



Experience You Can Trust

Since 1917, we have provided assurance services to clients across all industries. These services account for more than 40 percent of our work, and includes audits, compilations, reviews and financial statement forecasts and projections, as well as assistance in understanding financial statements, conducting internal audits and evaluation and testing of internal controls.

Why do I need assurance services?

Assurance services are necessary to ensure financial statements are accurate, complete, reliable and easy to understand. Whether your business is evaluating a comprehensive financial statement audit, review, compilation or agreed-upon procedures engagement, the professionals at Eide Bailly can assist you. We have the experience and knowledge to help you navigate through your options and recommend the appropriate level of assurance for your organization.

What are the differences between an audit, review and compilation?

An **audit** of financial statements includes examining, on a test basis, evidence that supports the amounts and disclosures in the financial statements. An audit assesses the accounting principles used and significant estimates made by management, as well as evaluates the overall presentation of the financial statements. The objective of an audit is to provide a reasonable basis for expressing an opinion about whether the financial statements, taken as a whole, are presented fairly in all material respects and in conformity with generally accepted accounting principles (GAAP).

A **review** of financial statements includes performing inquiry and analytical procedures. This review provides the accountant with a reasonable basis for expressing limited assurance that there are no material modifications that should be made through the financial statements in order to be in conformity with GAAP.

A **compilation** of financial statements includes presenting, in the form of financial statements, information that is the representation of management (owners) without expressing any assurance on the financial statements.

How does Eide Bailly's staff stay current on new and emerging issues?

At Eide Bailly, we place a strong emphasis on education; we continually evaluate our training needs to develop and deliver quality learning opportunities for our staff based on the needs of our clients. With specialized professional training, our service providers stay up-to-date with industry trends, emerging issues and GAAP rules. Members of our partner group also serve on various AICPA boards and committees.

Why should I choose Eide Bailly?

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We focus on providing value beyond traditional assurance services, and view these services as an opportunity to help you improve profitability, strengthen your business and administrative practices. Clients tell us they appreciate our timeliness, attention to detail, industry expertise and peer-to-peer approach. You can expect regular contact with our experienced partners and staff throughout the process—and throughout the year. We pride ourselves on our accessibility and client contact with frequent phone calls, e-mails and meetings to discuss what is going on in your organization.



Experience the Eide Bailly Difference

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Different Types of Assurance

The differences between an audit, review and compilation are depicted in the chart below. Your Eide Bailly professional can help you determine what type of assurance is best for your organization.

Comparative Snapshot

	Compilation	Review	Audit
Level of assurance obtained by the accountant/auditor that the financial statements are not materially misstated	Accountant does not obtain or provide any assurance that there are no material modifications that should be made to the financial statements	Accountant obtains limited assurance that there are no material modifications that should be made to the financial statements	The auditor obtains a high, but not absolute, level of assurance about whether the financial statements are free of material misstatement
Objective	To assist management in presenting financial information in the form of financial statements without undertaking to provide any assurance that there are no material modifications that should be made to the financial statements	To obtain limited assurance that there are no material modifications that should be made to the financial statements	To obtain a high level of assurance about whether the financial statements as a whole are free of material misstatement thereby enabling the auditor to express an opinion on whether the financial statements are presented fairly, in all material respects
Assurance provided to the user of the financial statements	None – the report states that no assurance is provided	None – the report provides a statement that the accountant is not aware of any material modifications that should be made to the financial statements	None – the auditor provides an opinion as to whether the financial statements present fairly, in all material respects, the company's financial position, results of operations and cash flows
The accountant is required to obtain an understanding of the entity's internal control and assess fraud risk			✓
The accountant is required to perform inquiry and analytical procedures		✓	✓
The accountant is required to perform verification and substantiation procedures			✓
Situations requiring different levels of service	Generally appropriate for privately held companies and are often prepared for simple situations (i.e., a lender needs GAAP financial statements instead of the statements the internal accounting system produces or the lender needs the comfort provided by knowing that an accountant read the financial statements)	Often prepared for privately held companies because of requirements of outside third parties (such as banks, creditors and potential purchasers) that are looking for comfort that the financial statements are not materially misstated	Often prepared for companies because outside third parties (such as banks, creditors, potential purchasers and outside investors) require an auditor's opinion on the financial statements

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