

JOHN R. FLANAGAN, CPA
JOHN A. JASON

MEMBERS:
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

July 9, 2018

To the Board of Directors
Vintage Grand Condominium Association, Inc.
Sarasota, Florida

This representation letter is provided in connection with our audit of the financial statements of Vintage Grand Condominium Association, Inc., which comprise the balance sheet as of December 31, 2017, 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 are 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.

You confirm, to the best of your knowledge and belief the following representations made by you during our audit.

Financial Statements

- 1) You have fulfilled your responsibilities, as set out in the terms of the audit engagement letter, including your 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) You acknowledge your 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) You acknowledge your responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions 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 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. A list of the uncorrected misstatements, if applicable, is attached to the representation letter.
- 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 U.S. GAAP.

Information Provided

- 13) You have provided us with:
 - a) Access to all information, of which you 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 we have requested from you for the purpose of the audit.
 - c) Unrestricted access to persons within the Association from whom we 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) You have disclosed to us the results of your assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) You 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 the fraud could have a material effect on the financial statements.
- 17) You have no knowledge of any allegations of fraud or suspected fraud affecting the Association's financial statements communicated by employees, former employees, regulators, or others.
- 18) You have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 19) You have disclosed to us all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

- 20) You have disclosed to us the identity of the Association's related parties and all the related party relationships and transactions of which you 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) You acknowledge your responsibilities 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. You have disclosed to us any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 23) The Association's allocation of expenses against exempt and nonexempt function income conforms to IRS rules, which require that the allocation be made "on a reasonable basis." You have adequately documented such allocation.
- 24) If the Association has excess membership income in the current year, for tax purposes the membership have elected to either (a) offset it against next year's assessments or (b) refund it to the members. You have adequately documented such election in the current year.
- 25) You understand that management is responsible for the Association's choice of filing Form 1120-H and the consequences thereof.
- 26) For 2018, the members voted to waive statutory funding of the replacement reserves but approved partial funding in the amount of \$229,662. The Board of Directors is collecting funds for future major repairs and replacements in conformity with the membership's vote.

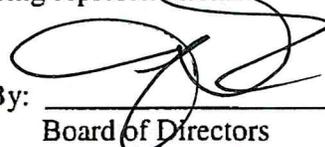
The attached copy of this letter must be signed by you and returned to us before we can sign and deliver our audit report to the Association. Your signature below acknowledges and confirms that you have read this letter, that you understand and agree with its contents and that you affirm the statements contained in subparagraphs 1-26 above to this firm. Alternatively, please explicitly advise us, in writing, of any misunderstanding or disagreement or need for clarification or additional information.



John R. Flanagan, CPA
 President
 Flanagan & Jason, Inc.

By signing below, the undersigned for and on behalf of Vintage Grand Condominium Association, Inc., a Florida corporation, affirms that the matters contained in paragraphs 1 - 26 of the above letter consisting of three pages from Flanagan & Jason, Inc. dated July 9, 2018, and directed to the Association are true and correct and confirms that Flanagan & Jason, Inc. is entitled to and may rely on the foregoing representations.

Date: 7/24/18

By: 
 Board of Directors
 Vintage Grand Condominium Association, Inc.