

December 3, 2021

CONFIDENTIAL

The Board of Directors
Sleepy Hollow Local Development Corporation:

We have completed our audit of the financial statements of Sleepy Hollow Local Development Corporation (the LDC) for the year ended May 31, 2021, and have issued our report thereon dated December 3, 2021. Considering the test character of our audit, you will appreciate that reliance must be placed on adequate methods of internal controls as your principal safeguard against irregularities which a test examination might not disclose. We now present for your consideration our observations and recommendations noted during our audit.

This report is solely for the information and use of the Members of the Board of Directors, management and others within the LDC.

End of Year Financial Close

While the LDC maintains its accounting records on the cash basis, its financial statements are required to present fairly the financial position, changes in financial position, and cash flows in accordance with accounting principles generally accepted in the United States of America, which requires the accrual basis of accounting. In order to convert from the cash basis of accounting to the accrual basis of accounting, the LDC must make year end closing entries to properly record accounts receivable, accounts payable, and other accruals as needed. At the time of our fieldwork, it was noted that closing entries had not been made to the accounting records of the LDC. We recommend that the Board monitor the end of the year financial close process to verify that amounts for year end closing accrual entries have been reasonably determined and posted to the accounting records in a timely manner.

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We wish to take this opportunity to express our appreciation for the courtesy and cooperation extended to us by the LDC during our audit. If you have any questions regarding the foregoing comments or wish any assistance in their implementation, please contact us at your convenience.

Very truly yours,

EFPR Group, CPAs, PLLC

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