April 17, 2019

To the Board of Directors
Overfalls Foundation
P.O. Box 413
Lewes, Delaware 19958

We have audited the financial statements of Overfalls Foundation for the year ended December 31, 2018, and we have issued our report thereon dated April 17, 2019. Professional standards require that we provide you with information about our responsibilities under the modified cash basis of accounting, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 16, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Overfalls Foundation are described in NOTE 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are the number of years over which the fixed assets are depreciated.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.
Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 17, 2019.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During our fieldwork for 2018 we made several recommendations to management and those charged with governance:

We suggest that each day the “Daily Deposit Record” be recorded gross in QuickBooks. The change that is kept at the store needs to be included in income on the Profit and Loss. An account called “Change Drawer” should be kept as bank account as the offset and reconciled at least weekly.

Based on our testing there was one 1099 that were not issued that should have been. It was for Russell Gordon for $1,500.

This information is intended solely for the use of the Board of Directors and management of Overfall Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Raymond F. Book & Associates, P.A.

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Certified Public Accountants