

# SANDERFORD & ASSOCIATES, P.A.

Certified Public Accountants

Certified Fraud Examiners

## Forensic Accounting & Loss Measurement Consulting

### OUR FIRM

Sanderford & Associates, P.A. is celebrating fourteen years of doing business in the Tampa Bay area. Our forensic accounting practice is limited to the insurance industry including but not limited to the verification of insurance claims, loss measurement calculations and expert testimony. Additional information is available at [www.sanderfordcpa.com](http://www.sanderfordcpa.com)

### INTRODUCTION

Most of us do not need to be reminded how important it is to maintain backups now that hurricane season is in full swing and we live in Florida. Our past newsletters can be viewed or downloaded at [www.sanderfordcpa.com](http://www.sanderfordcpa.com).

### BUSINESS INFORMATION

It is always a good idea to have backups. How many times have we heard from the insured stating that they do not maintain backups or that the backup was beside the computer and both were destroyed by fire. Backups come in many forms, flash drives, external hard drives, cds / dvds, tape and offsite storage. One should keep at least one backup copy at another location (offsite). Many high speed internet providers offer offsite storage usually for a fee. With portable scanners it has become easier to create, maintain and transport these backups. Businesses should backup records such as but not limited to the following for at least three years:

- Federal Income Tax Returns
- State Income Tax Returns
- Tangible Tax Returns
- Intangible Tax Returns
- Quarterly Payroll Tax Returns form 941
- Quarterly State Unemployment Returns Florida form UCT-6
- Year Ended Payroll Tax Returns form 940

- Current and Year to Date Payroll Journals
- Employees W-2's and Contract Labor 1099's
- Year Ended Statements of Income (Profit or Loss Statements)
- Monthly Statements of Income (Profit or Loss Statements)
- Year to Date Statement of Income (Profit or Loss Statement)
- Year Ended Balance Sheets
- Year Ended Statements of Cash Flow
- Depreciation Schedules and Asset Listing
- Perpetual Inventory Records
- Copies of the last Physical Inventory Count
- Detail Accounts Receivable Ledger
- Detail Accounts Payable Ledger
- Bank Statements and Bank Reconciliations
- Year Ended and Year to Date General Ledgers
- Personnel Files
- Business License and Professional License
- Insurance Policies, Commercial Auto, Business Policy, Professional Liability Policy, etc.

These type records would allow the business to become operational faster and have less stress on the owners in the event of a disaster. Also this documentation is useful for documenting insurance claims. **The above list of documents is not intended to be all-inclusive.**

## **PERSONAL INFORMATION**

Personal information also needs to be backed up as personal information can have more value to us than business documents. Pictures and family photos once destroyed cannot be replaced. Digital photos are easy to backup. Scanning hard copies of older photos depending on the volume can be a time consuming task but only has to be done one time. In addition to pictures and family photos one should consider having a backup for the following types of personal information.

- Home Owner's Insurance Policy, Auto Insurance Policy, Life Insurance Policies, Disability Insurance Policy, Health Insurance, etc.
- Personal Federal Income Tax Returns
- Bank Statements
- Family Photos
- Inventory of Personal Assets
- Photos of Personal Assets
- Copies of Credit Card Statements
- Last Will and Testament
- Living Will
- List of Investments
- Statement copies of IRAs, 401Ks, Pensions
- Medical Records

- Mortgage Statement and Warranty Deed
- Other Important Records

The above list of records and documents is not intended to be all-inclusive.

## **OUR FORENSIC SERVICES**

### **Business Income Loss**

- Net Income or (Loss) & Continuing Expenses
- Gross Earnings less Noncontinuing Expenses
- Loss of Rental Income
- Extra Expense Verification
- Coinsurance Analysis

### **Property Damage**

- Business Personal Property

### **Inventory / Stock Loss**

- Out of Sight Inventory Measurements
- Price Testing Verification & Obsolescence Analysis
- Physical Inventory Counts
- Automatic Seasonal Increase Analysis

### **Employee Dishonesty**

### **Litigation Consulting**

### **Expert Testimony**

### **Business Valuation**

### **Fraud / Arson**

- Financial Motive Analysis
- Arson for Profit Analysis
- Concealment Analysis
- Financial Condition Analysis