Remediation and restatement services
Here when you need us

Remediating accounting and financial reporting issues can be quite a complex process, especially if the remediation also involves a restatement. It goes without saying that complying with generally accepted accounting principles depends on the integrity of underlying data and the effectiveness of controls in processing transactions and ultimate reporting.

PwC’s team blends strong accounting, investigation, controls, analytics, systems, and data knowledge with powerful technology solutions to help companies quantify and resolve their issues and develop solutions to remediate the underlying triggers. Our professionals help you use technology enabled accelerators to bring cost effective solutions to your immediate reporting challenges as well as longer term business needs. We can assist you in the following areas of the remediation and restatement processes:

Financial Statement and other SEC Filings – To meet your reporting requirements
- Help prepare restated interim and annual financial statements and other SEC filings, including Form 8-Ks
- Facilitate external audit request process: work with management to manage auditors’ expectations; analysis of errors; address comments; gather and preliminary analysis of information requests
- Perform a quantitative and qualitative assessment of materiality (including consideration of prior year and “out of period” adjustments)
- Identify the magnitude of adjustments and requirements for data gathering/analysis for the impacted areas
- Provide understanding, interpretation and practices of SEC, NASDAQ or Exchange reporting rules, as well as any statutory reporting implications for foreign jurisdictions

Internal Controls – To identify, monitor, and remediate areas of risk
- Assess impact of restatement on the internal control process
- Assess control deficiencies, including any significant data quality issues and assist in development of a sustainable remediation plan of identified control weaknesses
- Utilize PwC proprietary diagnostic tools to highlight compliance program strengths while pinpointing opportunities for improvement through customized solutions
- Assist in the remediation of data quality issues that impact the ability to establish effective controls
- Report on the performance of risk and compliance systems, including regulatory compliance monitoring and assessment

Investigation Support – To quickly identify the root of the issue
- Identify potential risk areas and data requirements for assessment
- Identify critical data requirements, establish legally credible retention processes, and align records to help business to be conducted more efficiently.
- Perform issue quantification/reconciliation, data quality assessment, and short-term tactical response. Additionally, develop the accounting model/process/data remediation roadmap for future quarterly and annual filings
- Work with management to extract and transform data to be presented to help prepare the relevant financial information or statements

Technical Guidance – To help you comply with applicable standards
- Provide technical advice and draft memos on complex accounting matters
- Assess financial statement and MD&A disclosures and areas impacted by restatements – including goodwill impairment analysis, subsequent events, litigations, going concern, tax
- Draft SEC pre-clearance letters, responses to SEC comment letters

Project Management – To move quickly, efficiently and effectively
- Establish a Project Management Office (PMO) and structure, through assessment of the finance function and its interaction with the business, to design an efficient and effective process for applicable restatement and remediation
- Create clear and tailored communication channels and help manage the expectation of key stakeholders both internal and external throughout the process
- Hold regular status meetings to help with prioritization and timely resolution of issues (project monitoring, early identification of key risk areas, and internal dependencies)
- Help develop project plans with defined milestones and tasks, manage conflicting priorities, and on-going activities
- Develop a process to track booking of journal entries to correct errors, and take a holistic view on overall impact to financial line items

Contact us

Michelle Krupa
Capital Markets Accounting Advisory Services, National Restatement Leader
(646) 818-7807
Michelle.r.krupa@pwc.com

Shane Foley
Principal, Accounting & Finance Change & Analytics Solutions Leader
(646) 471-0516
Shane.p.foley@pwc.com

Darren J. Tapp
Partner, Forensic Services
(646) 818-7156
Darren.j.tapp@pwc.com

© 2018 PwC. All rights reserved. PwC refers to the US member firm or one of its subsidiaries or affiliates, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.