



CERTIFIED PUBLIC ACCOUNTANTS
& CONSULTANTS
109 CAMELLIA
P.O.Box 2069
ORANGE, TEXAS 77631
TELE: (409) 883-3350
FAX: (409) 883-7904

JOEL E. STEIRMAN, CPA
JANE M. WHITFIELD, CPA

SYSTEM REVIEW REPORT

To Owner of Van T. Enloe
and the Peer Review Committee of the Society of Louisiana CPAs.

We have reviewed the system of quality control for the accounting and auditing practice of Van T. Enloe, (the firm) in effect for the year ended March 31, 2014. Our 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. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. 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. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards.

We noted the following deficiencies during our review:

1. Deficiency—The firm's monitoring policies and procedures require that annual inspection procedures be performed. However, those policies and procedures do not include a means to consider whether the practitioner in charge of each of the firm's engagements selected for review has knowledge, skills, and abilities (competencies) necessary based on the specific circumstances. As a result, we noted a few engagements where certain procedures required by professional standards were not performed, and this was not identified in the inspection even though these engagements were included in the scope of the inspection. As noted, the firm has subsequently documented that the procedures were performed, but not contemporaneously during the conduct of the engagement.

Recommendation—We agree with the firm's decision to revise its policies and procedures to engage an individual other than the engagement partner to perform the annual inspection. We further recommend that if there is not an individual with equal or

greater skill, knowledge and experience than the engagement partner a third party be engaged to perform the annual inspection.

2. Deficiency—The firm's policies and procedures require the firm to comply with Government Auditing Standards to include documenting the firm's conduct of non-attest work when done for an attest client. The firm failed to completely document its independence when the firm did perform non-attest work for an attest client. The firm has since reduced to writing the procedures performed during the engagement to support the fact that the firm was independent.

Recommendation—We agree with the firm's action to revise its policies and procedures to document all the required steps to support the firm's independence when performing non-attest work for an attest client.

In our opinion, except for the deficiencies described above, the system of quality control for the accounting and auditing practice of Van T. Enloe in effect for the year ended March 31, 2014, 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. Van T. Enloe has received a peer review rating of *pass with deficiencies*.

Steirman, Whitfield and Co. PC
Steirman, Whitfield and Co. PC
September 27, 2014

VAN T. ENLOE, CPA, CGMA

9051 Mansfield Rd, Suite B8
Shreveport, LA 71118-2671

P.O. Box 80023
Shreveport, LA 71148-0023

Phone & Fax (318) 603-0400
vtecpa@att.net

Mr. Joel Steirman and
Peer Review Committee of the Louisiana Society of CPA's

I am in receipt of you're my peer review report for the year ended March 31, 2014. The following is my response to the deficiencies noted:

Deficiency # 1

I acknowledge that the skill, knowledge and experience of the client's management were not fully documented. The client's representative was competent to suffice the requirements in Government Auditing Standards to support the safeguard necessary to reduce a threat to my independence when the firm undertakes any non-attest work for an attest client. I now understand that sufficient narrative should be written to support my understanding of the client's representative being competent to review, approve, authorize and to accept responsibility for the non-attest services provided by my firm to an attest client. I have changed my policies and procedures to insure that sufficient documentation of my understanding of the client's management representative is included in my working papers in all future engagements.

I acknowledge that the consideration and evaluation of the safeguards used to mitigate possible threats to independence were not adequately documented and the completion of the applicable practice aid was not done as my policy requires. I did not, on one audit get a written acknowledgement from the client that they assumed all responsibility for the non-attest work done. I have changed my policies and procedures to document my evaluation of the audit client's ability to assume responsibility for the non-attest work done to include a written affirmative statement from the client to the effect they believe they are competent and through their representative accept full responsibility for any non-attest services provided.

Deficiency # 2

I am changing my QC document to capture all the procedures I consider part of the system of quality control that were not formally included in my QC document. My revision of the QC document shall include all the revisions to the standards of QC through statement 8. I am going to engage an outside party, a competent peer reviewer, to read and comment on my revised document to insure that my QC document includes all the elements necessary for a well designed system of quality control that is appropriate for my firm's size and practice.

I realize that some of the matters that were cited during the peer review could have been identified by an outside party doing the testing of engagements as part of the annual inspection. Also, those matters would have been identified if I had an appropriately updated policy regarding EQCR. As part of the revision of the system of QC, the annual inspection and the performance of the EQCR will be done by an outside party. Further, the section dealing with EQCR will be changed to include at least one of the HUD engagements will be subjected to an EQCR annually. I will engage an outside party to perform the review as stipulated that a person independent of the engagement with equal competence and experience perform the EQCR. The engagement

chosen will be the audit that coincides with any revisions to the Yellow Book or/and the annual release of the compliance supplement to OMB Circular A-133.

I feel confident that the above corrective actions are responsive to the report and will assist me in conforming with professional standards going forth.

Sincerely,

A handwritten signature in blue ink that reads "Van T. Enloe". The signature is written in a cursive style with a large, stylized "V" and "E".

Van T. Enloe

September 30, 2014

.09

FINDING FOR FURTHER CONSIDERATION (FFC) FORM

FFC # 1

REVIEWED FIRM Van Enloe CPA PEER REVIEW YEAR-END 03/31/14

MFC(S) COVERED BY THIS FORM (List MFC #s) 1

PROFESSIONAL STANDARDS REFERENCE(S) ASC 958,740,350,855 & 275

INDUSTRY* Nonprofit

LEVEL OF SERVICE* Audit

REVIEWER'S DESCRIPTION OF THE FINDING

The financial statements had missing or incomplete disclosures and the accountant's report was not modified for the missing and incomplete disclosures. Specifically, disclosures were absent for the property and equipment capitalization policy, open tax years that remain subject to examination by major tax jurisdictions, nature of activities including principal markets, intangible asset amortization expense for five succeeding years, and the date through which management has evaluated subsequent events.

SYSTEMIC CAUSE OF FINDING The system requires the proper completion of disclosure checklists. The firm was not properly completing the checklists when preparing financial statements and related disclosures.

Type of Finding: [] Design [X] Compliance

WERE SIMILAR FINDINGS NOTED IN THE PRIOR REVIEW? YES [] NO [X]

REVIEWER'S RECOMMENDATION

The firm should review its procedures for completing and reviewing financial disclosure checklists to ensure that all personnel properly complete the checklist and understand the required disclosures.

REVIEWED FIRM'S RESPONSE (The response should describe (a) how the firm intends to implement the reviewer's recommendation [or alternative plan if the firm does not agree with the reviewer's recommendation]; (b) the person(s) responsible for implementation; (c) the timing of the implementation; and (d) if applicable, additional procedures to ensure that the finding is not repeated in the future.)

I shall insure better comments are made on my checklists detailing why I made the decisions that I made. I shall be the one responsible since I am the only professional in my firm. The new system began on June 1, 2015. I also shall attempt to attend yet another disclosure cpe course.

Reviewed firm's additional response is attached []

Authorized individual charged with governance responsibility of the firm as a whole Van T. Enloe Date: 08-05-2015

Team captain Date:

This document will be retained by the administering entity until the completion of the next peer review and will be considered during the performance of that peer review.

If handwritten, this form must be legible, or it may be returned.

[The next page is 5001.]

* Related industry and level of service should be noted in instances where the finding is industry specific.



LCPA Peer Review Program
Administered in Louisiana by the
Society of Louisiana CPAs



AICPA Peer Review Program
Administered by the
Society of Louisiana CPAs

August 12, 2015

Van T Enloe
Van T. Enloe
Po Box 80023
Shreveport, LA 71148

Dear Mr. Enloe:

On February 27, 2015 the Society of Louisiana CPAs Peer Review Committee accepted the report on the most recent system peer review of your firm and your firm's response thereto.

The Committee accepted the aforementioned documents with the understanding that the firm will:

- permit an outside party, acceptable to the Committee chair, to review the report, financial statements, and working papers on the next governmental engagement issued subsequent to the review PRIOR to release. The outside party should report to the Committee by November 30, 2015 on the results of the review. You must obtain the services of the outside party at your expense and ensure they are acceptable to the committee by contacting the Peer Review Department. Upon completion of the pre issuance review, the reviewer will be required to issue a letter of corrective action to the committee. The committee will review the letter along with any workpapers prepared during the preissuance review and determine if further action will be required. If you do not expect to have an engagement completed in time to meet the deadline, please contact the Peer Review Department with an expected date.
- ensure that all professional staff in your firm who work on accounting and auditing engagements participate in at least 8 hours of continuing professional education in the area of work paper documentation no later than November 30, 2015. Please send a letter to the Committee detailing the courses taken by each individual within thirty days of that date, along with proof of attendance at the courses. Self study, teleconferences or webcasts will not satisfy this requirement. If you have taken CPE in this or similar areas in the previous six months, please contact the peer review department to determine if the course qualifies.

This review is not considered accepted until we receive the signed document.

State Board Rule 46:XIX:1503.A.5 provides that timely completion of a peer review of firms that have performed attest services (e.g., compilations, reviews, audits, agreed upon procedures, etc.) is required in order to maintain and renew a CPA firm permit to practice.

Letter ID: 1011862

As defined in Interpretation 25-2 of the Standards the review will not be considered complete until the committee accepts the report and letter of response (if applicable) or decides that the reviewed firm has performed the agreed-to corrective action(s) to the committee's satisfaction and the committee requires no additional corrective action(s) by the reviewed firm. This date is noted in a final letter from the administering entity to the reviewed firm and is posted on the State Board secure website.

Your firm's agreement to take this action voluntarily demonstrates its commitment to the objectives of the profession's practice-monitoring programs. Please acknowledge that agreement by returning a signed copy of this letter to us via email gsnyder@lcpa.org or fax 985-764-4345.

Sincerely,
SOCIETY OF LOUISIANA CPAs



Stacey Lockwood
Director of Professional Oversight
stockwood@lcpa.org 504 904-1136

cc: Joel Edward Steirman; Van T Enloe

Firm Number: 1087997 Review Number: 359781

Acknowledged for the Firm:

Signature: Van T. Enloe Date: 8-12-2015