

Overview

Over the last decade, oversight and scrutiny of financial reporting has increased substantially, resulting in deeper analysis of complex issues, and – in some cases – accounting restatements. An inadequate understanding or application of accounting and financial reporting requirements can lead to inaccurate or untimely financial reporting and disclosure. The potential damage to shareholder and market confidence, as well as the risk of possible action by the Securities and Exchange Commission (“SEC”), may be underestimated. Chess Consulting leverages its financial accounting, auditing, and SEC compliance expertise to help clients interpret and apply relevant standards and regulations for the most complex accounting matters. To follow is an illustrative, but not all inclusive, list of our related services.

Capacity Augmentation

Chess Consulting provides accounting and finance departments with additional resources during high demand periods, such as quarterly closes and audits, and day-to-day accounting support and audit readiness services. These services are provided by professionals with a wide array of skills and knowledge to help clients achieve their goals. Our highly credentialed personnel include Certified Public Accountants, forensic accountants with domestic and international experience, former partners with global public accounting firms, regulatory experts, and Certified Fraud Examiners. Our professionals deliver depth in virtually all areas of the financial reporting continuum, including related disclosures preparation and reviews, complex accounting consultation, and internal controls evaluation.

General Accounting and Financial Reporting Support

Our services include:

- Reconciliation and analysis of balance sheet accounts;
- Budgeting and forecasting;
- Analysis of complex accounting issues and compliance with accounting regulations;
- Financial planning and analysis;
- Preparation of monthly, quarterly, and annual financial statements and disclosures;

- Project status reporting and cost accounting;
- Accounting controls and process documentation;
- Lease transaction analysis and accounting;
- Vendor audits; and
- Boards of directors and other management reporting.

Restatement Assistance

Our services include:

- Assessing previously issued financial statements;
- Analyzing GAAP accounting implications;
- Quantifying and determining impacts;
- Determining the root cause of an error and identifying potential remediation steps; and
- Drafting of disclosures and support.

Merger and Acquisition Support

Our assistance includes:

- Preparation and support of sell and buy side due diligence requirements;
- Transaction analysis, accounting, and related disclosure support;
- Accounting analysis and “white paper” documentation; and
- Post-transaction accounting and integration support.

Audit Support

We assist accounting and finance departments prepare for external auditors, including the Defense Contract Audit Agency (“DCAA”) and other regulatory auditors. If needed, we can also serve as a liaison to audit personnel. Specific tasks include:

- Addressing scoping and materiality issues;
- Identifying potential accounting issues;
- Assisting with preparation of documents and analysis to support audit requests;
- Researching technical accounting issues, assessing their impact, and developing necessary “white paper” documentation;

- Assisting with implementation of new accounting pronouncements, their impact, and “white paper” documentation;
- Responding to audit questions and providing additional support and clarification to auditors; and
- Reviewing and assessing controls, and identifying remediation steps.

The Chess Consulting Advantage

Our highly experienced team of government contract accounting and regulatory compliance experts have worked with contractors and their external auditors on a multitude of accounting and financial reporting matters over many years. Our clients include some of the largest government contractors in the country spanning a wide variety of industries, including: aerospace and defense, healthcare, construction, technical services, biopharmaceutical, and higher education. Notable clients include:

- *A mid-sized information technology government contractor.* The contractor was created from a division of a larger organization and needed to establish policies, procedures, close processes, and audit readiness as a standalone company. We worked with the contractor to create policies, procedures, and close processes, as well as provided support throughout the audit. The client has had positive results through two audit cycles, and we continue to work with its management to monitor and evaluate these areas as well as identify other areas that may be impacted as it continues to grow.
- *A light ordnance government contractor.* The contractor needed internal and external audit support and to establish policies, procedures, and close processes for one of its seventeen subsidiaries. We worked with the contractor to assess the overall position of the subsidiary and provided a temporary CFO to manage the subsidiary’s accounting functions. We also supported the effort to create audit schedule, policies, procedures, and close processes; provided analysis of internal controls and accounting software; and helped to develop necessary system reporting and support throughout the audit periods. Our professionals helped the client hire a permanent CFO and improve internal controls. We continue to help management monitor and evaluate these areas as well as implement improvements in other business systems.

Chess Consulting Differentiators

Deep industry knowledge and technical expertise which helps each client deal effectively with the complexities of the processes and issues facing its business.

Profitability focus concentrating on actions and solutions that create a competitive business advantage while fully complying with regulatory requirements.

Practical and creative solutions that effectively address difficult compliance and business issues.

Supportable positions that have been proven to withstand scrutiny from regulatory agencies such as the SEC, DCAA, DOJ, and GAO.