



ELK POINT

APRIL 2015 NEWSLETTER

Have you turned in your doc's yet?

It is now April which means unless our office has received your documents we will be in contact with you to file extensions for any returns that will not go out by April 15th.

Office Closure Notice

As we do each and every year our office will be closed the Friday following the April 15th filing deadline. Therefore, our office will be closed on Friday, April 17th.

Stiff Fines for Late Filings

The IRS is hitting S Corporations with stiff fines for failing to file on time. The fee is now \$195 for each month the company return is late, up to a 12 months maximum. This is multiplied by the number of shareholders in the firm. Do not let this penalty hit your business.

Have You Reviewed Your Vendors Lately?

We have recently seen a large increase in the number of fraudulent vendors a company may think they are doing business with. A few quick tips to protect your business include checking to see if the vendor is legitimate and who owns it. Does the vendor address match one of your employees? Internal Controls are very important in preventing this type of fraud. For more information please contact our offices.

Crowdfunding or Crowd-Frauding?

Another area where fraud is running rampant is in the Crowdfunding arena. If you are not familiar with Crowdfunding a "start-up" business will often look for "investors" to contribute financially to the company with the hope of a large percentage return on investment. Leslie Parker, CPA, CFE wrote a terrific article in the March /April 2015 issue of Fraud Magazine detailing this fraud scenario.

There are already numerous cases out there such as Kreyos Smartwatch, Magnus Fun Kobe Beef Jerky and Asylum/Altius Management Trading Cards.

Pay attention to the sources of raised funds. If they are raising money without a lot of publicity, chances are the company is fraudulent.

Research pays dividends. Verify they are legitimate. Check the Secretary of State website to see if they are registered in their home state, or check the Better Business Bureau.

Compare their funding goals and pricing to similar funding campaigns. If something seems off, it probably is.

The SEC is working on guidelines for Crowdfunding campaigns. In many States the Attorney Generals office is busy prosecuting fraudulent start-ups. Kickstarter even hired a private investigation firm to verify the validity of funding campaigns.

Research Wins Cases

Many attorney's and businesses will hire outside experts to help present information to a Judge or Jury to help their client win cases in court. Some of these experts have extensive experience in their field and will provide opinions based upon questions and scenarios presented by the attorney. However, very few of these experts have a true research professional at their fingertips to do the dirty work of providing true data analysis that can contradict other experts and win cases for their clients.

We have a wide array of tools available that can take data and present in such a way that attorney's can easily take into the courtroom or mediation when negotiating settlements for their clients. This data eliminates the need for over-priced so called experts, as it often will refute or validate what it is they are being paid to testify about.

Not only is this data useful in litigation support, it can also be used to measure performance of your businesses finances, employee performance, marketing ROI or any other metric that is important to the function of your company.

Business owners cannot continue to bury their heads in the sand and expect success to find them. Data Analysis provides easy to use tools and information to ensure the performance of your business.