

# THE JOLLY RODGER GROUP



## **Some Suggested Indicators to POS manipulation, ESS and tax evasion:**

1. Point of Sale terminal till open whilst transaction is being processed/cash received without closing
2. Small white paper slip, not electronic
3. No tax number or tax number on electronic invoice generated
4. Till is not connected to PO system although electronic
5. Discounts for cash offered
6. VAT(GST) is not indicated on items on shelves, products or advertising
7. Sales prices is 14% to 30% below general market price
8. Accounting records reflect large round amount deposits, no VAT fraction
9. Negative GP margins or margins below 4%
10. Inconsistent customer rebates – below 6%
11. No creditors reconciliations – no agreements or legal documents to rebates and commissions agreements with suppliers
12. No or limited documentary proof to alleged direct or indirect exports
13. Large loans to directors, shareholders and connected companies etc.
14. Consistent VAT refunds whilst business is not turning profit for 3 years
15. No periodic or annual stock takes
16. Accounting records are stored off-site and never available – ONLY System Reports are available. Raw data can never be accessed or provided
17. Point of Sale software is custom made and nobody else has such a system
18. Large number of sales after hours
19. Large number of clients are street vendors or hawkers
20. Security at exit is tight – however separate exit/entrance exists for certain customers