

Nevada Society of CPAs

Annual Report on Peer Review Activities

01/01/2023-12/31/2023

Date Issued 03/28/2024

I. Administering Entity Oversight Process and Procedures

- The Nevada Society of CPAs (“NVCPA”) administers peer review for Idaho, Montana, Nebraska, Nevada, Utah, and Wyoming. The NVCPA abides by the oversight rules and procedures as outlined in the Oversight Handbook.
- A member of the AE’s Peer Review Committee or other approved qualified individual will perform the oversight. Both firm and peer reviewers are subject to oversight.
- Oversight may include visiting the firm as part of the peer review process or reviewing specific engagements. Oversight may also be performed after a review is complete. Oversight includes review of the reports and financial statements as well as firm work papers.
- Firms may be selected for oversight based on several factors including but not limited to the types of peer review reports previously received, high risk engagements performed by the firm, or if it’s the firm’s first peer review.
- Reviewers may be selected randomly or due to other factors including but not limited to frequent submission of pass reports, conducting reviews for firms with audits in high-risk industries, or due to performance deficiencies such as issuance of an inappropriate peer review report or failure to properly reach the appropriate conclusion during a review.
- Oversight may be performed onsite or offsite based on various factors including but not limited to, scheduling, ability to travel, virtual capabilities, risk factors, and efficiency in performing the oversight.
- A committee member that meets the experience criteria will be assigned to perform all System and must-select oversights and technical reviewers will conduct engagement oversights.
- All oversights are performed in accordance with the guidance listed in the AICPA Peer Review Oversight Handbook. The committee member or technical reviewer will complete all applicable exhibits and checklists, and submit, along with a report to the Peer Review Committee for approval.
- General results of the AE’s oversight program for the year 2023
 - 129 Engagement reviews, 94 System Reviews for a total of 223 reviews. We were required to have 2% (4.46) of reviews oversighted with a minimum of 2 System and 2 Engagement. We oversighted 2 System reviews and 3 Engagement reviews.

- Both System oversights were free of findings. Two of the Engagement oversights were free of findings, one resulted in reviewer feedback for issues noted on MFCs and FFCs and the LOR.
- 5 different reviewers were included in the oversights.

II. Summary of Peer Review Program(s)

Number of Firms Enrolled in NVCPA Peer Review Program	
Sole Practitioners	199
2-5 A&A Professionals	298
6-10 A&A Professionals	141
11-19 A&A Professionals	65
20-49 A&A Professionals	22
50-99 A&A Professionals	7
100+ A&A Professionals	1
Total Enrolled Firms	733

1)

2) Results of Peer Reviews Accepted During the Year(s) 2023

a) Results by Type of Peer Review and Report Issued

	AICPA Peer Review Program		AE Peer Review Program	
		%		%
System Reviews		%		%
Pass	79	84%	N/A	N/A
Pass with deficiency(ies)	9	10%	N/A	N/A
Fail	6	6%	N/A	N/A
Total	94	100%	N/A	N/A
Engagement Reviews		%		%
Pass	103	80%	N/A	N/A
Pass with deficiency(ies)	17	13%	N/A	N/A
Fail	9	7%	N/A	N/A
Total	129	100%	N/A	N/A

b) Type and Number of Reasons for Report Deficiencies for System Reviews

	AICPA Peer Review Program	AE Peer Review Program
Leadership responsibilities for quality within the firm (“the tone at the top”)	4	N/A
Relevant ethical requirements	1	N/A
Acceptance and continuance of client relationships and specific engagements	3	N/A
Human resources	9	N/A
Engagement performance	10	N/A
Monitoring	4	N/A
Total	31	N/A

c) Number of Engagements Not Performed or Reported on in Conformity with Professional Standards in All Material Respects (Nonconforming engagements)

Engagement Type	AICPA Peer Review Program			AE Peer Review Program		
	Number of Engagements		%	Number of Engagements		%
	Reviewed	Nonconforming engagements		Reviewed	Nonconforming engagements	
Audits:						
Single Audit	56	15	26.79	N/A	N/A	
Government Auditing Standards – All Other	72	10	13.89	N/A	N/A	
ERISA	39	12	30.77	N/A	N/A	
FDICIA	4	1	25.00	N/A	N/A	
Other	73	14	19.18	N/A	N/A	
Reviews	173	25	14.45	N/A	N/A	
Compilations and Preparations:				N/A	N/A	
With Disclosures	122	7	5.74	N/A	N/A	
Omit Disclosures	252	24	9.52	N/A	N/A	
Other	1	0	0.00	N/A	N/A	
SOC Reports	3	0	0.00	N/A	N/A	
Agreed Upon Procedures	49	5	10.20	N/A	N/A	
Other SSAEs	2	2	100.00	N/A	N/A	
Totals	846	115	13.59	N/A	N/A	

d) Summary of Required Follow-up Actions (includes corrective actions and implementation plans)

Type of Follow-Up Action	AICPA Peer Review Program	AE Peer Review Program
Agree to take/submit proof of certain CPE	46	N/A
Submit to review of nonconforming engagements	1	N/A
Agree to pre-issuance reviews	14	N/A
Agree to post-issuance reviews	6	N/A
Agree to review of remedial actions	6	N/A
Submit monitoring or inspection report to Team Captain or Peer Review Committee	0	N/A
Submit to outside party revisit	1	N/A
Elect to have accelerated review	0	N/A
Submit evidence of proper firm licensure	1	N/A
Firm has represented in writing they no longer perform or are engaged to perform any engagements subject to peer review	5	N/A
Agree to hire outside party or consultant for inspection	0	N/A
Team Captain to review Quality Control Document	3	N/A
Submit proof of purchase of manuals	2	N/A
TC/Outside Party to Review Firm's Remedial Actions in its Response on the FFC	1	N/A
Other	9	N/A
Total	95	N/A

III. Oversight Process

Oversight Results

a) Peer reviews

AICPA Peer Review Program Firms

Type of Peer Review	Must Select Engagement (GAGAS, ERISA, FDICIA, SOC)	Total Oversight
System	2	2
Engagement	N/A	3

State Peer Review Program Firms

Type of Peer Review	Must Select Engagement (GAGAS, ERISA, FDICIA, SOC)	Total Oversights
System	N/A	N/A
Engagement	N/A	N/A

b) Oversight Performed on the AE

The results of our most recent oversight performed by the AICPA Oversight Task Force, which covers only the AICPA Peer Review Program, are available on the [AICPA's website](https://us.aicpa.org/interestareas/peerreview/resources/transparency/oversight/oversightvisitsresults.html).
<https://us.aicpa.org/interestareas/peerreview/resources/transparency/oversight/oversightvisitsresults.html>