



BASHOR & LEGENDRE, LLP
Certified Public Accountants

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Thomasena L. Bashor, C.P.A., P.A.

March 28, 2014

Barefoot Beach Resort of Indian Shores Condominium.
Association, Inc.
4030 Gulf of Mexico Drive
Longboat Key, FL 34228

Members of the Board:

We are pleased to confirm our understanding of the services we are to provide for Barefoot Beach Resort of Indian Shores Condominium Association, Inc. for the year ended December 31, 2014.

We will audit the balance sheet of Barefoot Beach Resort of Indian Shores Condominium Association, Inc. as of December 31, 2014, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended. If applicable, the document 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.

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 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 unqualified, 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.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with selected 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 will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to that inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

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. 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.

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Because an audit is designed to provide reasonable, but not absolute, assurance 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. 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 you of any material errors that come to our attention, and we will inform you of any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any other 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.

Management Responsibilities

You are also responsible for management decisions and functions, for designating an individual with suitable skill, knowledge, or experience to oversee any other nonattest services we provide, and for evaluating the adequacy and results of those services and accepting responsibility for them.

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 responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. 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 material misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in 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 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.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

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Percy J. Legendre is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit by January 15th and issue our report no later than April 30th.

Our fees for this service will be \$6,200. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances such as a change in management companies, levying of special assessments, investing activities, or borrowings on notes payable will not be encountered. If the time expended on these special circumstances should exceed 20% of the time budgeted for this engagement, we will notify you in advance and you will be billed our standard hourly rates for these services. Our invoices for fees will be rendered each month as work progresses and are payable upon presentation. All invoices are due when rendered. Amounts outstanding for more than 30 days will bear interest at 1.5% per month which is an effective annual rate of 18%. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. If any balances due are placed in an attorney's hands for collection, or collected by a suit through bankruptcy, or probate, or any other court, then in any said events, there shall be paid to this firm reasonable attorney's fees and all costs and other expenses (including, without limitation, such fees, costs and expenses of litigation, including appeals) incurred by this firm in enforcing the terms of our agreement. Venue for any legal proceeding involving this agreement shall be in Hillsborough County, Florida.

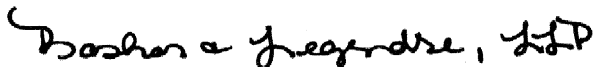
Parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. All mediations initiated as a result of this engagement shall be administered by the American Arbitration Association (AAA). The results of this mediation shall be binding only upon the agreement of each party to be bound. The costs of any mediation shall be equally shared by both parties.

Our proposal to perform an audit of the Association's financial statements, as outlined in this letter, is contingent upon the completion of our required communications with the Association's predecessor auditor, if applicable.

We will furnish you with one (1) bound copy, one (1) white copy, and a PDF of the financial statement upon completion of the audit.

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 sign the enclosed copy and return it to us.

Very truly yours,



BASHOR & LEGENDRE, LLP
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RESPONSE:

This letter correctly sets forth the understanding of **Barefoot Beach Resort of Indian Shores Condominium Association, Inc.**

Signature: _____

Print name: _____

Title: _____

Date: _____