any fraud or suspected fraud affecting the entity involving management or others where the fraud could have a material effect on the financial statements, including any communications received from employees, former employees, or others.
- 8) We have no plans or intentions that may materially affect the carrying amounts or classification of assets and liabilities.
- 9) There are no material losses that have not been properly accrued or disclosed in the financial statements.
- 10) There are no—
 - a) Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion that must be disclosed in accordance with FASB ASC 450, Contingencies.
 - c) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.
- 11) There are no transfers or designations of fund balance or interfund borrowings that were not properly authorized and approved or uncollectible interfund loans that have not been properly reflected in the financial statements or disclosed to you.

- 12) 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.
- 13) We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 14) The following have been properly recorded or disclosed in the financial statements:
 - a) Related party transactions and related accounts receivable or payable, including member assessments, purchases, loans, transfers, leasing arrangements, and guarantees.
 - b) Guarantees, whether written or oral, under which the Association is contingently liable.
 - c) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB ASC 275, Risks and Uncertainties.
- 15) 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 updated in 2015, and in conformity with the Association's policy to fund for those needs. The board of directors believes the funds will adequately provide for future major repairs and replacements.
- 16) Although we have engaged you to assist the board of directors in assembling certain information about future repairs and replacements that will accompany the financial statements mentioned above, we acknowledge that we are responsible for that information.
- 17) The Association's allocation of expenses against exempt and nonexempt function income conforms with IRS rules, which require that the allocation be made "on a reasonable and consistently applied basis." We have adequately documented such allocation.
- 18) The board of directors has reviewed the Association's insurance coverage for the current year and believes it is adequate.
- 19) To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
- 20) We understand that management is responsible for the Association's choice of filing Form 1120-H and the consequences thereof.
- 21) We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the Association's accounts.

We have responded fully and truthfully to all inquiries made to us by you during your review.

Debbie Wagner Treasurer
Treasurer or President of Four Seasons Homeowners Association

12/18/15
Date

Four Seasons Homeowners Association
 Adjusting Journal Entries - YE 12/31/14

	Date	Acct. #	Description	Debit	Credit
AJE 1	12/31/2014		Wells Fargo Checking Undeposited Funds	\$ 2,497.00	\$ 2,497.00
			To record cash receipt of undeposited funds at year-end.		
AJE 2	12/31/2014		HOA Annual Fees	\$ 2,010.00	
			Pool Fees	\$ 150.00	
			Finance Charge	\$ 36.00	
			Processing Fees	\$ 1.00	
			Prepaid Assessments		\$ 2,197.00
			To remove P/L impact of prepaid assessments.		

I have performed sufficient due diligence to determine the correctness and accuracy of these adjustments. I acknowledge that these adjustments are now a part of the Association's books and records.

Approved: Debbie Wagner

Date: 12/18/15

Title: Treasurer