

Acing complex rev rec for high tech on a growth path

Challenge:

- A fast-growing high tech company wanting to ace its first audit had hired outside help with revenue recognition, but the accounting treatment raised some big questions.
- They asked RoseRyan to step in and gave clear expectations: The work had to be redone to pass an audit.
- It wasn't a simple assignment—the company had complex, multiple-element agreements.

Solution:

- Our accounting ace documented the fact pattern of a representative sample of agreements and collaborated closely with the CFO to determine a rev rec approach that would suit the company's needs.
- After the acid test—verification by the auditors—she set to work applying industry-specific GAAP literature to more than 300 deals closed in the four years since the company's launch.
- The consultant developed and implemented best-practice processes, such as an easy-to-use rev rec model and a template for documenting future arrangements to ensure consistency and reduce the risk of accounting mistakes.

Results:



Complicated sales contracts revenue recorded



Easy audit process



Clear sailing around technical accounting issues



Time-saving best practices



Workable rev rec model



Ongoing connection to expertise, support

With a revenue recognition model that accurately reflects the company's performance, the client sailed through the first audit and is in great shape for future growth.



At a glance

Company type:

Small, private

Industry:

Technology

Solution areas:

Strategic Projects, Small Business

About the client:

This tech company on the fast track was small but really busy: They had cleared 300 deals during their first four years in existence. They needed a new and credible accounting treatment.

About RoseRyan

More than

800
clients

25
years in
business

RoseRyan takes dynamic companies further, faster, by delivering specialized finance and accounting solutions at every stage of your company's growth. Versed in Silicon Valley's rapid pace and unique business environment, our consulting firm has helped 800+ companies achieve success since 1993. No matter the size of your company or the scale of your next endeavor, RoseRyan has the wide-ranging solutions to accelerate growth.

Learn more at www.roseryan.com.

Contact:

Maureen Ryan

510.456.3056 x122

mryan@roseryan.com