CAVANAUGH & CO, LLP
CERTIFIED PUBLIC ACCOUNTANTS

July 7, 2017

Jennie Byram
Crescent Royale Condominium Association, Inc
777 Beach Road
Siesta Key, FL 34242

Dear Jennie,

This letter is to confirm your acceptance and 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 monthly:

Perform the month end closing for Rental Network Software (RNS) to be performed onsite one day per month

Issue monthly checks from RNS system at time of closing for commissions, vendors & association reimbursements

In QuickBooks:

- Record all cash receipts for rental operations and association operations
- Record all bank debits for rental operations and association operations.
- Prepare ACH transactions for rental proceeds to owners
- Reconcile twelve (12) bank accounts with bank statements each month
- Record all adjusting journal entries as needed each month including but not limited to insurance accruals, payroll allocation and various Balance Sheet accounts
- Record all checks issued and ACH transactions from RNS system into QuickBooks
- Record depreciation & maintaining depreciation schedule

Reconcile Cadence bank account in RNS

Prepare and file Sales Tax Return with Florida Department of Revenue

Prepare and request check for Transient Rental Tax return (local)

Prepare standard monthly QuickBooks reports for management as has been in previous months

We will perform the following services quarterly:

Process and/or record quarterly maintenance fees in QuickBooks

Prepare ACH transactions for quarterly maintenance fees

2381 FRUITVILLE ROAD • SARASOTA, FLORIDA 34237 • PHONE: 941.366.2983 • FAX: 941.366.2995
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We will perform the following services bi-weekly:

Process payroll from approved timesheets provided by management

Record ACH for payroll, payroll taxes and payroll fees

Add and terminate employees as needed

We will perform the following services annually:

Work with auditors as needed

Update the annual budget in QuickBooks as provided by management

Prepare 1099s and 1042s onsite with materials provided by management

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements in QuickBooks.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

You have the following overall responsibilities that are fundamental to our undertaking the engagement:

You are responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our bookkeeping services. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services

You are responsible to provide us with:

- access to all information of which you are aware is relevant such as records, documentation, and other matters.
- additional information that we may request from you for the purpose of the engagement.
- unrestricted access to persons within the Company of whom we determine it necessary to make inquiries.

The following services are excluded from the engagement as you have indicated that they will be performed by you:

- Issuing checks or otherwise paying bills for the association weekly
- Making bank deposits

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The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month and are payable on presentation.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

The fee for the stipulated services is $2,100 per month. No travel time will be charged for RNS monthly closing visit.

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 acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Respectfully submitted,

Cavanaugh & Co. LLP

RESPONSE:
This letter correctly sets forth the understanding of
Crescent Royale Condominium Association, Inc.

_____
Officer signature

_____
Title

_____
Date

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