



Sensiba San Filippo (SSF) Pre-public Company Services

OUR FIRM

SSF is a leading Bay Area CPA firm that provides audit, tax and advisory services to pre-public companies primarily headquartered in this region. Our offices are geographically located to enable and facilitate interaction between our 100 professionals (including 14 partners) and our clients.

OUR FOCUS

SSF focuses on the needs of pre-public companies – we do not have the desire nor the enormous size necessary to be all things to all people. Rather, we are a specialized firm whose 30-year history in the Bay Area is reflective of a primary and steadfast focus on providing targeted, localized services and attention that are essential to the operational success and growth of our clients.

OUR PERSPECTIVE

SSF brings the deep expertise necessary to serve the needs of pre-public companies from the seed stage through the various stages of growth. When those needs reflect a client's natural and successful evolution into a possible candidacy for an IPO or acquisition by another company, our Success Transition Plan provides a smooth hand-off to a CPA firm of larger size and broader organizational structure. SSF has initiated and orchestrated successful transitions of our pre-public clients to each of the Big Four international accounting firms. We work closely with both our client and the new CPA firm to ensure a seamless transition.

OUR PROMISE

The continued support of Bay Area pre-public companies is essential to SSF. To that end, we commit to provide best-in-class service to all of our client companies and, notwithstanding the time of year or the pressure of competing commitments, to respond promptly to every client call. When those calls require that SSF opine or take a position on an issue, we commit to respond with appropriate urgency. We also commit to avoiding surprises on invoices – active discussions with clients regarding scope of work and additional services will, precede the issuance of an invoice. Finally, and very importantly, SSF commits to call upon our deep reservoir of professionalism and common sense as we meet our responsibilities to each of our valued clients.





Accounting and Tax Issues Faced by Pre-Public Companies

Our long-standing focus on pre-public companies allows SSF to bring and apply extensive experience. Typical issues include:

STOCK OPTIONS

We help the company and its employees gain an understanding of the tax ramifications of qualified and nonqualified compensation plans. These include stock options (ISOs and “nonquals”), restricted stock, stock appreciation rights and other compensation methodologies.

NET OPERATING LOSSES

We help manage, track and optimize NOL utilization, whether through profitable operations or upon exit.

R&D CREDITS

We assess whether the company is engaged in activities which enable the R&D tax credit to be utilized. We then assist in establishing the necessary tracking processes so that a tax credit refund claim can be filed for past activities and the credit can be claimed on future tax returns.

INTERNATIONAL ISSUES

We help companies navigate through an ever-increasing roster of issues arising out of activities that are or may be deemed to be occurring in one or more foreign countries. This includes advising on the tax implications of the company (i) establishing a branch office in a foreign country or (ii) engaging a local country “dependent agent” with the authority to bind the company, either of which may result in the company being subjected to tax in that foreign jurisdiction.

EQUITY TRANSACTIONS

We advise companies on the tax implications associated with a disposition of the company, whether in a merger, IPO or other context.

STATE ISSUES

We address and resolve the multitude of issues arising from business activities outside the company's state of formation, including activities that (i) establish contact (nexus) with a state sufficient to result in the imposition of various state taxes such as income and sales/use tax, and (ii) generate business and/or non-business income, affecting the apportionment of income to each state.

SALES AND USE TAX

We assist in determining whether the company is obligated to pay sales and use taxes .

[▶ more](#)



FAS 109 AND FIN 48

We provide assistance on all applicable GAAP accounting issues. For example:

FAS 109

- SSF can perform the deferred tax calculation for our clients – we are not regulatorily constrained in performing this calculation for our audit clients.
- SSF can perform the deferred tax calculation as a stand-alone project for non-audit clients (for the accounting firm responsible for preparation of the audited financial statements).

FIN 48 (FASB Interpretation 48 – Accounting for Uncertainty in Income Taxes)

- SSF can assist in the assessment of whether FIN 48 is applicable to the company's GAAP financial statements relative to "uncertain" tax positions.

OPERATIONAL ISSUES

We assist companies on a variety of issues that arise operationally, including the application of AICPA guidance regarding the appropriate time to recognize revenue (e.g., the application of the AICPA's Statement of Position 97-2 "Software Revenue Recognition").

ANNUAL COMPLIANCE

We prepare GAAP audits (as well as financial statement reviews and compilations), and we prepare federal and state tax returns.

GENERAL BUSINESS ADVISORY SERVICES

Leveraging off of our significant experience in advising businesses in many situations over many years, we can also provide guidance relative to a wide array of business matters, including the following:

- Preparation and/or revision of business plans
- Preparation of board presentations
- Advising on banking relationships
- Hiring financial and accounting personnel
- Assistance in the decision to retain particular business or legal specialists

Simply put, Sensiba San Filippo's Technology Assurance & Advisory Group is here to provide service, guidance and support for pre-public companies. To discuss your company with SSF, please contact one of the following:

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