



**Abaris Realty, Inc.**

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*Excellence  
Since 1975*

July 14, 2023

Howard Goldklang  
Goldklang Groups  
[JMurray@ggroupcpas.com](mailto:JMurray@ggroupcpas.com)

**Re: Tanyard Springs HOA**

Dear Mr. Goldklang:

The Board of Directors at the above-referenced has reviewed and approved the attached engagement proposal for the 2023 & 2024 audit and tax preparation services.

Enclosed is the signed engagement letter for your records. On behalf of the Board, I thank you for your service to the community.

Sincerely,

A handwritten signature in black ink that reads 'Shireen Ambush'.

Shireen Ambush, PCAM  
Property Manager

CC: Board of Directors



**Principals**

Howard A. Goldklang, CPA, MBA  
Donald E. Harris, CPA  
Anne M. Sheehan, CPA  
S. Gail Moore, CPA  
Jeremy W. Powell, CPA  
Renee L. Watson, CPA

1801 Robert Fulton Drive, Suite 200  
Reston, VA 20191

**Associate Principals**

Matthew T. Stiefvater, CPA  
Sheila M. Lewis, CPA

**Managers**

Andrew T. Plaughter, CPA  
Michele S. Lizama, CPA  
Jennifer L. Murray, CPA

***Engagement Letter***

May 4, 2023

Board of Directors and Management  
Tanyard Springs Homeowners Association, Inc.

Dear Board of Directors and Management:

We are pleased to confirm our understanding of the services we are to provide for Tanyard Springs Homeowners Association, Inc. for the years ended December 31, 2023 and 2024. The following pages of this engagement letter outline the objectives of the engagement and professional fees.

**Audit Scope and Objective**

We will audit the financial statements of Tanyard Springs Homeowners Association, Inc., which comprise the balance sheets as of December 31, 2023 and 2024, and the related statements of income, members' equity and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"). The financial statements will include supplementary information about future major repairs and replacements required by the Financial Accounting Standards Board (FASB) if the Association has a replacement reserve study. Although we will apply certain limited procedures with respect to the required supplementary information, we will not audit the information and will not express an opinion on it. Also, if the Association wishes to present supplementary information accompanying the financial statements, that information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

The objectives of our audits are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles in the United States of America. 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 will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audits in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Association or to acts by management or employees acting on behalf of the Association.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Association and its environment, including internal control relevant to the audits, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audits, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risks of material misstatement which may be present as part of our audit planning: cash, accounts receivable, other assets, property and equipment, investments, debt and related liabilities, accounts payable and other liabilities, income taxes, revenue, expenses, and equity.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include direct confirmation of certain assets and liabilities by correspondence with selected owners, creditors, and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We may also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

### **Other Services**

We will prepare the Association's federal and state income tax returns for the years ended December 31, 2023 and 2024 based on information provided by you. During our audit, if applicable, we will provide certain nonattest services such as the preparation of the financial statements and related notes to the financial statements in conformity with accounting principles generally accepted in the United States of America, reconciliation of general ledger account balances, cash to accrual conversions, and depreciation and amortization calculations based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement preparation services, and any other nonattest and tax services previously identified. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise you with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regards to those matters.

You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and the results of the services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements**

Our audits will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing and maintaining internal controls, relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance. You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) 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, identification of all related parties and all related-party relationships and transactions, and other matters (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Association from whom we determine it necessary to obtain audit evidence. At the conclusion of our audits and before the audits can be finalized, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Association involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Association received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Association complies with applicable laws and regulations. You are responsible for the preparation of the required supplementary information about future major repairs and replacements. You are responsible for the preparation of supplementary information in conformity with accounting principles generally accepted in the United State of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Engagement Administration, Fees, and Other**

We understand that you and your management agent will provide all documents and other evidence requested by our firm to complete our audits.

Sheila M. Lewis, CPA is the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for the preparation of the December 31, 2023 and 2024 audits will be \$6,800 and \$7,200, respectively. Our fee for the preparation of the federal and state income tax returns will be \$800 per

year. Preparation of the Maryland personal property return, if needed, will be \$150 per year. As part of our audit process, we may need to confirm the Association's bank account balances. Many banks require our firm to use a third-party service to confirm bank accounts and we will bill the Association for the direct cost incurred for any bank confirmations. Currently, the cost is \$35 per account confirmed.

The fees above are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. Fee adjustments may be needed due to management or financial reporting changes, such as change in management agents, special assessments or borrowings, etc. We will bill for changes to the draft audit that are at the request of the Association. If the Association requests us to attend meetings, we will bill for such meetings at our hourly rates, including travel time.

Our fees for audit services will be billed when we issue the draft audit report and for tax services when the tax returns are prepared, if applicable. We reserve the right to progress bill. Invoices are payable upon receipt. A late payment fee of 2% may be charged to all balances not paid within 30 days of invoice date. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent.

### **Reporting**

We will issue a written report upon completion of our audits of the Association's financial statements. Our report will be addressed to the Board of Directors of the Association. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of the circumstances, it may be necessary for us to modify our opinion or add an emphasis of matter, other-matter paragraph, or separate section to our auditor's report, or if necessary, withdraw from the engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

### **Discontinuation of Services**

Should the Association decide to terminate this agreement for any reason after completion of the first year's engagement, but prior to the commencement of audit fieldwork for the second or subsequent year, notice must be provided in email or by mail.

If we elect to terminate our services for nonpayment, inability to obtain necessary financial records, or for any other reason not provided for in this letter, our engagement letter will be deemed to have been completed upon written notification of termination even if we have not issued a report. You will be invoiced for time expended through the date of termination and any out-of-pocket costs.

### **Representation Letter and Issuance of Final Audit**

An audit representation letter will be included with the draft audits. This letter is required by auditing standards and is needed to finalize the audits. It must be signed by the Board President or Treasurer and a management representative. The signed letter must be returned to our office within 60 days of the date of the draft audits with most recent financial statements to our office. If not received within

60 days, we will bill the Association for additional audit procedures at our standard hourly rates. These additional audit procedures are required if the representation letter is past due. Once the audits have been finalized, we will provide you with an electronic copy of the audit reports.

If we do not receive the signed engagement letter before the income tax extension filing deadline, we will automatically prepare income tax extensions. If the engagement letter is subsequently not accepted, we will bill \$100 for the income tax extension preparation.

This signed engagement letter should be returned to us by email, fax, or mail at:

Goldklang Group CPAs, PC  
1801 Robert Fulton Drive, Suite 200  
Reston, Virginia 20191  
**Email:** engagement\_letters@ggroupcpas.com  
**Fax:** 703.391.9004

We appreciate the opportunity to serve you and look forward to working with you in the upcoming year. We believe this letter accurately summarizes the significant terms of our engagement. If the above is acceptable to you, please sign below and return this letter to us, retaining a copy for your files.

Please contact us with any questions.

Very truly yours,

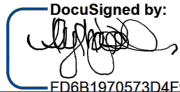


GOLDKLANG GROUP CPAs, P.C.

**RESPONSE:**

This letter sets forth the understanding of Tanyard Springs Homeowners Association, Inc.:

Board Representative:

  
Signature  
4289 E1223 1224

Alysha Jackson  
Printed Name

6/19/2023  
Date



**Principals**

Howard A. Goldklang, CPA, MBA  
Donald E. Harris, CPA  
Anne M. Sheehan, CPA  
S. Gail Moore, CPA  
Jeremy W. Powell, CPA  
Renee L. Watson, CPA

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Sheila M. Lewis, CPA

**Managers**

Andrew T. Plaughter, CPA  
Michele S. Lizama, CPA  
Jennifer L. Murray, CPA

***Acknowledgment of Management Responsibilities***

May 4, 2023

Management Agent for  
Tanyard Springs Homeowners Association, Inc.

Dear Management Agent:

We are pleased to confirm your acknowledgment of management responsibilities for the services we are to provide for Tanyard Springs Homeowners Association, Inc. for the years ended December 31, 2023 and 2024.

**Audit Scope and Objective**

We will audit the financial statements of Tanyard Springs Homeowners Association, Inc., which comprise the balance sheets as of December 31, 2023 and 2024, and the related statements of income, members' equity and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"). The financial statements will include supplementary information about future major repairs and replacements required by the Financial Accounting Standards Board (FASB) if the Association has a replacement reserve study. Although we will apply certain limited procedures with respect to the required supplementary information, we will not audit the information and will not express an opinion on it. Also, if the Association wishes to present supplementary information accompanying the financial statements, that information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

The objectives of our audits are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles in the United States of America. 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 will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audits in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Association or to acts by management or employees acting on behalf of the Association.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Association and its environment, including internal control relevant to the audits, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audits, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We have identified the following significant risks of material misstatement which may be present as part of our audit planning: cash, accounts receivable, other assets, property and equipment, investments, debt and related liabilities, accounts payable and other liabilities, income taxes, revenue, expenses, and equity.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include direct confirmation of certain assets and liabilities by correspondence with selected owners, creditors, and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We may also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

### **Other Services**

We will prepare the Association's federal and state income tax returns for the years ended December 31, 2023 and 2024 based on information provided by you. During our audit, if applicable, we will provide certain nonattest services such as the preparation of the financial statements and related notes to the financial statements in conformity with accounting principles generally accepted in the United States of America, reconciliation of general ledger account balances, cash to accrual conversions, and depreciation and amortization calculations based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement preparation services, and any other nonattest and tax services previously identified. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise you with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regards to those matters.

You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and the results of the services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements**

Our audits will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing and maintaining internal controls, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud

or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance. You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) 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, identification of all related parties and all related-party relationships and transactions, and other matters (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Association from whom we determine it necessary to obtain audit evidence. At the conclusion of our audits and before the audits can be finalized, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Association involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Association received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Association complies with applicable laws and regulations. You are responsible for the preparation of the required supplementary information about future major repairs and replacements. You are responsible for the preparation of supplementary information in conformity with accounting principles generally accepted in the United State of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Engagement Administration**

We understand that you and your management agent will provide all documents and other evidence requested by our firm to complete our audit.

Very truly yours,



GOLDKLANG GROUP CPAs, P.C.

**RESPONSE:**

This letter sets forth the acknowledgment of management responsibilities for the services we are to provide for Tanyard Springs Homeowners Association, Inc.:

Management Representative:

*Shireen Ambush*  
Signature  
4289 E1223 1224

Shireen Ambush  
Printed Name

7/14/2023  
Date