

JOHNSON, BREMER & IGNACIO, CPAs, P.C.
Formerly Ahlberg & Company, P.C.

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Mary E. Johnson, CPA
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ENGAGEMENT LETTER

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December 3, 2014

Board of Directors
Westbriar Plaza Condominium
c/o Ms. Crystal Terrant
Burke Community Management Group
10494 Business Center Court
Manassas, VA 20110

Dear Board Members:

We are pleased to confirm our understanding of the services we are to provide for Westbriar Plaza Condominium for the year ended December 31, 2014.

We will audit the financial statements of Westbriar Plaza Condominium, which comprise the balance sheet as of December 31, 2014, and the related statements of revenue and expenses, members' equity and cash flows for the year then ended, and the related notes to the financial statements. If available, the documents we submit to you will include supplementary information about future major repairs and replacements required by the Financial Accounting Standards Board (FASB). 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.

We will also prepare Westbriar Plaza Condominium's federal and state income tax returns for the year ended December 31, 2014.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

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.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and 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. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

DAW
Initial

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Date

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. 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 a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. 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.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

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.

Management Responsibilities

You agree to assume all management responsibilities for the tax 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. We will advise you with regard to tax positions taken in the preparation of the tax returns, but the responsibility for the tax returns remains with you.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing 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, (b) additional information that we may request for the purpose of the audit, and (c) unrestricted access to persons within the company from whom we determine it necessary to obtain audit evidence.

DAH
Initial

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Date

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 supplementary information in conformity with U.S. generally accepted accounting principles. 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.

You are also responsible for notifying us in advance of your intent to print our report, in whole or in part, and to give us the opportunity to review such printed matter before its issuance.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites 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 in the electronic site with the original document.

You are required to disclose the date through which subsequent events have been evaluated and whether that date is the date the financial statements are issued or were available to be issued. You agree that you will not date the subsequent event note earlier than the date the Board of Directors representation letter is signed.

Engagement Administration, Fees, and Other

We understand that your employees will locate any documents selected by us for testing.

We estimate that our fees for these services will be \$3,600.00 for the audit and \$500.00 for the tax return. You will also be billed for bank confirmation processing, meeting attendance, preparation of personal property tax, tax correspondence, etc. Our schedule for these and other additional services is attached. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Payments are due with 30 days of the issuance of our draft audit and the issuance of the income tax return. If you would be willing to enter into a two-year contract at this time, the fee for 2015 would remain the same.

Our professional standards require us to perform additional audit procedures if the audits are not approved by the Association within a reasonable amount of time, after the audit draft is issued. We have determined that a reasonable time to be 60 days after the draft is issued. The cost of performing these additional audit procedures is included the attached fee schedule.

DAW
Initial

2-19-15
Date

Board of Directors
Westbriar Plaza Condominium
December 3, 2014
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We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please initial and date on each page and sign in the space provided and return it to us. The proposal is in effect for 90 days from its date.

Very truly yours,

Johnson, Bremer & Ignacio, CPAs, P.C.

Johnson, Bremer & Ignacio, CPAs, P.C.

gg/2051

Deborah Anne Howard, Vice president
Signature, titles signed for the December 31, 2014 audit and taxes

2-19-15
Date signed

Signature, titles signed for the December 31, 2014 and December 31, 2015 audit and taxes

Date signed

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FEE SCHEDULE

Personal Property Tax Return	\$ 100.00
Attendance at meeting	\$ 200.00 plus travel time at hourly rate
Tax Correspondence	\$ Hourly Rate
Consulting	\$ Hourly Rate
Performing Additional Audit Procedures	The greater of the aggregate fee at the hourly rate or \$275.00

Bank confirmation fees will be billed at actual cost.

Hourly Rates

Partner and senior management	\$ 200.00/hr
Professional staff	\$ 125.00/hr
Administrative staff	\$ 75.00/hr

AUDIT APPROACH

We approach an audit as a three party effort between us, the Board of Directors, and the management staff. We audit the financial statements resulting from transactions approved by the Board of Directors, and entered into and accounted for on the Association's behalf by the management staff. We rely extensively on the governing documents of the Association, its budgets, minutes documenting Board actions, etc., records maintained by the management staff and third party confirmations from banks, and when necessary, from creditors, attorneys, etc.

Our procedures will include but not be limited to the following:

1. Meeting with the staff, and Board representatives if desired, prior to commencement of the audit to ascertain its scope and particularly to become aware of any areas of specific concern. We do this because we realize that there may be areas that might not have a material influence on the fair presentation of the financial statements but nevertheless are of significant concern to the Association.
2. Tests of the documentary evidence supporting the transactions recorded in the accounts.
3. Analysis of the internal control procedures and current accounting practices employed by management.
4. Confirmation, as deemed advisable, of certain assets and liabilities by correspondence with creditors, legal counsel and banks.
5. Comparison of actual operating results to the approved budget and investigation of any material variations.
6. A review of actions taken in relation to Board directives as set forth in the Board minutes.
7. Analysis of delinquent accounts with particular attention to the collection efforts on old delinquent accounts.
8. A review of the guidelines and requirements regarding reserve contributions, insurance coverage, assessments, etc., as set forth in the governing documents.

OUR FIRM

We believe that some comments about our firm may be helpful in your evaluation.

1. Currently all of our professional staff are CPAs or CPA candidates. The owners and staff, as appropriate, are members of the American Institute of CPAs, the Virginia Society of CPAs, the Greater Washington Society of CPAs and the Maryland Society of CPAs. In addition, the firm is a member of and active in the Community Associations Institute (CAI) serving on National and Chapter committees. Beth Johnson has served as a member of the Board of Directors of The Washington Metropolitan Chapter of Community Association Institute (WMCCAI) and has served as the chapter treasurer. She was appointed by Governor McAuliffe to be a Board member of Virginia's Common Interest Community Board established to regulate property management companies providing services in Virginia. Jose Ignacio is currently the treasurer of the Board of Directors of The Washington Metropolitan Chapter of Community Association Institute (WMCCAI). David Bremer has been a senior staff member of the firm for over 25 years. Firm personnel regularly participate as speakers in CAI sponsored seminars and programs and write articles for the Quorum, the chapter magazine.
2. We have been providing auditing, tax and consulting services to condominium and homeowners associations and cooperatives for many years and in the past few years have provided such services to organizations with operating budgets ranging from \$30,000 to over \$8,000,000. Currently, we provide services to more than 600 of such organizations.
3. Every three years we participate in a quality review program as promulgated by the AICPA and the VSCPA. Our most recent review was in 2012 and we received a pass rating.
4. We maintain professional liability insurance.
5. The selection of the staff to provide the professional services depends on the timing of the audit. You can be assured, however, that the staff members in charge of the audit will have had in-charge experience.