DEEPWATER HORIZON
CLAIMS CENTER
ECONOMIC & PROPERTY DAMAGE CLAIMS

APPEAL PANEL DECISION FORM

I. CLAIMANT AND CLAIM INFORMATION

Claimant Name	Last/Name of Business [redacted]	First	Middle
Claimant ID	[redacted]	**Claim ID**	[redacted]
Claim Type	Business Economic Loss		
Law Firm	[redacted]		

II. DECISION

Select the Compensation Amount set forth in either BP's Final Proposal or the Claimant's Final Proposal as the final outcome on the claim and check the appropriate box to signify your decision.

☐ **BP's Final Proposal**	**Compensation Amount**	**$13,386**
	Risk Transfer Premium	**.25**
	Prior Payment Offset	**$0**
☐ **Claimant's Final Proposal**	**Compensation Amount**	**$240,437.15**
	Risk Transfer Premium	**.25**
	Prior Payment Offset	**$0**
☒ **Remand to Claims Administrator**		

III. PRIMARY BASIS FOR PANELIST DECISION

Please select the primary basis for your decision. You may also write a comment describing the basis for your decision.

☒ **Error in documentation review.**

☐ **Error in calculation.**

☐ **Error in RTP multiplier.**

☐ **Error in Prior Spill-Related Payment Amount.**

☐ **No error.**

Comment *(optional)*:

BP appeals a $240,437.15 pre-RTP BEL to a [redacted] commercial contractor on a single preserved basis. Therein, it asserts the failure of the Program accountants to sufficiently follow up on a large discrepancy between Claimant's 2008 financials and its corresponding tax return. The former reflect revenue of $1,372,321.00 in revenues, whereas the latter show revenues of $688,071.00. The record reflects that the vendors did inquire about this discrepancy from Claimants, their answer being that the tax returns were prepared on a cash basis whereas the P&L's were on an accrual basis. BP avers that this response was insufficient, and that the accountants should have requested a true reconciliation. Surprisingly, considering the size of this award, Claimants appeared pro se and filed no opposing memorandum. This panelist requested a Summary of Review specifically inquiring as to how or if the Program vendors reconciled the aforementioned discrepancy of 2008 revenues. In a prompt and brief reply, the Administrator's vendors responded that they reached out to the Claimant and were informed that the variance stemmed from only paying taxes on money collected by them, and that once the jobs stopped in the summer of 2010 through 2011, the book to tax variance was not as large due to the lack of new jobs and the decrease in the number of jobs. There were fewer jobs , so the job was performed and the money was collected in the same taxable year. The conversion from accrual P&Ls to cash tax returns was made by adjusting the year-end accounts receivable to sales in order for the company to pay tax on the money collected. The vendors deemed this explanation sufficient. As pointed out by BP, in contrast to 2008, Claimant's 2011 financials and tax returns, as one example, matched to the dollar. This panelist is well aware of the broad discretion granted the Program accountants in making judgment calls under Policy 495. After further review, however, and with some hesitation, this panelist feels that the explanation provided by Claimant was somewhat superficial, and feels compelled to remand this matter for further analysis and a genuine reconciliation of the 2008 financials by the Program vendors.