

OLSEN, MUHLBAUER & CO., L.L.P.

Certified Public Accountants

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SYSTEM REVIEW REPORT

July 8, 2015

To the Shareholders of
Anderson, Larkin & Co., P.C.
and the Peer Review Committee of the Illinois CPA Society

We have reviewed the system of quality control for the accounting and auditing practice of Anderson, Larkin & Co., P.C. (the firm) in effect for the year ended March 31, 2015. 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 and audits of employee benefit plans.

We noted the following deficiencies during our review:

Deficiency – The firm's quality control policies and procedures require accounting and auditing engagements, other than certain compilations, be properly supervised and reviewed by partners in the firm. Our review noted instances where a partners involvement in the performance of ERISA engagements was minimal and the in-charge partner also had no recent industry specific CPE. As a result, although the audit program contained appropriate steps, sufficient procedures were not performed on individual participant accounts and investments were incorrectly identified resulting in improper presentation and disclosure of investment types. The firm has decided to expand their testing and correct the reporting and disclosure deficiencies on subsequent engagements, issuance of which is imminent.

Recommendation – The firm should revise its quality control policies and procedures to require a higher level of expertise for reviewers of high risk engagements. The firm should also review its level of participation in audits by partners to achieve better compliance with professional standards.

In our opinion, except for the deficiency previously described, the system of quality control for the accounting and auditing practice of Anderson, Larkin & Co., P.C. in effect for the year ended March 31, 2015, 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. Anderson, Larkin & Co., P.C. has received a peer review rating of pass with deficiency.

Olsen, Muhlbauser & Co., LLP

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