

Report on the Firm's System of Quality Control

To the Partners of Nordberg, Hammack, Kolp & Cash, PS
and the Peer Review Committee of the Washington Society of CPAs

I have reviewed the system of quality control for the accounting and auditing practice of Nordberg, Hammack, Kolp & Cash, PS (the firm) in effect for the year ended March 31, 2017. My peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards.

As a part of my peer review, I considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of my procedures.

Deficiencies Identified in the Firm's System of Quality Control

I noted the following deficiencies during my review:

The firm's quality control policies and procedures regarding engagement performance have not been suitably complied with to provide reasonable assurance that engagements are consistently performed in accordance with professional standards. The firm utilized a customized planning form that did not include all required documentation for independence considerations when non-attest services are provided. As a

result, professional standards were not adhered to with regards to documenting the firm's independence in instances where non-attest services were provided. In my opinion, this contributed to audits performed under *Government Auditing Standards* and a reviewed financial statement to not conform to professional standards in all material respects.

Opinion

In my opinion, except for the deficiencies previously described, the system of quality control for the accounting and auditing practice of Nordberg, Hammack, Kolp & Cash, PS in effect for the year ended March 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Nordberg, Hammack, Kolp & Cash, PS has received a peer review rating of pass with deficiency.

Abby Sanders CPA, LLC

October 31, 2017