

■ WELCOME BACK, LEIGH I. BAKER!



We are pleased to announce that Leigh Baker has returned to Baylis & Company after a time in the not-for-profit world. Leigh holds a Bachelor of Science degree in Accounting from Florida Southern College and an Associate of Arts in Liberal Studies from St. Leo University.

Leigh thoroughly enjoys auditing and her eleven years of experience in public accounting, private industry and not-for-profit organizations serves her (and her clients) well.

Leigh has two sons, one pre-teen and one teen, and she is actively involved in ensuring that both young men do well in school. She also manages to find time to express herself creatively through drawing. Leigh most recently used her creative talents to make all of the floral arrangements for her own wedding. Welcome back, Leigh!

■ COMPILATION, REVIEW, AUDIT OR AGREED UPON PROCEDURE?

Periodic financial reporting is essential for most organizations. Financial reports provide owners, management, lenders, grantors, and other key parties with information used to evaluate performance and make sound decisions. What type of financial reporting does your organization require? Let's take a look at the different services we provide:

COMPILED FINANCIAL STATEMENTS: are the most basic level of financial reporting. Financial statements are prepared using information provided by management and no assurance is expressed that the statements are in conformity with accounting principles generally accepted in the USA. Compilations are useful when in-house resources for statement preparation are limited.

REVIEWED FINANCIAL STATEMENTS: are prepared using information provided by management. In addition, inquiry and analytical procedures are performed to determine if the statements are reasonable. A report is issued which provides "limited assurance" that no material modifications are needed in order to be in conformity with accounting principles generally accepted in the USA. Reviews are often prepared for entities with bank loans, outside investors, creditors or other third parties who do not require audited statements.

AUDITED FINANCIAL STATEMENTS: are prepared using the most comprehensive form of assurance services. All of the steps for both compiled and reviewed statements are done, and additional independent verification and substantiation steps are taken to test the accuracy of the information provided by management. A professional opinion is rendered on the fairness of the financial statement presentation in conformity with accounting principles generally accepted in the USA.

AGREED UPON PROCEDURES (AUP's): can be a cost effective way to examine accounting processes or to review a particular fund or program when a review or full audit is not required. AUP's are also often performed the year before a review or audit is done to determine if systems and processes in place are operating effectively. AUP's are specified in a letter of agreement and a report on the results of the examination is issued, but no opinion or assurance is rendered.

Visit <http://bayliscpas.com/services/audit.php> to learn more about our attestation services.

■ WATCH OUT FOR CRAMMING AND OTHER CHARGES

Most of us receive monthly bills for a variety of services including cell phones and cable, and we are often in the habit of paying those bills without taking time to review the charges. A bit of careful examination can often reveal opportunities for savings. Here are a few areas to watch:

CRAMMING HAPPENS: Cell phone bills have become somewhat like credit cards, with one major exception: you don't have the security of a PIN, signature or password. There are clearing houses which add bogus charges for ringtones, online gambling, games and music to consumers' cell phone bills. This practice, called cramming, happens more often than you think. A few dollars here and there may not seem like much, but it can add up. The FTC is currently looking at ways to curtail cramming, but until that time your best defense is a good offense. Know what you purchase and call your carrier if your bill doesn't look right.

BEWARE OF FREE TRIALS AND TEASER RATES: Both of these lures are used to convince consumers to try out a new cable, internet or phone service. Most times, there's a hefty rate hike at the end of the incentive period. Providers know many of us won't take the time to make a call or send a message to cancel the service once the deal ends. Be proactive and call!

KNOW WHAT YOU NEED: If you have kids or teens in the house, chances are good you need unlimited texting with your cell service. Many plans charge 10 cents per text unless you plan for usage. Learn what cell phone service your family and friends use and follow suit. If you speak with the same people for the majority of your usage, you may be able to choose a lower priced plan that includes your favorites. Experts recommend you choose a plan with 10 – 15% more minutes than you expect to use to avoid high charges for excess minutes.

UNNECESSARY FEES: Cell phone carriers are glad to provide you with equipment protection and roadside assistance. Know the cost of your phone and the actual cost of the coverage including the deductible to determine if equipment protection is needed. Do you have roadside assistance through AAA or your auto insurance or your car dealership or manufacturer? If so, keep that \$5 in your own pocket.

■ CLOSING THOUGHTS

Soon another tax season will come to a close. We looked at lots and lots of quotes about taxes and ultimately decided to share these with you this month:

The taxpayer - that's someone who works for the federal government but doesn't have to take the civil service examination.

~ Ronald Reagan

If you are truly serious about preparing your child for the future, don't teach him to subtract - teach him to deduct.

~ Fran Lebowitz

The only difference between death and taxes is that death doesn't get worse every time Congress meets.

~ Will Rogers

Please visit our website at www.bayliscpas.com

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