

Wright Ford Young & Co.
16140 Sand Canyon Ave
Irvine, CA 92618
Telephone: (949) 910-2727
www.cpa-wfy.com
tstephens@cpa-wfy.com
Tax Accountant to the Debtor

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
: In re: : Chapter 11
: :
: AIRFASTTICKETS, INC., : Case No. 15-11951 (SHL)
: :
: Debtor. :
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**APPLICATION OF WRIGHT FORD YOUNG & CO.,
AS TAX ACCOUNTANT TO THE DEBTOR, FOR
FINAL ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR TAX RETURN PREPARATION SERVICES RENDERED
DURING THE PERIOD FROM FEBRUARY 16, 2016 THROUGH JULY 31, 2016**

Name of Applicant: WRIGHT FORD YOUNG & CO.
Authorized to Provide Professional Services to: Debtor and Debtor-in-Possession
Date of Retention: March 30, 2016 (nunc pro tunc to February 16, 2016)
Period for which Compensation and Reimbursement are sought: February 16, 2016 through July 31, 2016
Amount of Compensation sought as actual, reasonable, and necessary: \$12,531.00¹
Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$400.00

This is a(n): monthly interim final application

¹ As described in its First Interim Fee Application [Docket No. 192], WFY’s fees for the Compensation Period were \$14,631.00. To resolve informal objections raised by the United States Trustee in connection with its First Interim Fee Application, FWY&C agreed to voluntarily reduce the amount of fees requested in this Application by \$2,100.00, as reflected in the Court’s Second Interim Fee Order [Docket No. 230].

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Wright Ford Young & Company (“WFY” or the “Firm”), tax accountant for AirfastTickets, Inc., Debtor and Debtor in Possession (the “Debtor”), hereby submits its application (the “Application”) pursuant to (i) sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), (ii) Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (iii) the *Amended Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 95] (the “Compensation Order”), for final allowance of compensation for services rendered in the aggregate amount of \$12,531.00¹ and for reimbursement of actual and necessary expenses

¹ As described in its First Interim Fee Application [Docket No. 192], WFY’s fees for the Compensation Period were \$14,631.00. To resolve informal objections raised by the United States Trustee in connection with its First Interim Fee Application, FWY&C agreed to voluntarily reduce the amount of fees requested in this Application by \$2,100.00, as reflected in the Court’s Second Interim Fee Order [Docket No. 230].

incurred by WFY in connection therewith in the amount of \$400.00 for the period from February 16, 2016 through July 31, 2016 (the “Compensation Period”). In support of this Application, WFY respectfully represents as follows:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

2. By this Application, WFY seeks (i) final allowance and award of compensation for the professional services rendered by WFY as tax accountants during the Compensation Period in the amount of \$12,531.00², representing 48.65 hours of professional services; and (ii) reimbursement of actual and necessary expenses of \$400.00 incurred by WFY during the Compensation Period.

3. As stated in the Declaration of Timothy Stephens (the “Stephens Declaration”), annexed hereto as **Exhibit A**, all services for which compensation is requested by WFY were performed for, on behalf and at the request of, the Debtor.

4. WFY has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application for the Compensation Period, except from the Debtor. There is no agreement or understanding between WFY and any other person or party for the sharing of compensation to be received for services rendered in this case except as authorized pursuant to the Bankruptcy Code, Bankruptcy Rules and Local Rules.

² As described in its First Interim Fee Application [Docket No. 192], WFY’s fees for the Compensation Period were \$14,631.00. To resolve informal objections raised by the United States Trustee in connection with its First Interim Fee Application, FWY&C agreed to voluntarily reduce the amount of fees requested in this Application by \$2,100.00, as reflected in the Court’s Second Interim Fee Order [Docket No. 230].

SUMMARY OF SERVICES RENDERED

5. This Application provides a brief summary of the services rendered by WFY on behalf of the Debtor during the Compensation Period by category. While it is not possible or practical to describe each and every activity undertaken by WFY, WFY has maintained contemporaneous time records, which include a detailed chronology of the daily services rendered describing the precise nature of the work, the specific tasks performed, and the time expended by each professional and paraprofessional. A copy of the time records for the Compensation Period is annexed hereto as **Exhibit B**.

6. To the best of WFY’s knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York Bankruptcy Cases effective February 5, 2013 [SDNY Administrative Order M-447], and the Compensation Order.

7. Below is a chart that summarizes all time and corresponding fees incurred by WFY during this Compensation Period. The category is described in further detail below:

	Total Hours	Total Fees	Blended Hourly Rate
Income Tax Return Preparation	48.65	\$ 14,631.00	\$ 300.74

8. The Firm has been retained by the Debtor to prepare its federal, state and municipalities’ income tax returns for 2014 and 2015 tax years. The tax returns for each of these years have been prepared by WFY and delivered to the Debtor, and the Debtor has filed the returns with the respective agencies.

9. Below is a summary of the fees incurred by each professional of the Firm:

PROFESSIONALS	POSITION	HOURS	RATE	TOTAL
Timothy Stephens	Sr. Tax Partner	29.75	\$375 to \$400	\$11,700.00
Nicole Wiriadi	Sr. Associate	18.5	\$150 to	\$2,887.00

PROFESSIONALS	POSITION	HOURS	RATE	TOTAL
			\$170	
Vonne Working	Staff Accountant	0.4	\$110	\$ 44.00
TOTAL:		48.65		\$14,631.00

STATUTORY BASIS FOR COMPENSATION

10. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code, as supplemented by Bankruptcy Rule 2016. WFY seeks compensation for actual, necessary professional services rendered and reimbursement of reasonable expenses incurred on behalf of the Debtor during the Compensation Period.

11. Section 331 of the Bankruptcy Code permits professionals employed by the Bankruptcy Court to apply for interim compensation under the standards set forth in section 330. Section 330(a)(1) of the Bankruptcy Code allows for the following: “(A) reasonable compensation for actual, necessary services rendered by . . . [an] attorney and by any paraprofessional person employed by such [attorney]; and (B) reimbursement for actual, necessary expenses.”

12. Section 330(a)(3)(A) of the Bankruptcy Code provides that,

[i]n determining the amount of reasonable compensation to be awarded . . . the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including (A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under [Title 11]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue or task addressed . . . and (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title [11].

11 U.S.C. § 330(a)(3).

13. Congress intended that bankruptcy attorneys and other professionals retained by the estate be compensated at the market rate for comparable services in non-bankruptcy cases. *See In re Ames Dep't Stores, Inc.*, 76 F.3d 66, 71 (2d Cir. 1996) (citing *In re UNR Indus., Inc.*, 986 F.2d 207, 208–09 (7th Cir. 1993)); see also *In re Drexel Burnham Lambert Group, Inc.*, 133 B.R. 13, 21–22 (Bankr. S.D.N.Y. 1991) (Conrad, J.). The policy of section 330 is to ensure that qualified professionals will “not be deterred from taking bankruptcy cases due to a failure to pay adequate compensation.” *Ames Dep't Stores*, 76 F.3d at 72 (citing *UNR Indus.*, 986 F.2d at 210).

14. As demonstrated in WFY's time records for the Compensation Period, the services were performed efficiently and effectively and were done at the request of the Debtor in furtherance of the fiduciary obligations or statutory duties of the Debtor and were necessary and beneficial to the Debtor and the Debtor's bankruptcy estate.

ACTUAL AND NECESSARY EXPENSES

15. During the Compensation Period, WFY incurred \$400.00 in expenses on behalf of the Debtor. These expenses consist of the per usage software costs incurred by the Firm as charged by the various states and municipalities for which the Debtor was required to prepare and file tax returns.

16. WFY believes that the foregoing rates for the services rendered are very competitive as compared to other Certified Public Accounting firms for such similar services rendered to the Debtor. Notably, the Firm initially provided the Debtor with a fee estimate of \$15,500.00 and is now requesting fees in the amount of \$12,531.00³.

³ As described in its First Interim Fee Application Docket No. 192], WFY's fees for the Compensation Period were \$14,631.00, however, to resolve informal objections raised by the United States Trustee in connection with its First Interim Fee Application, FWY&C agreed to voluntarily reduce the amount of fees requested in this Application by \$2,100.00.

CONCLUSION

WHEREFORE, WFY respectfully requests that the Court approve, on a final basis, the allowance of \$12,531.00⁴ for compensation for professional services rendered to the Debtor and \$400.00 of costs incurred during the Compensation Period.

Dated: December 22, 2016
Irvine, CA

WRIGHT FORD YOUNG & CO.



Timothy Stephens, Partner

Tax Accountant to the Debtor

⁴ As described in its First Interim Fee Application [Docket No. 192], WFY's fees for the Compensation Period were \$14,631.00. To resolve informal objections raised by the United States Trustee in connection with its First Interim Fee Application, FWY&C agreed to voluntarily reduce the amount of fees requested in this Application by \$2,100.00, as reflected in the Court's Second Interim Fee Order [Docket No. 230].

EXHIBIT A

STEPHENS DECLARATION

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Tax Accountant to the Debtor

UNITED STATES BANKRUPTCY COURT
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In re:	:	Chapter 11
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AIRFASTTICKETS, INC.,	:	Case No. 15-11951 (SHL)
	:	
Debtor.	:	
-----X		

**DECLARATION OF TIMOTHY STEPHENS IN SUPPORT OF
APPLICATION OF WRIGHT FORD YOUNG & CO.,
AS TAX ACCOUNTANT TO THE DEBTOR, FOR
FINAL ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR TAX RETURN PREPARATION SERVICES RENDERED
DURING THE PERIOD FROM FEBRUARY 16, 2016 THROUGH JULY 31, 2016**

I, Timothy Stephens, declare under penalty of perjury:

1. I am a partner with the firm of Wright Ford Young & Co.
2. I have read the *Application of Wright Ford Young & Co., as Tax Accountant for the Debtor, for Final Allowance of Compensation and Reimbursement of Expenses for Services Rendered During the Period from February 16, 2016 Through July 31, 2016* (the "Application")¹ filed contemporaneously herewith. To the best of my knowledge, information and belief, the statements contained in the Application are true and correct. In addition, I believe

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Application.

that the Application complies with the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York Bankruptcy Cases effective February 5, 2013 [SDNY Administrative Order M-447], Rule 2016 of the Bankruptcy Rules, and the Compensation Order.

3. In connection therewith, I also hereby certify that:
- a. to the best of my knowledge, information and belief, formed after reasonable inquiry, the fees and disbursements sought in the Application are permissible under the relevant rules, court orders and Bankruptcy Code provisions, except as specifically set forth herein;
 - b. the fees and disbursements sought in the Application are billed at rates customarily employed by WFY and generally accepted by WFY's clients. In addition, none of the professionals seeking compensation varied their hourly rates based on the geographic location of the Debtor's case;
 - c. WFY is (i) not seeking compensation for fees spent preparing, reviewing and revising invoices that would not be compensable outside of bankruptcy and (ii) is not seeking compensation for fees spent reviewing or revising time records to redact privileged or confidential information;
 - d. in providing a reimbursable expense, WFY does not make a profit on that expense, whether the service is performed by WFY in-house or through a third party;
 - e. in accordance with Bankruptcy Rule 2016(a) and Bankruptcy Code section 504, no agreement or understanding exists between WFY and any other person for the sharing of compensation to be received in connection with this chapter 11 case, except as authorized pursuant to the Bankruptcy Code, Bankruptcy Rules and Local Rules; and
 - f. all services for which compensation is sought were professional services on behalf of the Debtor and not on behalf of any other person.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed on December 22, 2016, in Irvine, California.

By:



Timothy Stephens

EXHIBIT B

INVOICES

Wright Ford Young & Co.

Certified Public Accountants and Consultants, Inc.

Air Fast Tickets, Inc.
19800 MacArthur Blvd Ste 820
Irvine, CA 92612

Invoice No. 80225M
Date 02/29/2016
Client No. 7204

Professional services rendered including the following:

02/16/2016	Review of data and assign tax return 2014. T. Stephens	1.00 hours	\$375.00	\$	375.00
02/16/2016	Discussed 2014 delinquent and 2015 Extension project. N. Wiriadi	0.10 hours	\$150.00		15.00
02/16/2016	Looked through prior year tax returns and workpapers, new client set up. N. Wiriadi	0.40 hours	\$150.00		60.00
02/17/2016	1 state business authorization.				55.00
02/17/2016	Fixed assest entry. N. Wiriadi	1.00 hours	\$150.00		150.00
02/17/2016	2014 delinquent returns including binder setup and profx basic data setup. N. Wiriadi	5.00 hours	\$150.00		750.00
02/18/2016	Review of preparer notes and open items. T. Stephens	0.50 hours	\$375.00		187.50
02/22/2016	Review tax return (in process). T. Stephens	2.00 hours	\$375.00		750.00
02/24/2016	Review of 2014 return prepared by WFY. Review of 2013 return to be consistent in 2014. Identify open items and foreign issues. T. Stephens	2.50 hours	\$375.00		937.50
02/25/2016	Organize open items; review Subpart F rules for CFC. T. Stephens	1.50 hours	\$375.00		562.50
02/26/2016	Draft email of information needed. Review of foreign matters and request information. T. Stephens	1.50 hours	\$375.00		562.50

Wright Ford Young & Co.

Pg 13 of 16

Air Fast Tickets, Inc.

Invoice No. 80225

Page 2

03/01/2016	Telephone conversation with Brian Weiss to go over review points and open items. Organize notes based on telephone conversation. T. Stephens	1.00 hours	\$400.00	400.00
03/03/2016	Open open item; go over notes with Nicole. T. Stephens	1.50 hours	\$400.00	600.00
03/03/2016	Discussed notes with Tim. N. Wiriadi	0.20 hours	\$150.00	30.00
03/03/2016	Clear review notes. N. Wiriadi	1.50 hours	\$150.00	225.00
03/07/2016	Go over draft and comments with client. Have M-3 revised. Draft disclaimer statement. T. Stephens	2.50 hours	\$400.00	1,000.00
03/07/2016	2014 Delinquent returns. N. Wiriadi	0.70 hours	\$150.00	105.00
03/08/2016	Prepare NY & federal extension. V. Working	.40 hours	\$110.00	44.00
03/08/2016	2015 Extension review. N. Wiriadi	0.25 hours	\$150.00	37.50
03/08/2016	Extension process review. N. Wiriadi	0.25 hours	\$150.00	37.50
03/08/2016	Clear notes; tcons and emails; final review and sign return. T. Stephens	.50 hours	\$400.00	200.00
03/09/2016	Updated M-3 and reassembled. N. Wiriadi	0.20 hours	\$150.00	30.00
03/09/2016	1 State business authorization. B. Davis	0.50 hours	\$110.00	<u>55.00</u>
			Current Total	7,169.00
			Less discount	<u>(38.00)</u>
			Sub Total	7,131.00
			Out of pocket expense	<u>400.00</u>
			Total	<u>\$ 7,531.00</u>

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ADMINISTRATIVE FEE OF 1 1/2% WILL BE ADDED TO ALL INVOICES UNPAID AFTER 30 DAYS FROM DATE OF INVOICE.
A 3% convenience fee will apply to all credit card transactions.

Wright Ford Young & Co.

Certified Public Accountants and Consultants, Inc.

*Air Fast Tickets, Inc.
19800 MacArthur Blvd Ste 820
Irvine, CA 92612*

Invoice No. 82832
Date 06/30/2016
Client No. 7204

Professional services rendered including the following:

06/27/2016	Binder setup, R/E roll forward. N. Wiridi	0.80 hours	\$150.00	\$	120.00
06/28/2016	Review of financial statements and retained earnings issues. Discussions with preparer. T. Stephens	1.25 hours	\$375.00		468.75
06/28/2016	Discuss emails with J. Myers. T. Stephens	0.75 hours	\$375.00		281.25
06/29/2016	Request for information. N. Wiridi	0.20 hours	\$150.00		30.00
06/29/2016	1120 Preparation. N. Wiridi	2.20 hours	\$150.00		330.00
06/30/2016	Review of open items; Determine how to treat retained earnings discrepancy; related discussions. T. Stephens	2.00 hours	\$375.00		750.00
06/30/2016	1120 Preparation. N. Wiridi	1.50 hours	\$170.00		<u>255.00</u>
			Current Total		2,235.00
			Prior Balance		<u>0.00</u>
			Total	\$	<u><u>2,235.00</u></u>

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Certified Public Accountants and Consultants, Inc.

Air Fast Tickets, Inc.
19800 MacArthur Blvd Ste 820
Irvine, CA 92612

Invoice No. 83673M
Date 07/31/2016
Client No. 7204

Professional services rendered including the following:

07/01/2016	Discussed open items with Tim. N. Wiriadi	0.10 hours	\$170.00	\$17.00
07/05/2016	1120 Preparation. N. Wiriadi	2.30 hours	\$170.00	391.00
07/06/2016	Review tax return. Review of AMT. Analyze balance sheet and P&L; tcon with B. Weiss to discuss accounts receivable and worthless portion. T. Stephens	3.50 hours	\$400.00	1,400.00
07/08/2016	Review of revised tax return; determine footnotes needed; get draft to client. T. Stephens	3.25 hours	\$400.00	1,300.00
07/08/2016	1120 Clear Review Notes N. Wiriadi	0.80 hours	\$170.00	136.00
07/11/2016	Clear review notes; review of emails from B. Weiss and make revisions accordingly. Discussions with preparer on disclosures. T. Stephens	2.50 hours	\$400.00	1,000.00
07/11/2016	1120 Clear Review Notes N. Wiriadi	0.50 hours	\$170.00	85.00
07/11/2016	Process review and emailed client the returns N. Wiriadi	0.40 hours	\$170.00	68.00
07/12/2016	Internal discussions regarding any further disclosures needed with respect to books and records available for tax preparation; analyze related risk. Final review and sign / send tax return to client. T. Stephens	2.00 hours	\$400.00	800.00

Wright Ford Young & Co.

Air Fast Tickets, Inc.

Invoice No. 83673

07/12/2016	Tax Return Processing Fee.		
	T. Venegas		125.00
		Current Total	\$ 5,322.00
		Less: Adjustment	<u>(57.00)</u>
		Total	\$ <u>5,265.00</u>

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