

# PricewaterhouseCoopers' Transaction Services

## Accounting advisory

### Navigating today's accounting and financial reporting challenges

Today's accounting and financial reporting challenges can be daunting, especially when the capital markets are so volatile, and complexity is perpetually on the rise. The immense breadth and depth of accounting and financial reporting knowledge required is enormous, and is a continuously evolving landscape.

Extensive accounting and financial reporting knowledge is often needed for the implementation of a new accounting standard, such as a conversion to IFRS, accounting for a new debt security or derivative instrument, processing a restatement or reporting the purchase price allocation of a new acquisition.

Companies must ensure that the complex and sophisticated financial structures employed in mergers, acquisitions, divestitures and raising capital comply with financial accounting standards and SEC regulations.



#### How we help

The accounting and financial reporting advisors within PwC's Transaction Services help clients understand the impact of income tax, financial market, corporate governance, rating agency or regulatory concerns on the proposed treatment of the transaction. We bring the right level of knowledge, along with a customized, solutions-oriented approach. We advise clients on:

- Lease financing
- Securitizations
- Mergers and acquisitions
- Ongoing filings
- Consolidation assessments
- Revenue recognition
- Fair value assessments
- GAAP/IFRS conversion
- Derivatives and hedging

Our advisors have deep technical knowledge of US GAAP and IFRS and are well-versed and experienced with the regulatory and reporting requirements of the SEC and global exchanges.

#### Benefit to you

By using an advisor for today's uncertain and complex accounting and financial reporting environment, our clients are able to enhance the quality of financial reports. Also, early anticipation of the needs of auditors, investors and regulators helps ensure a thorough and efficient financial reporting process. Finally the transfer of knowledge to your team enhances the capabilities of your organization going forward.

### How PwC helped one company acquired by a PE firm to transform into a public company overnight

A US-based division of a global conglomerate was acquired by a premier US private equity buyer and had to transform into a public company overnight. As a subsidiary, our client had a history of restatements in its stand-alone financial statements. In order to be able to report as a public company, they needed to develop a finance infrastructure.

<b>Our Approach</b>	PwC deployed a specialist team to advise the client on their financial reporting requirements and on their resolution of various complex accounting issues. In addition to advising on issues such as purchase accounting, stock compensation, revenue recognition, implementation of new standards on uncertain tax positions and fair value accounting, we advised on achieving and maintaining (and later unwinding) hedge accounting. Our specialists also provided periodic technical accounting updates to the client's staff. Along the way, we helped the company reorganize its finance infrastructure (remediation of organization structure, close calendar and tools and IT systems), select a treasury management system, establish its Sarbanes-Oxley compliance efforts and develop tax optimization strategies.
---------------------	---

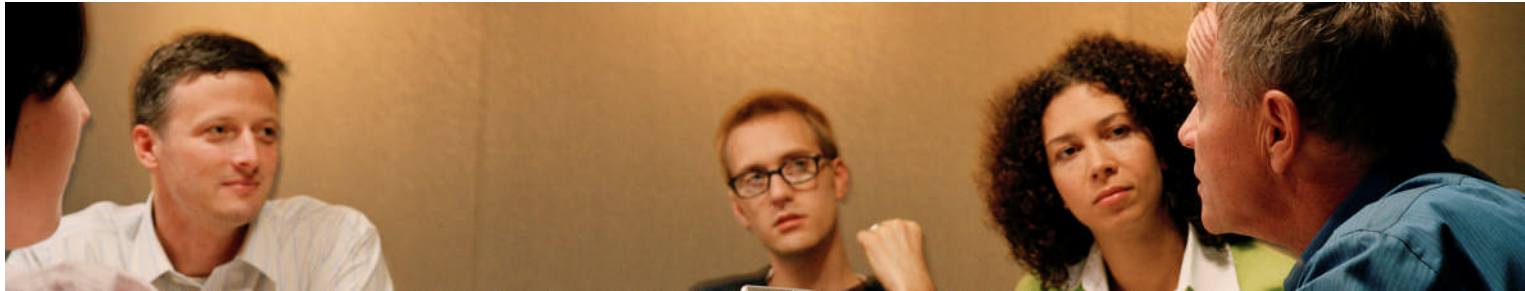
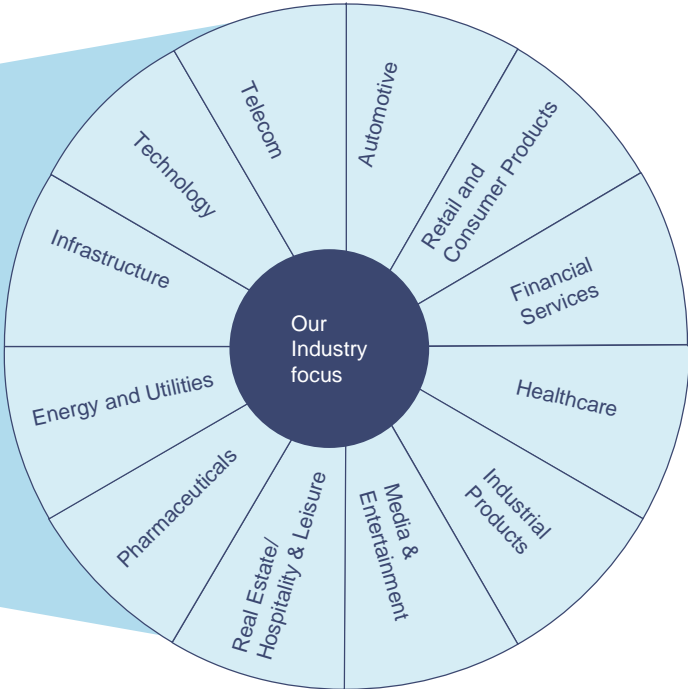
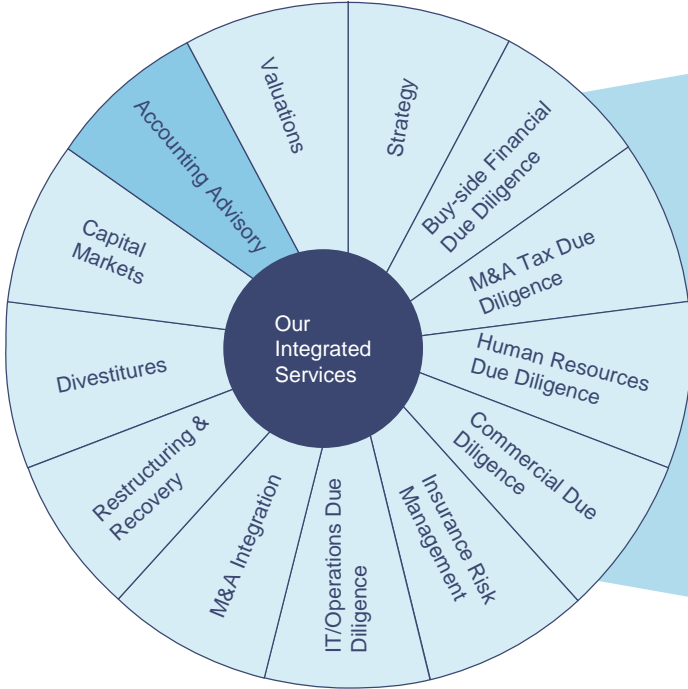
<b>The Outcome</b>	Despite the very steep learning curve and through the coordinated efforts of PwC's specialists and the company's growing finance team, our client successfully transitioned to life as a public company. The knowledge transfer mechanisms that are an inherent part of PwC's service offering enabled the company to wean itself off consultants to become self-sufficient with regard to its routine accounting and financial reporting needs.
--------------------	--

For more information on our accounting advisory services, contact:

- Henri Leveque, **National**, 678-419-3100, h.a.leveque@us.pwc.com
- Jeff Kotowitz, **West Region**, 408-817-4495, jeff.kotowitz@us.pwc.com
- David Schmid, **Central Region**, 973-236-7247, david.schmid@us.pwc.com
- John Bishop, **New York Metro**, 646-471-7303, john.bishop@us.pwc.com
- Scott Gehsmann, **East Region**, 646-471-8310, scott.j.gehsmann@us.pwc.com

# PricewaterhouseCoopers' Transaction Services

A tailored approach that provides clients with the right balance of transaction, functional, and industry expertise across the value chain



## About Transaction Services

The PricewaterhouseCoopers Transaction Services practice provides due diligence for M&A transactions, along with advice on M&A strategy and integration, divestitures and separation, valuations, accounting, financial reporting, and capital raising. With approximately 1,000 deal professionals in 16 cities in the U.S., experienced teams are deployed with deep industry and local market knowledge, and technical experience tailored to each client's situation. The Transaction Services team can be involved from strategy to integration and employ an integrated business approach to uncover the realities of a deal. The field-proven, globally consistent, controlled deal process helps clients minimize their risks, progress with the right deals, and capture value both at the deal table and after the deal closes.

For more information, visit [www.pwc.com/ustransactionservices](http://www.pwc.com/ustransactionservices)