

**John Waddell & Co.**  
An Accountancy Corporation



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To the Owner  
Gibson & Co.

We have reviewed the system of quality control for the accounting and auditing practice of Gibson & Co. (the Firm) in effect for the year ended June 30, 1994. Our review was conducted in conformity with standards for peer reviews promulgated by the peer review committee of the private companies practice section of the AICPA Division for CPA Firms (the section). We tested compliance with the Firm's quality control policies and procedures and with the membership requirements of the section to the extent we considered appropriate. These tests included the application of the Firm's policies and procedures on selected accounting and auditing engagements.

In performing our review, we have given consideration to the general characteristics of a system of quality control as described in quality control standards issued by the AICPA. Such a system should be appropriately comprehensive and suitably designed in relation to the firm's organizational structure, its policies, and the nature of its practice. Variance in individual performance can effect the degree of compliance with a firm's prescribed quality control policies and procedures. Therefore, adherence to all policies and procedures in every case may not be possible.

In our opinion, the system of quality control for the accounting and auditing practice of Gibson & Co. in effect for the year ended June 30, 1994, met the objectives of quality control standards established by the AICPA and was being complied with during the year then ended to provide the Firm with reasonable assurance of conforming with professional standards. Also, in our opinion, the Firm was in conformity with the membership requirements of the section in all material respects.

*John Waddell & Co.*