

Technical Accounting >>>>>>>

Navigate Technical Accounting With Ease.

Whether you are embarking on your first audit, accounting for a unique arrangement, working through an M&A transaction or gearing up for a possible public offering, in today's ever-changing environment, every business requires accountants with technical skills to help you successfully navigate the labyrinth of complex accounting and financial reporting requirements.

Think of us as your technical accounting S.W.A.T. team: We offer practical, impactful solutions to unique business needs by supplementing your existing team. From assisting the Company with one-off technical accounting projects to being your full service technical accounting department during an initial public offering, we are here to provide the customized, hands-on and project-based support to meet your specific needs.

Kranz consultants have proven experience in working with both public and private companies across multiple industries. Comprised of talented and skilled individuals with extensive years of public accounting experience, our team has the requisite experience to address each company's specific technical accounting needs through a value driven approach.

Services to Drive Sustainable Growth

Implementation of Accounting

Standards: Be it revenue recognition under ASC 606, lease accounting under ASC 842, or any one of the recent accounting standards updates, our team provides assistance in the research, evaluation of alternative policy elections, analysis, calculations and documentation necessary for the effective and efficient adoption of new accounting standards.

Equity and Debt Financing: Evaluate debt and equity arrangements to determine the proper accounting, not limited to the identification and evaluation of potential embedded derivative instruments, and determining the appropriate accounting model, our team provides solutions to streamline what are often complex areas of accounting.

Share-based Compensation:

Draft comprehensive technical position memos, perform or run calculations for share-based compensation, including performance-based awards and award modifications, and assist management in identifying and addressing the accounting impact of select business events on equity awards..

Audit Support: Reduce the complexity of the audit process by assisting with risk identification and material-based scoping and prioritization, building analyses that lend themselves to efficient auditing, preparing technical memos supporting key accounting conclusions and/or serving as the lead point of contact with external auditors.

M&A Transactions: Assist in the quantification and documentation of purchase accounting adjustments, including opening balance sheet

adjustments, determine purchase consideration for ASC 805 purposes, collaborate with valuation specialists, review and/or prepare purchase accounting white paper and strategize on related operational accounting activities going forward.

IPO/SPAC Preparations: Uplift historical financial statements to conform to SEC reporting requirements, prepare technical position papers on complex accounting matters, assist in project management of audit and related activities, draft sections of SEC registration statement (i.e. MD&A, Capitalization, Dilution, Pro-Forma Financial Statements) and assist in the SEC comment letter response process.

Financial Statement Preparation: Prepare a complete set of financial statements and footnote disclosures for private and public companies in accordance with applicable reporting requirements.

Our Process

● Set a Strong Foundation

Lay the groundwork to provide value and help you achieve business goals.

- Understand business objectives and technical accounting needs.
- Gather critical documents and pertinent facts.
- Define project scope, deliverables and deadlines.

● Strategize the Best Path Forward

- Analyze findings and identify accounting complexity.
- Discuss applicable subjective judgments required of management.
- Develop project plan, including resource allocation, roles and responsibilities, timelines, communication protocols and project management risks.

● Execute & Deliver

- Assist management in understanding and evaluating relevant accounting interpretations and considerations.
- Maintain ongoing communication with management to confirm facts and advise on new issues.
- Ensure mutual agreement by working collaboratively with auditors, legal counsel and other third-party stakeholders.
- Anticipate difficulties and swiftly resolve.
- Finalize deliverables.

Technical Accounting Challenges & Pain Points

- Increasingly complex accounting standards and regulatory reporting requirements
- Lack of in-house expertise on accounting treatment for new or unusual transactions or changing business conditions
- First-time adoption of GAAP or initial audit
- Limited Company resources
- Aggressive audit and reporting timelines
- Inexperience with certain accounting topics and/or external reporting rules
- Lack of familiarity with auditor requirements

Goals & Desired Outcomes

- A strong, supplemental resourced technical accounting function
- More insight into and control over important technical accounting considerations and judgments
- A reduction in risk by ensuring compliance with regulations, accounting standards and best practice.
- Cross-functional collaboration across teams, ensuring any changes to accounting or financial reporting standards allow all departments to operate efficiently
- A better understanding of business activities and how they affect finance and accounting activities
- A faster, less complex audit process
- Time and money saved through up-front planning and quality deliverables

What makes us different?

We bring seasoned perspectives, customized solutions and new insights to your unique goals and concerns in order to successfully guide you through the complexities of building a high-growth business. Over 2,500 companies stand as a testament to Kranz's ability to turn entrepreneurial innovation into superior valuations. With over 100 career consultants nationwide, we specialize in digital assets, fractional outsourced accounting, CFO advisory and strategic finance, technical accounting, NetSuite consulting, venture fund administration and stock administration.

Our experts seek to create, protect and transform value by building trusted relationships and aligning our goals with yours. In an ever-changing world, every business deserves to have trusted and resourceful perspectives that drive them to ultimate success. You can rest easy knowing we provide that every step of the way.

Our Technical Accounting Solutions

ASC 842 Implementation

- Requirements & Policy Elections at Adoption
- Identify population of Leases & Possible System Implementations
- Quantification of the impact of initial adoption
- Draft Technical Memos & Footnote Disclosures Specific to ASC 842
- Evaluate practical expedients

IPO & SPAC Preparation

- IPO & SPAC Process Management
- S-1/S-4 Statement Preparation
- EPS Calculations
- Collaboration with Third Parties
- “Quarterization” Procedures
- Segment Disclosure Preparation
- Comment Letter Assistance
- Post-IPO Support (10-K, 10-Q Filing)
- SOX Advisory

Revenue Recognition

- ASC 606 Implementation & Application
- Revenue from Contracts with Customers, Related Policy Documentation
- Accounting Treatment Evaluation for Revenue Arrangements
- Establish & Develop Ongoing Revenue Reporting Process with Management
- Evaluate practical expedients

Share-Based Compensation

- Technical Memo Preparations
- Calculations of Share-Based Compensation
- Modifications of Existing Terms
- Interpolation of Fair Value of Common Stock

M&A Transactions

- White Paper on Purchase Accounting
- Opening Balance Sheet Adjust
- Financial Statement Disclosures (pro-forma, rule 3-05)
- Acquirer/Parent and/or Lender Reporting
- Transitional, Operational & Technical Accounting Resources

Equity & Debt Financing

- Stock Classification
- Equity Restructurings
- Amendments to Existing Agreements
- Basic Fair Value Calculations of Equity Instruments
- Accounting Requirement Evaluation for Debt, Convertible Debt, SAFEs, Warrants, Preferred Stock & Common Stock

Financial Statement Preparation

- Cash Flow Statement Preparation
- GAAP Checklists
- Uplift to SEC Reporting
- Full Set of Financial Statement & Footnotes

Audit Support

- Audit Management
- Preparation of White Papers
- Risk & Materiality Assessments
- Complete Financial Statement Drafting
- Audit Interface, including Preparation of Deliverables
- Preparation of comprehensive supporting analyses including correcting journal entries

Other

- Complex Consolidation
- Variable Interest Entities
- Foreign Exchange
- Derivatives & Hedge Accounting
- Impairment Analysis
- Capitalized Software
- Discontinued Operations
- Segment Reporting
- EPS Computations