

Sombar & Company, CPAs, P.A.'s

- A Division of the Godwin Firm -

Certified Public Accountants

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REVIEW ENGAGEMENT LETTER

December 22, 2020

To The Board of Directors
Townhomes of Bayshore Condominium Association
24832 John J. Williams Highway, Unit 1 PMB #24
Millsboro, Delaware 19966

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

We will review the balance sheet of Townhomes of Bayshore Condominium, as of December 31, 2020 and the related statements of income and fund balance and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Our review will consist primarily of inquiries of the corporation's personnel and analytical procedures applied to financial data, and we will require a representation letter from management. A review does not contemplate obtaining an understanding of internal control structure or assessing control risk, test of accounting records and responses to inquiries by obtaining corroborating evidential matter, and certain other procedures ordinarily performed during an audit. Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations that may exist. However, we will inform you of any material errors that come to our attention and any irregularities and illegal acts that come to our attention, unless they are clearly inconsequential. We will not perform an audit of such financial statements, the objective of which is the expression of an opinion regarding the financial statements taken as a whole, and, accordingly, we will not express an opinion on them.

Our report is presently expected to read as follows:

We have reviewed the accompanying statement of financial position of Townhomes of Bayshore Condominium Association as of December 31, 2020 and the related statements of activities and cash flows for the year then ended, in accordance with Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in the financial statements is the representation of the management of Townhomes of Bayshore Condominium Association .

A review consists principally of inquiries of the corporation's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express an opinion.

If, for any reason, we are unable to complete the review of your financial statements, we will not issue a report on such statements as a result of this engagement.

Our fee for these services will be \$2,200 and we will prepare the Form 1120H tax return for \$150 for a total of \$2,350.

We shall be pleased to discuss this letter with you at anytime.

If the foregoing is in accordance with your understanding, please sign the copy of this letter in the space provided and return it to us.

Sincerely,
Sombar & Company, CPAs, P.A.

By: J. Thomas Jordan

Proposal Accepted:
Townhomes of Bayshore Condominium Association

By: Henry W. Watson Sr.
Title: Treasurer
Date: 1/8/21

Jeanne C. Bartlett
Vice President
1/8/21