

THE ALLIED PERSPECTIVE

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YOUR PARTNER FOR CPA, FINANCIAL & PAYROLL SERVICES



allied financial
partners, inc.



Clockwise From Front to Back: Kitty Bressington, CFP®
Kenneth E. Ingersoll, CPA, and Thomas M. Tette, CPA

*"The mint makes it first, it is
up to you to make it last."*

~Evan Esar

FROM THE PARTNERS

Welcome to the first edition of our newsletter, ***The Allied Perspective***, designed to give our valued clients insights and updates on current financial, accounting and payroll information. Our mission is to provide accurate, timely and affordable accounting, financial and payroll services. We will work to understand each client's challenges and opportunities in order to provide an integrated suite of services. We will strive to make each client's experience with our firm pleasant and productive, and to earn their trust, respect and referrals of friends and colleagues. We are always looking out for your best interest. Our goal with this newsletter is to educate and inform you.

In upcoming editions of our newsletter, you'll find regular highlights and columns but we are always looking for feedback. If you have news, ideas or articles to share please feel free to let us know. Email your thoughts and comments to **Christian Nikodem** at cnikodem@alliedfp.com. We appreciate and value our clients and we look forward to bringing this newsletter to you for years to come.

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THE BLACK BOX

The Keeper of Important Documents

If something happened to me, could my loved ones find all the necessary documents integral to their needs? Much like an airplane's flight and conversation data recorder, also known as the "black box," your black box is a keeper of important documents pertaining to your financial, insurance and life decisions.

Many of us have financial documents scattered throughout our home and office or even in someone else's possession. If you've taken the steps to insure yourself, it's also important to organize your own personal black box so your family has all the necessary information in an organized, easily findable manner.

Your personal black box must be accessible to your personal representative(s) and those personal representatives must know of its location. Here is a checklist for organizing your personal black box:

- Recent personal, investment, bank and business financial statements
- Last Will & Testament
- Recent personal and business income tax returns
- Deferred compensation and business buy-sell agreements
- Passwords for computers, office entrances and other important internet sites and security systems
- Names and contact information of bankers, attorneys, CPA, brokers, investment advisors, insurance and financial advisors, and any other key trusted advisors
- Keys to your office, safety deposit boxes or other business and storage properties
- Life insurance contracts, title to motor vehicles, deeds to real estate and other assets, mortgage documents and Social Security benefits statements
- Instructions with respect to any pre-arranged funeral contracts or other final arrangements

Be sure to keep your black box current to reflect any changes to the information provided.



WEB PORTAL:

Secure Tax Returns Available Online

In today's face-paced electronic society, not everyone likes to keep paper copies of their tax documents. Very often, you can already receive your investment 1099s, your W-2s and your bank statements electronically.

Now you can add your tax returns to that list. Using Allied Financial Partners' "Web Portal" you can receive an electronic version of your annual Tax

Organizer, transmit your tax documents to us, download your completed tax forms, and send us your miscellaneous tax information—all electronically.

Simply log on to **www.alliedfp.com**, go to CLIENT TOOLS and select CLIENT LOGIN, now you will be ready to access the Web Portal and begin to eliminate some of paper forms that accumulate in your files. If you do not already have your login information, please contact us by phone at **585.410.4733** or by email at **info@alliedfp.com**.



EMPLOYEE SPOTLIGHT

Meet Stacy Schmitt, Payroll Specialist



Stacy Schmitt was born in Rochester, and raised in Honeoye, NY. A 1996 graduate of Honeoye Central School, she continued her education to earn an Associates degree at Finger Lakes Community College.

Stacy started her career working as a bookkeeper for a small company in Honeoye, moving to a Rochester-based firm for more experience. Before joining Allied Payroll Services, she worked with the Spelmans Development Co.

Stacy has over ten years experience as a bookkeeper/office manager. Her knowledge base includes processing child support, retirement, tax payments, responding to tax notices, sales tax, accounts payable and receivable, and cash disbursements.

Stacy married in 2006 to her husband Paul, and has two young children, Kevin and Kyle. Stacy remains a Honeoye resident since graduating from Honeoye Central School. Stacy and Paul intend to remain in Honeoye and raise their family there. In Stacy's personal time she enjoys spending time with her family, and other activities such as camping, hunting, fishing and gardening.

TWEAKING YOUR W-4

Many of us find the W-4 worksheet a little confusing. Am I claiming too many exemptions or not enough? Is it better to give Uncle Sam an interest-free loan and get a refund? What if I end up claiming too little and have to pay?

These are all good questions. Ideally, it is recommended that you should claim the number of exemptions that will result in withholding as close to what you owe as possible. Since there are many instances that can change your tax status throughout the year, it is suggested that you review your exemptions once or twice during the year.

We know that the W-4 worksheet can be overwhelming, but it isn't as intimidating as it looks. If you have questions, feel free to give us a call. We can tell you how many allowances you're currently claiming and help answer any questions you might have. Remember, you should always complete a new W-4 and submit it to your employer in any of the following situations:

- **You got a big refund the previous year**
- **You owed over \$100 last year when you filed your tax return**
- **You got married or divorced**
- **You had a child**
- **You can no longer claim a dependent that you claimed last year**

The Money Talk

Whoever said it was painful to talk to you kids about sex apparently has never had "the money talk." Parents are more prepared to talk to their kids about the birds and the bees, according to a survey from ING Direct USA, than about money and finances.

The survey reports that 28 percent are ready to sit down and have "the talk" while only 26 percent are ready to talk about money. In the meantime, 32 percent said they are prepared to talk to their children about drugs and alcohol.





SAFEGUARDING YOUR INVESTMENT IN YOUR BUSINESS

“The market for small businesses has been less than ideal over the past few years. Small business lending peaked in 2008, when depository institutions in the United States held small business loans valued at more than \$711 billion.

From 2008 to 2010, small business lending by depository institutions declined by 8.3 percent to \$652 billion. In 2010 alone, these depository institutions realized a reduction in the small loan portfolio of \$43 billion.

Lenders with \$10 billion or more in assets, which hold about 48 percent of all small business loans, accounted for more than 55 percent of this decline.”

Small Business Research Summary, U.S. Small Business Administration's Office of Advocacy, *Lending by Depository Lenders to Small Business, 2003-2010*, March 2011

Efforts to build a successful business may not always translate to an immediate increase in your personal wealth. External forces may be some of many of reasons for the declining small business market.

Long-term concerns over our national deficit, government expansion and potential tax increases, in addition to an economy that has endured deep recession could mean many businesses are earning less than in past years. Tighter lending standards have reduced the pool of eligible small business buyers. Qualified buyers may be waiting for a stronger economy before they assume the investment.

One way to help safeguard your personal financial situation from the variable small business market is by investing outside your company. Doing so can have some important benefits, such as:

- Your post-business lifestyle wouldn't fully depend on the sales price.
- You might be able to better withstand low-ball offers or a buyer's market.
- It may help manage investment risk.

We understand that it is human nature to want to believe that the hard work and dedication you put into your business will reap rewards. However, there is always a risk that it won't. Call us today to learn more about how we can help insulate your financial future from the risks your business might be facing.

ESTATE PLANNING CHECKLIST

Step 1: Create A Will

People tend to put off any discussions of estate planning or talks of “the end” as it tends to be off-putting. However, those who leave this world without their financial affairs in good order may risk leaving their heirs to deal with expensive headaches linked to probate and ambiguity. Over the next few editions of this newsletter, we will break up the important steps that you should consider when preparing your estate.

Money isn't the only reason for an estate plan. If you own a business, have children or a blended family, have kids or a family member with special needs, worry about dementia or can't stand the thought of probate delays and fees, these are all good reasons to to create and maintain an estate plan.

The first item in estate planning, if you don't already have one, is to draft a will. A solid will drafted under the guidance of an estate planning attorney may cost you more than an online will-in-a-box, but may prove to be some of the best money you ever spend.

A recent survey from Lawyers.com reported that of 1,022 Americans, only 35% of them had wills.