



## Whisman Giordano & Associates LLC

Board of Directors  
Delaware Greenways, Inc.

We have audited the financial statements of Delaware Greenways, Inc. as of and for the year ended December 31, 2011 and have issued our report thereon dated June 9, 2012. Professional standards require that we provide you with the following information related to our audit.

### **OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA**

#### *Financial Statements*

As stated in our engagement letter dated December 31, 2011, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of these financial statements does not relieve the board of directors and management of its responsibilities.

#### *Internal Control*

Our responsibility under auditing standards generally accepted in the United States of America is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatements. In this respect and as part of our audit, we considered the internal control of Delaware Greenways, Inc. <sup>(1)</sup> Such considerations were solely for the purpose of determining the nature, timing and extent of our auditing procedures and not to provide any assurance concerning such internal control.

<sup>(1)</sup> *Internal control is a process – affected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.*

*Fraud and Illegal Acts*

As previously mentioned our audit is designed to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement. Therefore, we did not perform a detailed examination of all transactions. Accordingly, there is risk that material errors, fraud or illegal acts may exist and not be detected by us.

*Communication of Significant Matters*

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. While certain of these communications are contained hereinafter, it is incumbent upon us to alert you that we are not did not require, nor did we design our audit procedures specifically to identify such matters.

**OTHER INFORMATION ABOUT THE AUDITED FINANCIAL STATEMENTS**

*Planned Scope and Timing of the Audit*

We performed the audit according to the planned scope and timing previously communicated prior to the start of the audit.

*Significant Audit Findings*

1. Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Delaware Greenways, Inc. are described in Note A to the financial statements and are deemed to be in accordance with generally accepted accounting principles. No new policies were adopted and existing policies were not changed during 2011.

We noted no transactions entered into by the Delaware Greenways, Inc. during the period ended December 31, 2011 for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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 fair market value of investments and depreciation expense.

2. Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing the audit of the financial statements of Delaware Greenways, Inc. as of and for the year ended December 31, 2011.

3. Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those which are insignificant or trivial, and communicate them to the appropriate level of management. There were no passed adjustments.

4. Disagreements with Management

For purposes of this letter, professional standards define 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.

5. Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 9, 2012.

6. 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 Company'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 to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

7. Other Audit Findings or Issues

We generally discuss a variety of issues from time to time and throughout the year. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention as independent auditors.

The information provided heretofore is intended solely for the Board of Directors and Members of Delaware Greenways, Inc. and should not be used by anyone other than those specified parties.



June 9, 2012