

Welcome to the Summer edition of our Inside Swenson newsletter. We are pleased to provide you with the latest news and update you on some of the exciting happenings at Swenson.

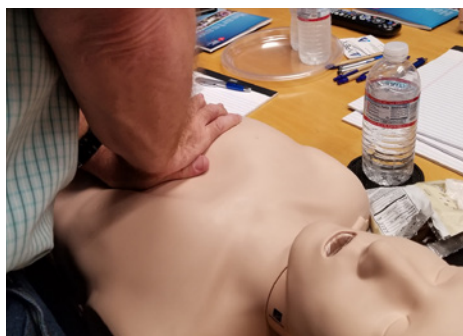
SWENSON'S HEALTH & WELLNESS PROGRAM

The health and well-being of our employees are of primary concern to us at Swenson. With the goal of helping our employees stay healthy, we have begun CPR/AED certification training and a Health & Wellness Program. Initially focusing on heart health, the program includes a series of monthly virtual sessions on the following topics:

- Cornerstones of Heart Health
- Nutrition and the Heart
- Physical Activity and the Heart
- Lifestyle Modifications for Heart Health
- Assessments for Monitoring Heart Health



CPR/AED Training



Swenson's San Diego and Murrieta offices now have onsite automated electronic defibrillators (AEDs). With the recommendation of Stephanie Austin Gonzalez, RN, CPA, Saul Saavedra, Director of Apex Medical Training, gave instruction in AED usage and provided CPR training and certification to ten participants in our San Diego office in July. The Murrieta office will receive training in September.

SWENSON'S HEALTH & WELLNESS PROGRAM, CONT.

Heart Health Virtual Sessions



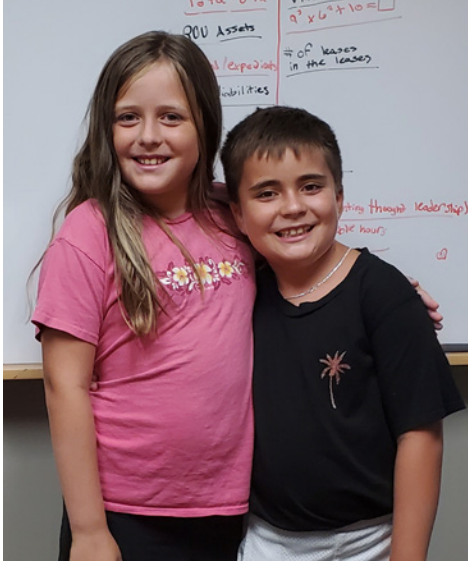
Krista Austin, PhD is leading our offices in the virtual sessions designed to address heart health. Krista is a sport scientist currently serving as an industry consultant and performance specialist for professional and Olympic sport athletes. She has worked for the United States Olympic Committee, the English Institute of Sport, England's Cricket team and multiple national governing bodies of sport including USA Wrestling, USA Taekwondo, USA Weightlifting and USA Triathlon.

EVERYTHING YOU'VE ALWAYS WANTED TO KNOW ABOUT STEVE AUSTIN

Steve Austin, an alumnus of Bob Jones University in Greenville, SC, was the subject of its July 6th "Alumni Spotlight." Steve's story begins with his childhood in rural Indiana and continues through his academic and business careers to his present role as Managing Partner of Swenson Advisors. Steve generously shares the lessons learned over the years, his work ethics and secrets to success, and his philosophy of life.

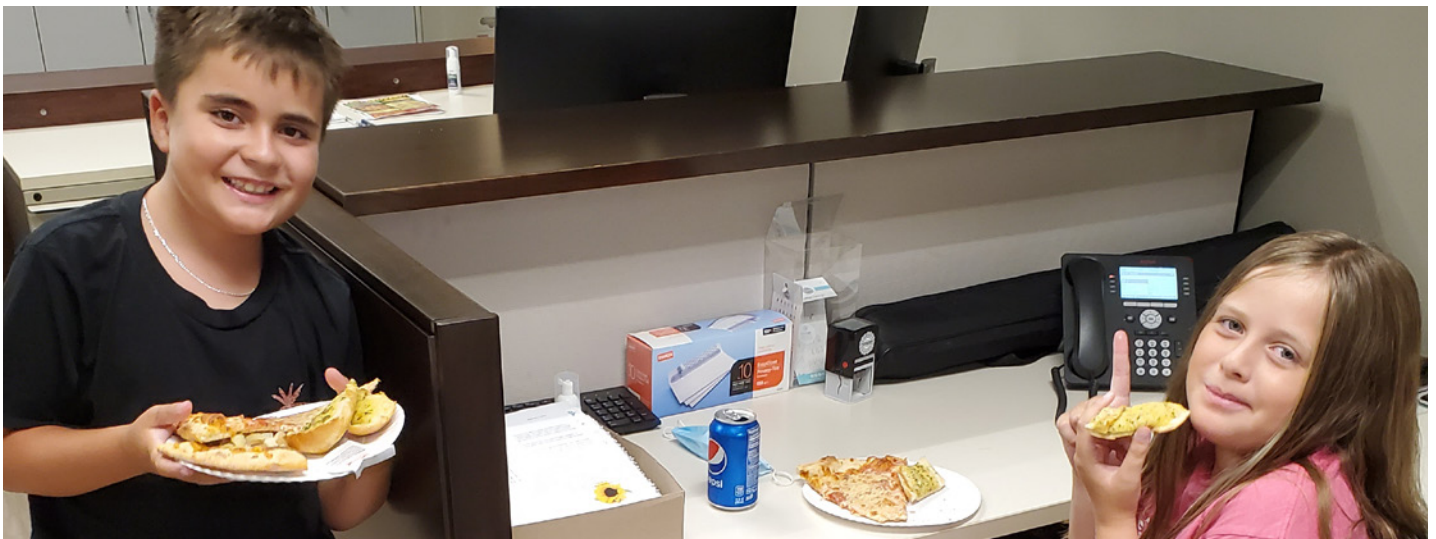


MEET OUR SUMMER INTERNS



The firm was blessed with two summer interns this year. They are a bit young but said they would work for pizza (and minimum wages). Anastasia and Raul Gonzalez are the twins of our partner, Stephanie Austin Gonzalez. These 4th graders helped around the office under the supervision of Anita Clavin on assembly of firm materials, ordering lunch, and teaching us how to think like 4th graders. Their math, reading and language skills are amazing to all of us . . . and, of course, they can solve most IT and smartphone issues in the office.

We wish Raul and Annie well in the coming school year and hope they come back next year!



UNDERSTANDING THE WIRECARD COLLAPSE

(AND HOW FRAUD IS STILL ALIVE AND WELL ON PLANET EARTH)

Beginnings and Growth

Wirecard, a financial technology (fintech) company, was founded in 1999 with headquarters near Munich, Germany. Its products and services included electronic payment processing, banking, card issuance, mobile payments and risk management. Markus Braun, a former consultant for KPMG, was hired by Wirecard in 2002 as Chief Executive Officer and Chief Technology Officer. Under Braun's leadership, Wirecard grew rapidly into a global company with subsidiaries in the U.S., UK, Ireland, Australia, India, South Africa, Brazil, New Zealand, Singapore, Hong Kong, the United Arab Emirates Kingdom, among others.

In 2018, the company had 6,000 employees in 26 countries and reported revenues of over \$2.2 billion. Wirecard was listed on Germany's prestigious DAX stock index among the country's 30 top-listed companies with a market valuation of \$28 billion. Its stock price reached \$213 per share in September 2018. **Wirecard moved into banking in 2007** by purchasing XCOM Bank AG, allowing it to issue credit and debit cards through licensing agreements with both Visa and Mastercard.

Downfall

Accounting malpractices had been alleged since the company's beginnings and reached a peak in 2019, when the Financial Times published a series of investigations. There were whistleblower complaints as well, and a number of hedge funds began aggressively selling short. Accounts in Philippine banks, reported by Wirecard to be valued at more than \$2 billion, were fraudulent. The banks confirmed that the accounts were nonexistent and that they never received any funds from the company.

Markus Braun resigned from the company on June 19, 2020. He was arrested on June 22 on charges of accounting fraud and marketing manipulation and released on bail of \$5.63 million, quickly going from billionaire to bail. A warrant was issued for the arrest of Wirecard's former second-in-command, Chief Operating Officer, Jan Marsalek, who went missing and whose whereabouts are still unknown.

On June 25, 2020, Wirecard filed for insolvency, and the company is expected to be dismantled and subsidiaries sold off.

The reasons for Wirecard's collapse include:

- Accounting Irregularities
- Obscure Acquisitions and Corporate Structure
- Artificial Inflation of Profits
- Auditing and Regulatory Failures
- Transactions Originating from Third-Party Administrators (TPAs)

PAYCHECK PROTECTION PROGRAM

SwenAssurePPP Update

The purpose of the Paycheck Protection Program is to provide economic relief to small businesses and certain other entities that have been adversely impacted by the COVID-19 Pandemic. Since its inception, there have been a number of revisions to the program affecting the application process, loan term and forgiveness. **SwenAssurePPP** was developed to help our clients manage the process and understand its complexities and keep them apprised of changes to the program. The following is our latest update.

View this update online at
SwensonAdvisors.com

SWEN AssurePPP

JULY 15, 2020 UPDATE

The Small Business Administration has issued further guidance since the Paycheck Protection Flexibility Act was signed into law on June 5, 2020. Highlights since our July 1st update are as follows:

- **SBA announced the Paycheck Protection Program has resumed accepting applications.** The new deadline for loans is August 8, 2020.
- **Many lenders are not ready to process forgiveness applications** while developing technology tools for a more efficient process. Until the SBA and Treasury issue final guidance those tools will not be finalized to accept applications. Timing remains uncertain.
- **As of 7/10/2020**, approximately \$132.2 billion of funding remains.
- **Forgiveness is not guaranteed** must ultimately be approved by the Small Business Administration.
- **SBA released loan data on all outstanding PPP loans** including business names, addresses, NAICS codes, zip codes, business type, demographic data, non-profit information, name of lender, jobs supported and loan amount by range. Business names and addresses were not released for loans under \$150,000.

WE CAN
HELP...

SWENSON
ADVISORS
CERTIFIED PUBLIC ACCOUNTANTS

For more information on how we can help, **CONTACT US TODAY!**
Email: Jim.LoPresti@SwensonAdvisors.com | Phone: 800-783-3289, Ext. 223
Visit: www.SwensonAdvisors.com

CLIENT SPOTLIGHT:

San Diego Rescue Mission and CEO Donnie Dee



Swenson Advisors is honored to be associated with San Diego Rescue Mission, whose work as a non-profit homeless shelter and recovery center has been serving thousands of homeless, hungry, and poor men, women, and children in San Diego since 1955... **One life at a time.**

Vision To see God transform the lives of those experiencing homelessness, impacting San Diego one life at a time.

Mission To lovingly address the needs of men, women and children experiencing homelessness by sharing the Good News of Salvation and providing a holistic approach to rehabilitation and recovery.

Values Faith, Integrity, Compassion, and Excellence.

“Our common denominator is homelessness.”
– Donnie Dee

Donnie Dee is a former American football tight end. He played for the Indianapolis Colts from 1988 to 1989 and for the Seattle Seahawks in 1989. His career in football ended with an injury, and at the age of 26 he became Director in the State of Colorado of the Fellowship of Christian Athletes (FCA), an international non-profit Christian sports ministry. In 2011, Donnie was promoted to COO of the FCA. At the urging of a friend, he interviewed for and was hired as of President and CEO of the San Diego Rescue Mission in 2017 and became part of the organization’s goal to solve the problem of homelessness.



Donnie Dee
President & CEO

The story of Donnie’s journey from the gridiron to the San Diego Rescue Mission was featured in a recent issue of **Discover Magazine**.

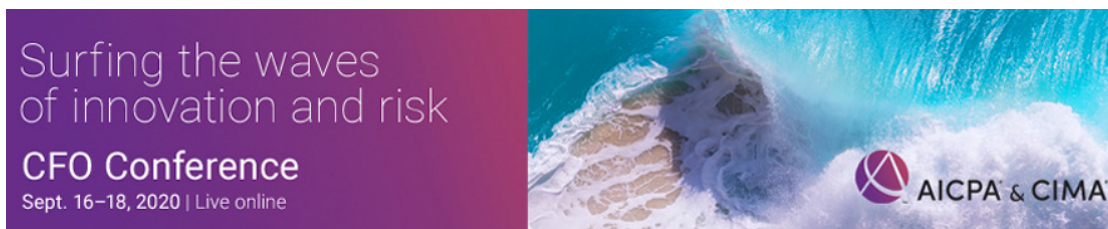
WELCOME JOSHUA PEASE, CPA TO THE SWENSON TEAM



We are very pleased to welcome Joshua Pease to Swenson Advisors as Audit Associate. Joshua's previous experience includes that of Staff Accountant for the public accounting firm JHS CPAs and Accounting Tax Intern for Pease Tax & Accounting Services. He has expertise in assurance, financial planning and statement preparation, internal control testing and tax return preparation.

Joshua received his Bachelor of Science degree from California State University, Chico, where he majored in Business Administration with an emphasis on Accounting. He is a CPA in the State of California.

AICPA & CIMA CFO VIRTUAL CONFERENCE: September 16-18, 2020



AICPA's 2020 CFO Conference will focus on providing insights on "the profound changes shaping the world today, insights into what tomorrow will hold and how you can respond as a leader, with better, more strategic decisions."

Steve Austin, CPA, Swenson Advisors' Managing Partner, will be a presenter on Thursday, September 17 from 11:25am – 12:40pm PDT (2:25-3:40pm EDT). His **Accounting Update** will focus on recently issued FASB pronouncements, including lessons learned on Topic 606 (revenue recognition) and Topic 842 (lease accounting including its delayed effective date for certain entities). Participants will be eligible for 1.5 CPE credits.



FOUNDATION UPDATE



Swenson Children's Foundation – Supporting the Community during Covid-19

Now, more than ever, our community is in need of support. You can help the Foundation in its efforts to provide much-needed assistance to local charities at this critical time.

Announcing the Swenson Children's Foundation 3-Month Giving Challenge

We invite you to join Swenson Children's Foundation in supporting local San Diego charities during the 3-month campaign. Each month will focus on a specific group.

- **August:** [Restored Church Children's Ministry in South Bay](#)
- **September:** [Fallbrook Food Pantry](#)
- **October:** [La Mirada Elementary School](#)

Visit **[SwensonChildrensFoundation.org](https://www.SwensonChildrensFoundation.org)** to learn more about our 3 Month Giving Challenge.

Other Organizations the Foundation Assists:

- [San Diego Rescue Mission](#)
- [Faith Community Church](#)
- [Bob Jones University](#)
- [Summit Ministries](#)

The Foundation's Upcoming Events:

- September 18, 2020 – “SvenDay Outreach” – Onsite volunteer day at the [Fallbrook Food Pantry](#)
- 2020-2021 – Annual RUSH Cycle Charity Ride – Date – TBD