

**CASE STUDY** 

# Streamlining Accounting & Financial Reporting



#### **ABOUT THE CLIENT**



- The client is a brokerage firm and located in California. The Company buys and sells securities such as stocks, bonds, mutual funds, Gift cards and other investment products in US.
- It is a developer of a stock market investment platform intended to make it simple for young and first-time investors to save and invest for their future.
- The company's platform assists users to open an account for themselves or anyone in their family, buy
  individual stocks, setting up an automatic investment plan, track their investments and learn about
  stock investing through free mini-lessons, enabling users to start investing with a minimum amount and
  build wealth for future

#### **BUSINESS CHALLENGE**

The organization was gearing up for the Money movement reconciliation of the funds coming through investors and wired to Apex, 409A Valuation support, Budgeting and Forecasting, reconciliation of Gift card sales and Redemption and Consolidated Financial Reporting under USGAAP and its subsequent audit. Some of the challenges involved:



various US States

#### www.valueonshore.com

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statements and notes

to accounts





#### **USGAAP** Accounting and Reporting of Consolidated Financial Statement

#### Business Model Review

Intensive workshops with management to review their business model for understanding the organizational structure, revenue streams, Money flow to Apex, accounting policies and controls.

## Comprehensive Planning

In-depth planning included review of financial data; review of policy and changes required, if any; identification of suspense account reasons, identification of USGAAP related adjustments for consolidation of foreign subsidiaries.

#### Audit Support

As a single point of contact for auditors, we assisted with the preparation of PBC in accordance with auditor's requirements, audit schedules and other requisites. Assisted with the resolution of auditor's queries for efficient closure by setting up alternate day status update calls including workshops.

# Our Approach



### Reporting Requirement Identification

Preliminary assessment to identify the correct revenue recognition methodology under USGAAP for its unique product/services and assessment of subsidiaries to be consolidated; identify the financial reporting requirements, develop timelines and recognize training needs.

# Execution & Delivery

- Prepared the reinstated opening consolidated financial statements.
- Carry out USGAAP related adjustments, eliminations and closing entries to enable the consolidation.
- Preparation of USGAAP consolidated financial statements and notes to accounts supported by detailed schedules for each line item
- Knowledge transfer to client's accounts team in a phased manner.





#### **BUSINESS IMPACT**



**Valueonshore Advisors** helped the organization in achieving USGAAP reporting compliance and assisted them with the complete financial reporting. The major impact areas included:

- Our specialist team helped in accounting of certain critical areas including revenues/deferred revenues, deferred cost, ESOPs etc. We also drafted the footnotes including disclosures for crucial areas
   Redeemed and Unredeemed Gift cards, escheatment to States.
- As a SPOC for auditors, we provided requisite audit support to free up the time of their in-house accounting team.
- Our team helped the Company in obtaining a clean audit report through our support in cleaning up the books of accounts.
- During the engagement, we helped transition knowledge to the in-house team, thereby enabling them to independently manage financial reporting and reporting for future reporting periods.

#### **VALUE CREATION**



**Valueonshore Advisors'** team of USGAAP accounting and financial reporting professionals helped the Company achieve USGAAP reporting compliance with a quick turnaround time.

With a structured and comprehensive approach, we assisted with the overall cleansing of books of accounts for the reporting and comparative period, preparation of consolidated financial statements and complete audit support. In addition, our team directly engaged with the auditors for smooth finalization and audit of the financial statements.

#### **ABOUT US**



Headquartered in Gurgaon, Valueonshore Advisors is a specialized professional services firm managed by the Big 4 alumni and industry executives. Our portfolio includes multi billion-dollar companies, mid-cap public, and pre-IPO companies that range from late stage to early stage. We are a trusted, preferred partner for various multinational and Indian clients who engage us for our functional expertise, industry knowledge and for our objective solutions for complex problems.

If you need any further information on our services, please contact us:

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