Sample CPA LLP - year-end enquiries

Written responses prepared by Hometime Property Services Ltd., manager of the corporation.

1. **Any suspected or actual fraud activities?**

   None that we are aware of.

2. **How do you monitor your controls to prevent fraudulent activities?**

   Every bill is approved online by two directors before it is paid, and only the board has signing authority on the corporation's accounts. Every bank account is reconciled monthly, and the reconciliations and financial statements go to the board each month. Rent Manager keeps a record of every entry and the user who made it, and each user has their own login and only the access their role needs.

3. **Are there any non-compliances with provisions of law and regulations?**

   None that we are aware of.

4. **Any Management Override of transactions?**

   None.

5. **Are there any unusual or significant Journal Entries or unordinary transactions in the year? If any, how are they accounted for?**

   No. The only non-routine item was the boiler replacement, paid from the reserve fund as the board approved in its March minutes.

6. **Any Accounting Policy Changes?**

   None.

7. **Are there any new significant contracts or changes/updates (Customers, Suppliers, lease agreements)? If so, please provide updated contracts.**

   A new snow removal contract for 2025-2026, signed by the board in October. It is under Contracts on this portal.

8. **Are there any subsequent events after year end?**

   None.

9. **How does management make accounting estimates?**

   Estimates are limited to year-end accruals and prepaids. Utility and other bills for the last month are accrued from the bills received after year end, interest is accrued from the bank and GIC statements, and prepaid insurance is amortized monthly over the policy term. The reserve fund contribution follows the reserve fund study and the approved budget.

10. **What is management's assessment of the entity's ability to continue on a going concern basis? Are there any events or conditions that could cast doubt on it?**

    No concerns. Condo fees are collected monthly, arrears are low, and the reserve fund is funded to the study.

11. **Are there any non-monetary transactions or transactions for no consideration not reported in the Financial Statements?**

    None.

12. **Are related party transactions in the normal course of business?**

    Yes.

13. **Cut-off procedures - Cash Accounts**

    Bank accounts are reconciled monthly. Cheques are sent out as soon as they are written, so none are unreleased or backdated at year end.

14. **Cut-off procedures - Accounts Receivables & Revenue Accounts**

    Condo fees are charged automatically by Rent Manager at the beginning of each month, and any owner who has not paid shows in the A/R subledger. The books are left open for a month after year end so everything is allocated to the right period.

15. **Cut-off procedures - Accounts Payables & Expenses**

    Hometime's accounting staff use invoice dates and review all subsequent payments so bills are recorded in the correct period. Before the year end is sent for the engagement, they look for work orders that relate to the prior year and review the cheque and billing registers to see that invoices are dated correctly. The A/P subledger is used, and the books are left open for a month after year end so all invoices and bills are in.

16. **Business/BOD's plan for the next fiscal period: future plans, current plans, significant business risks or concerns.**

    Current plans follow the approved budget and the reserve fund study. No significant risks or concerns this year.

17. **How often do you review financial data?**

    Monthly: the board receives the financial statements, bank reconciliations and A/R listing before each meeting.

18. **Minutes (copy of minutes): how often do you meet?**

    The board meets monthly. The minutes of every meeting are in the Working Papers.

19. **Are budgets prepared and/or adhered to?**

    Annually. The budget is prepared by Hometime, approved by the board, and compared to actual every month.

20. **Any legal suits against the company: nature of the lawsuit, estimated minimum amount for payout, probability of any outcomes.**

    None.

21. **Do you use passwords, firewalls, encryption, virus protection, and a backup system (onsite or offsite)?**

    In the live portal, Hometime's own answer is here, the same for every condominium Hometime manages.

22. **All accounting software: type of software; is any of the software outdated?**

    In the live portal, Hometime's own answer is here, the same for every condominium Hometime manages.

23. **Who is authorized to maintain the accounting records: name, position, experience; any significant changes.**

    In the live portal, Hometime's own answer is here, the same for every condominium Hometime manages.

Signature Date

Name and position