



Batts Morrison
Wales & Lee

CERTIFIED PUBLIC ACCOUNTANTS

Evangelical Presbyterian Church 403(b) Defined Contribution Retirement Plan

Report on the Audit Process

For The Year Ended June 30, 2023



Batts Morrison
Wales & Lee

CERTIFIED PUBLIC ACCOUNTANTS®

REPORT ON THE AUDIT PROCESS

The Board of Directors and Management
EPC Benefit Resources, Inc.
Evangelical Presbyterian Church 403(b) Defined Contribution Retirement Plan
Orlando, Florida

We have audited the financial statements of Evangelical Presbyterian Church 403(b) Defined Contribution Retirement Plan (“the Plan”) as of and for the year ended June 30, 2023, and have issued our report thereon dated May 15, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, 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 December 19, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Our firm meets applicable requirements for independence with respect to the Plan.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note B to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the Plan 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 financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such known or likely misstatements were identified during the course of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a difference of opinion related to 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 May 15, 2024. A copy of that representation letter is attached as **Exhibit 1**.

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Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

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 Plan's auditor. However, these discussions and/or correspondence occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors of EPC Benefit Resources, Inc. and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida

May 15, 2024



May 15, 2024

Batts, Morrison, Wales & Lee, P.A.
801 North Orange Avenue, Suite 800
Orlando, Florida 32801

This representation letter is provided in connection with your audits of the financial statements of the Evangelical Presbyterian Church 403(b) Defined Contribution Retirement Plan ("the Plan") which consist of the statements of net assets available for benefits (modified cash basis) as of June 30, 2023 and 2022, and the related statements of changes in net assets available for benefits (modified cash basis) for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with the modified cash basis of accounting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this representation letter, the following representations made to you during your audits:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 19, 2023, including our responsibility for the preparation and fair presentation of the financial statements and note disclosures.
2. The financial statements and related footnotes are fairly presented in conformity with modified cash basis of accounting and the notes include all disclosures required by laws and regulations to which the Plan is subject.
3. We acknowledge our responsibility for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
5. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
6. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the modified cash basis of accounting.

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Exhibit 1

8. All events subsequent to the date of the financial statements and for which the modified cash basis of accounting requires adjustment or disclosure have been adjusted or disclosed.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with the modified cash basis of accounting, and we have not consulted a lawyer concerning litigation, claims, or assessments.
10. Significant estimates and material concentrations have been appropriately disclosed in accordance with the modified cash basis of accounting.
11. Other matters (e.g. breach of fiduciary responsibilities, nonexempt transactions, loans or leases in default, or events that may jeopardize the tax status) that legal counsel have advised us that must be disclosed (if any) have been properly disclosed.
12. Material concentrations have been properly disclosed in accordance with the modified cash basis of accounting.
13. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
14. Guarantees, whether written or oral, under which the Plan is contingently liable, have been properly recorded or disclosed in accordance with the modified cash basis of accounting.
15. The Plan has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
16. We have reviewed the drafts of the financial statements and have found no inconsistencies or deficiencies in the drafts as compared with the information that we have made available to you.

Information Provided

17. 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. Minutes of the meetings of the Plan administrator Board of Directors, and all committees requested or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial or tax reporting practices that could have a material effect on the financial statements, if any.
 - d. Additional information that you have requested from us for the purpose of the audits.
 - e. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - f. Plan instruments, trust agreements, insurance contracts, or investment contracts and amendments to such documents entered into during the year, including amendments to comply with applicable laws.
18. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
19. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

20. We have no knowledge of any fraud or suspected fraud that affects the Plan and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
21. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan's financial statements communicated by employees, former employees, participants, grantors, beneficiaries, regulators, service providers, third party administrators, or others.
22. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
23. We have disclosed to you the identity of the Plan's related parties and parties-in-interest and all the related party and party-in-interest relationships and transactions of which we are aware.
24. The Plan has satisfactory title to all owned assets, which are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.
25. We have no:
 - a. Plans or intentions that may materially affect the carrying value or classification of assets and liabilities, or
 - b. Intentions to terminate the Plan.
26. Amendments to the Plan instrument, if any, have been properly recorded or disclosed in the financial statements.
27. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
28. All required amendments to and filings of Plan documents with the appropriate agencies have been made.
29. We have appointed Bart Francescone to oversee your performance of nonattest services for the Plan including, but not limited to, drafting financial statements and any other nonattest services requested by us and performed by you.
30. The methods and significant assumptions used to estimate fair values of financial instruments are as follows:

The Plan's investments are reported at estimated fair value in the accompanying statements of net assets available for benefits (modified cash basis). The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The valuation methodologies used in the accompanying financial statements were consistently applied during the years ended June 30, 2023 and 2022.

The Plan's money market, self-directed brokerage account funds, and mutual funds are valued at the daily closing price as reported by the fund and are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The money market funds, self-directed brokerage account funds, and mutual funds held by the Plan are deemed to be actively traded.

Investments valued at fair value amounted to \$199,381,604 and \$174,180,531 at June 30, 2023 and 2022, respectively. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.

31. The Plan and the trust established under the Plan are qualified under the appropriate section of the Internal Revenue Code ("IRC"), and we intend to continue them as a qualified plan and trust. The Plan Sponsor has operated the Plan and trust contract in a manner that did not jeopardize this tax status.
32. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.

EVANGELICAL PRESBYTERIAN CHURCH 403(b) DEFINED CONTRIBUTION RETIREMENT PLAN

Bart Francescone

Bart Francescone
Executive Director, EPC Benefit Resources, Inc.