



## ABOUT OUR FIRM

Holmes & Company is an accounting and consulting firm certified as a Minority Business Enterprise (MBE) and a Small Disadvantaged Business Enterprise (SDBE) based in Cherry Hill, New Jersey that provides audit and consulting services for federal, state and local governments, nonprofit organizations, and public and privately-held companies. The firm's management and key personnel have extensive experience with assessing and evaluating the internal control structures at both the private and governmental entities. Charles Holmes, the Managing Partner of Holmes & Company, has a proven record of accomplishment with more than 27 years of experience and has been involved with the Federal Transit Administration's (FTA) Financial Management Oversight (FMO) program since 1992.

Our familiarity with federal, state and municipal government organizations is the foundation of our integrated approach to providing audit, compliance and consulting services. We have built a reputation for working closely with all levels of government and delivering professional services that provide transparency to meet regulatory and reporting requirements.

The firm is a member of the New Jersey Society of Certified Public Accountants, the American Institute of Certified Public Accountants' (AICPA) Government Audit Quality Center, and is licensed and in good standing in New Jersey, Pennsylvania, Washington DC, Illinois, Colorado, and New Mexico and is qualified to practice in all other jurisdictions.

## OUR SERVICES INCLUDE

- Audits of Financial Statements
- Financial, Performance and Compliance Audits
- Program, Grant and Close-out Audits
- Internal Control Reviews
- Monitoring of Construction Contracts
- OMB A-133, *Audits of States, Local Governments and Non-Profit Organizations*
- SSAE No. 16 Reviews (Formerly SAS 70 Reviews)
- Agreed Upon Procedures
- Attestation Engagements
- Financial Reporting and Analysis
- Financial Projections
- Accounting and CFO Outsourcing Services
- Low Income Housing Cost Certification Audits

## OUR PRACTICE AREAS

### Government Entities

Our focus on government entities allows us to provide highly specialized services in this area. We have built a reputation on working closely with all levels of government and delivering professional services that provide transparency to meet regulatory and reporting requirements.

Our staff has performed financial audits, attestation, oversight and consulting engagements for federal, state, and local government agencies, including the US Department of Transportation, Homeland Security, New Jersey Department of Commerce, State of Maryland, South Carolina Department of Transportation, and the City of Philadelphia. Some of our services are provided to State and Local Authorities, Economic Development Authorities, Parking Authorities and Transit Agencies.

### Nonprofit Organizations

Holmes & Company has a wide-ranging knowledge and experience in providing auditing and other services to nonprofit organizations that receive funding from the federal government state and local grants, foundations, individuals and corporations. Our work within the non-profit sector provides board members, donors and other stakeholders with the confidence that financial statements are fairly presented and that internal control issues are properly addressed.

### Private Sector Corporations and Closely Held Businesses

We offer specialized services and expertise to help businesses, company owners, families, and individuals maximize their finances, minimize taxes and risks, and strategically plan for the future. We do so through a comprehensive service offering that reflects professionalism, technical efficiency and human sensitivity.

The success of our clients is due in large part to our expertise and strategic partnership. We've integrated Friedman LLP's services to help our clients grow and protect their assets, comply with applicable tax law and meet regulatory and stakeholder reporting requirements.

## SSAE NO. 16 AUDITS

The firm specializes in SSAE No. 16 audits (formerly SAS 70) for companies and firms that function as service organizations, insofar as providing a service and/or processing function for another company. For example, a company hired by a mortgage company to process the monthly payments of its customers would be considered a service organization.

SSAE No. 16 allows a service auditor to issue two types of reports. In a type 1 report, the service auditor expresses an opinion on whether the description of the controls are fairly presented or whether it describes what actually exist and whether the controls included in the description are suitably designed. In a type 2 report, the service auditor's report contains the same opinions as those in a type 1 report, but also includes an opinion on whether the controls were operating effectively. The type 2 also includes a description of the service auditor's tests of operating effectiveness and the results of those tests so that user auditors who for example audit the service organization can determine how the results of the service auditor's tests affect the entity's financial statement audit.

One of the requirements of SSAE No. 16 is for the service auditor to obtain a written assertion from management of the service organization about the fairness of the presentation of the description of their system and the suitability of the design, and in a type 2 report, the operating effectiveness of the controls. Such assertion will either accompany the auditor's report or be included in the description of the service organization's system.

It should be noted that the use of an SSAE No. 16 report is restricted by the auditor to only the service organization client, user entities and user auditors. Thus, the aforementioned report is not a general use report and should not be used by anyone other than the specified parties named in the restricted use paragraph.

#### Some of the industries we service are:

- Collection Agencies and Collection Services
- Debt Buyers
- Law Firms
- Mortgage Processors
- Credit Unions
- Claims Management

Due to data security and accounting procedural concerns, credit grantors are increasingly requiring that their current and prospective agencies, such as Collection Agencies and Debt Buyers have an SSAE 16 audit. Unlike other CPA firms specializing in SSAE 16 audits, we work with our strategic partner, The Hampton Pryor Group (HPG). HPG exclusively services accounts receivable management organizations and is a leader in helping them attain and maintain this prestigious and necessary certification. We are also able to perform a readiness assessment, which is a necessary component in preparing for the SSAE 16 audit.