
From: Richard Kahn - [REDACTED]
Sent: Wednesday, May 2, 2018 7:49 PM
To: jeffrey E.
Subject: Next - Other notes

- 1) Millie is in over her head and a terrible leader whose books are a mess..
- 2) Outstanding checks totaling 904,024 that may have to be reissued
(137,557 of this total is from a bank account that is closed)
- 3) Accounts payable has many debit balances which are really accounts receivable from models that will never be collected
- 4) Accounts receivable overstated by 50,000 (a lot larger than 250,000 allowance on books)
- 5) Books have a federal tax payable number of 721,662 which will not be paid..and poses other issues..
- 6) Sage software used by bookers does not talk to accounting department
- 7) Accounting department has employees that have worked 25-30 years that earn between 44,000 - 55,000
employees are hired from craigs list and agencies in Chinatown
-> average employee salary is 0,000 and millie makes 10-15x that
-> amount...
- 8) London bills paid from NYC
- 9) Next sends 75-100 wires per week - extremely inefficient
- 10) Money in foreign entities has not been taxed in US and will be taxed when distributed making UK & Italy (8.6mm)
cash seamless..

Richard Kahn
HBRK Associates Inc.

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