

# JOURNEY THROUGH HALLOWED GROUND PARTNERSHIP

**Report to the  
Board of Directors**  
December 3, 2020

Olivia A. **Hutton**, CPA – Principal





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Winchester, VA 22601

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December 3, 2020

To the Board of Directors  
Journey Through Hallowed Ground Partnership  
Waterford, Virginia

We are pleased to present this report related to our audit of the financial statements of Journey Through Hallowed Ground Partnership (the "Organization") as of and for the year ended September 30, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Journey Through Hallowed Ground Partnership's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to Journey Through Hallowed Ground Partnership.

*Yount, Hyde & Barbour, P.C.*

YOUNT, HYDE & BARBOUR, PC.

## Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
<b>Our Responsibilities With Regard to the Financial Statement Audit</b>	<p>Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated September 21, 2020. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.</p>
<b>Overview of the Planned Scope and Timing of the Financial Statement Audit</b>	<p>We have issued a separate communication dated September 21, 2020 regarding the planned scope and timing of our audit and identified significant risks.</p>
<b>Accounting Policies and Practices</b>	<p><b>Adoption of, or Change in, Accounting Policies</b></p> <p>Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Organization. The Organization adopted ASU 2018-08 <i>Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made</i> during the year. The Organization did not adopt any other significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p><b>Significant or Unusual Transactions</b></p> <p>We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p><b>Management's Judgments and Accounting Estimates</b></p> <p>Accounting estimates included in the financial statements are detailed below:</p> <ul style="list-style-type: none"><li>• Depreciation and amortization expense</li><li>• Pledge receivable discount</li><li>• Accrued payroll</li><li>• Allocation method for statement of functional expenses</li></ul>



Area	Comments
<b>Audit Adjustments</b>	<p>There were three audit adjustments made to the original trial balance presented to us to begin our audit.</p> <ul style="list-style-type: none"> <li>• Allocate credit card rewards - \$6,595</li> <li>• Interest expense for PPP loan - \$433</li> <li>• Pledge receivable discount - \$14,351</li> </ul>
<b>Uncorrected Misstatements</b>	<p>We are not aware of any uncorrected misstatement other than those that are clearly trivial.</p>
<b>Disagreements with Management</b>	<p>We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, scope of the audit or significant disclosures to be included in the financial statements.</p>
<b>Consultations with Other Accountants</b>	<p>We are not aware of any consultations management had with other accountants about accounting or auditing matters.</p>
<b>Significant Issues Discussed with Management</b>	<p>No significant issues arising from the audit were discussed with or were the subject of correspondence with management.</p>
<b>Significant Difficulties Encountered in Performing the Audit</b>	<p>We did not encounter any significant difficulties in dealing with management during the audit.</p>
<b>Letter Communicating Significant Deficiencies and Material Weaknesses in Internal Control Over Financial Reporting</b>	<p>We did not identify material weaknesses or significant deficiencies in internal control over financial reporting identified during our audit of the financial statements.</p>
<b>Significant Written Communications Between Management and Our Firm</b>	<p>Copies of certain written communications between our firm and the management of the Organization are attached.</p>



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Board of Directors  
Journey Through Hallowed Group Partnership  
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In planning and performing our audit of the financial statements of Journey Through Hallowed Ground Partnership (the “Organization”), as of and for the year ended September 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The following is a description of an identified deficiency in internal control that we determined did not constitute significant deficiencies or material weaknesses:

**Segregation of Duties: Cash Receipts**

During the audit procedures, we noted the same employee that receives checks in the mail and enters them into the donor management software also endorses the checks for deposit and initiates the deposit through mobile banking. We recommend that these duties be separated so that one employee receives the mail, makes a simple check log and endorses the checks “for deposit only” and another employee enters the donations into the donor software and initiates the deposit. This modification to the procedures will greatly strengthen internal controls over this area.

Board of Directors  
Journey Through Hallowed Group Partnership  
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This communication is intended solely for the information and use of management, the Executive Committee and others within the Organization, and is not intended to be and should not be used by anyone other than these specified parties.

*Yount, Hyde & Barbour, P.C.*

Winchester, Virginia  
December 3, 2020

December 3, 2020

Yount, Hyde & Barbour, P.C.  
P.O. Box 2560  
Winchester, Virginia 22604

This representation letter is provided in connection with your audits of the financial statements of Journey Through Hallowed Ground Partnership (the Organization), which comprise the statements of financial position as of September 30, 2020 and 2019, the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, that as of December 3, 2020:

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated September 21, 2020, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
6. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.
7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

8. The following, if applicable, have been properly recorded and/or disclosed in the financial statements:
  - a. Guarantees, whether written or oral, under which the Organization is contingently liable.
  - b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
  - c. Lines of credit or similar arrangements.
  - d. Agreements to repurchase assets previously sold.
  - e. Security agreements in effect under the Uniform Commercial Code.
  - f. All other liens or encumbrances on assets and all other pledges of assets.
  - g. Amounts of contractual obligations for plant construction and/or purchase of real property, equipment, other assets, and intangibles.
  - h. Investments in debt and equity securities, including their classification.
  - i. All liabilities that are subordinated to any other actual or possible liabilities of the Organization.
  - j. All leases and material amounts of rental obligations under long-term leases.
  - k. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
  - l. Derivative financial instruments.
  - m. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification.
  - n. All current and deferred assets and liabilities related to the accounting for income taxes. Additionally, we have evaluated the tax positions under the two-step approach for recognition and measurement of uncertain tax positions required by the Income Taxes Topic of the FASB Accounting Standards Codification.
  - o. All recordable contributions, by appropriate net asset class.
  - p. Reclassifications between net asset classes.
  - q. Allocations of functional expenses based on reasonable basis.
  - r. Composition of assets in amounts needed to comply with all donor restrictions.
  - s. Deferred revenue from exchange transactions.
  - t. Refundable advances.
  - u. Board designated unrestricted net assets.
  - v. Concentrations of credit risk.
9. We have no knowledge of any uncorrected misstatements in the financial statements.



### Information Provided

10. We have provided you with:
  - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and
  - d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of allegations of fraud or suspected fraud affecting the entity's financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in internal control.
  - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements received in communications from employees, former employees, regulators or others.
15. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations. Additionally, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
16. We are not aware of any pending or threatened litigation and claims whose effects were considered when preparing the financial statements.
17. We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.
18. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Organization's ability to record, process, summarize and report financial data.

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

JOURNEY THROUGH HALLOWED GROUND PARTNERSHIP

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William W. Sellers, President and CEO

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Penny Williams, CFO