



CONTACT US

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WHO WE ARE

Astute is a value-add Certified Accounting and Business Advisory firm, focused on enabling companies to maintain compliance, recover lost revenues, and increase profitability

Headquartered in Silicon Valley, Astute advises and serves growth-focused global companies in the technology (HW/SW), Semiconductor, Biotech/Pharma, Consumer Goods, Power and Utilities, Manufacturing, Construction, Non-profit and Professional Services Sectors.

With more than four decades of combined experience, Astute brings in the knowledge and expertise to innovative solutions like R&D Tax Credit, Accounting for Income Taxes, Technical Accounting, Internal Audit (SOX Compliance), Royalty/Licensing Audits, Accounts Payable and Time & Expense Audits.

Astute is a Certified Accounting Corporation under the California Board of Accountancy (CBA)



Astute is Certified Women-owned and Minority-owned Business



WHAT WE OFFER

Large or small, enterprise or start-up; no matter what the size of organization is, we offer specialized services to fit your needs.

Key Service Categories:

Technical Accounting and Tax

- Revenue Recognition (ASC 606) powered by Ayara-Automated Revenue Management Platform
- Research and Development Tax Credit (IRC. Sec. Code 41)
- Accounting for Income Taxes (ASC 740)

Business Advisory Services

- Royalty/Licensing Audit
- Internal Audit Assistance
 - » Business Process Documentation
 - » Sarbanes-Oxley Compliance Controls Testing
- Forensic Audit Services
 - » Accounts Payable Audit
 - » Time & Expense Audit
 - » Vendor/Supplier Audit
- Outsourced CFO/Controller Services



OUR ACCOMPLISHMENTS



Our industry experts have conducted more than 100 R&D Tax Credit studies for Manufacturing, Technology, Pharmaceutical & Energy Companies, resulting in over \$75 Million in tax incentives.



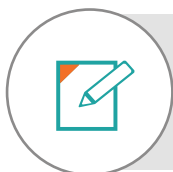
Instrumental in building Licensing/Royalty Compliance Audit program for Life Technologies, a giant Biotech company.



Our CPAs and Technical Accountants have overseen Merger & Acquisition activities with publicly held companies like Microsoft and Cisco.



Saved more than \$10 Million in royalty payments and recovered Millions in lost royalty revenue for Life Science, Entertainment & Technology Clients.



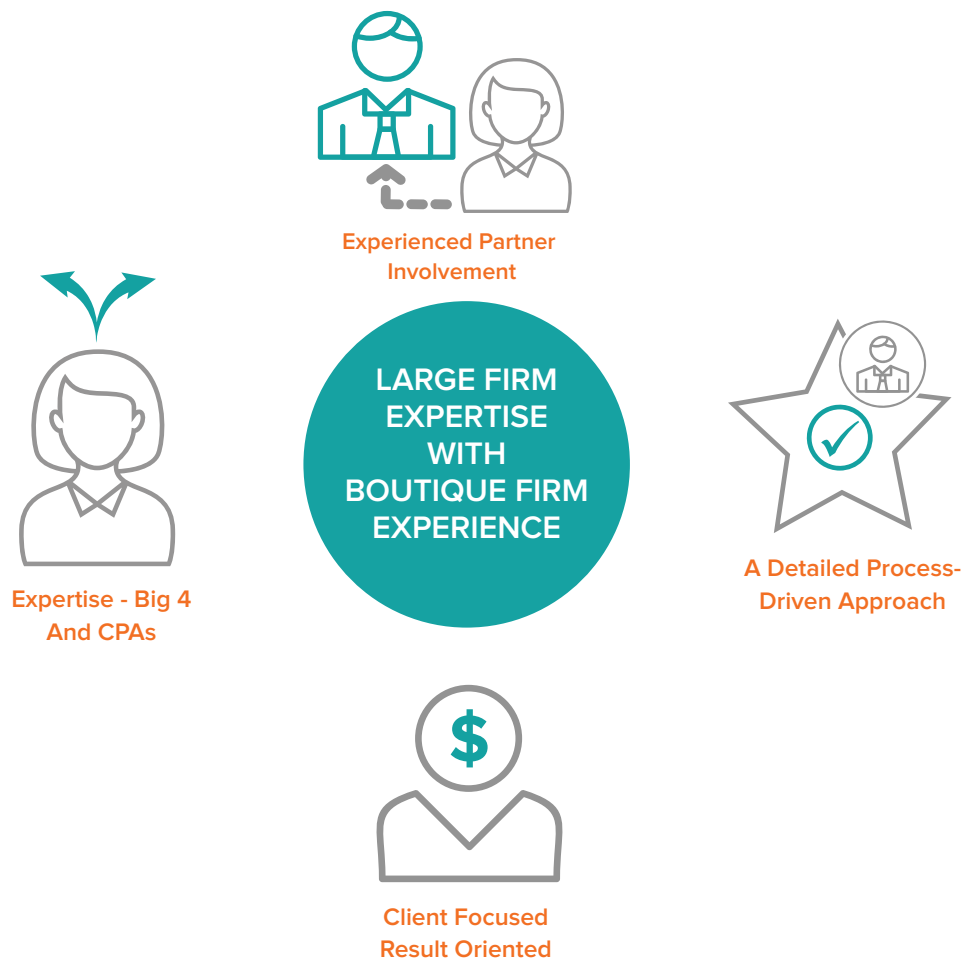
Our Internal Audit specialists have assisted many Manufacturing & Technology Companies to build and evaluate internal audit programs and create effective controls to reduce fraud risks, resulting in the protection of key assets and improved operational efficiencies.

WHY ASTUTE

Choosing a right accounting and business advisory firm is a significant decision, not arrived at lightly, nor to be undertaken without knowing what can be expected from your Accountants. This decision can have a major impact on an organization's future success. Our clients have often complimented us as being "the most valued accountants/advisors" on their team.

Several key aspects of our firm that sets us apart:

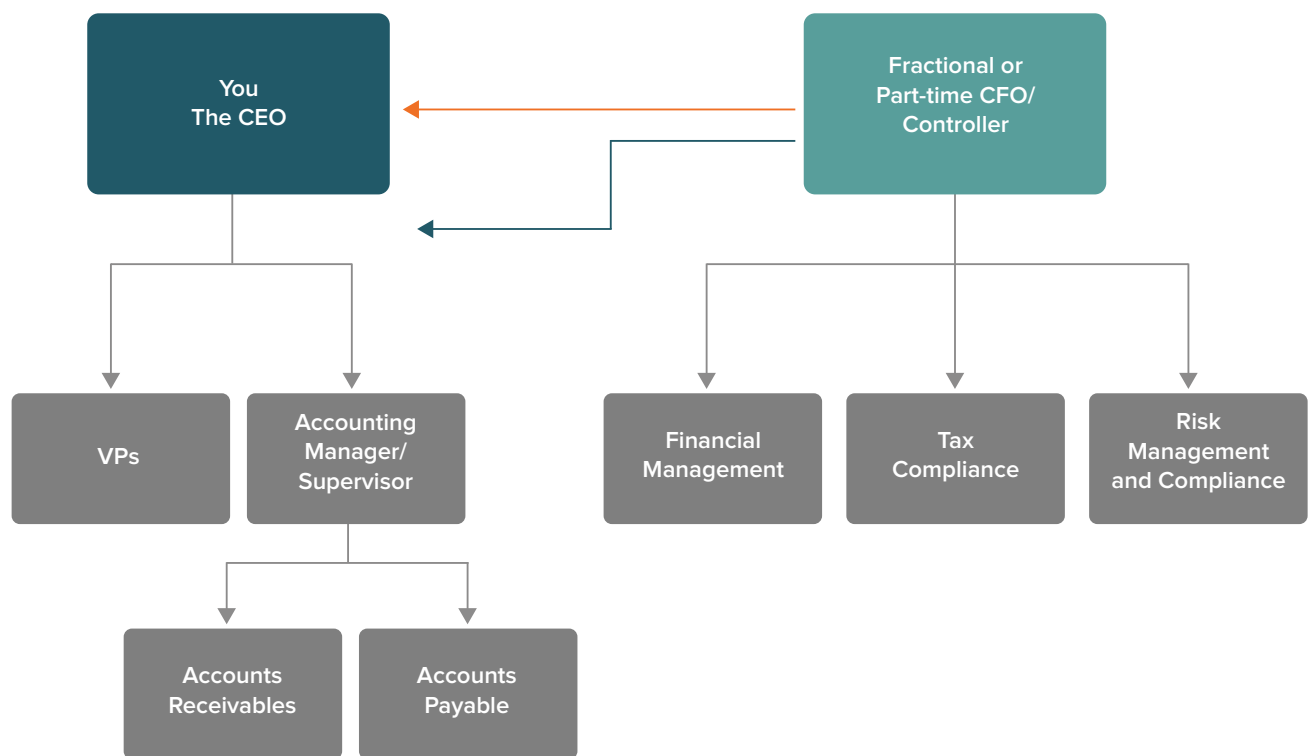
- A technology driven firm with competitive industry pricing and cost-effective solutions.
- High degree of partner, manager and supervisor interaction and involvement.
- Industry knowledge and experience acquired over the course of more than four decades.
- Trustworthy accountants and business advisors passionate about assisting our clients to achieve their financial growth.



OUTSOURCED AND FRACTIONAL CFO SERVICES

Apart from the annual reporting, a savvy CFO maintains tax compliance across all functions, while establishing clarity and transparency through periodic financial statements. The CFO should work in concert with the CEO to perform risk assessment and performance monitoring. For growing companies like start-ups and early stage businesses, hiring an in-house CFO or Controller may be cost-prohibitive. Yet without their expertise, it's impossible to accurately capture financial data.

Astute's Outsourced and Fractional CFO/Controller Services work as an extension of your financial team. Our objective is to provide you with excellent professional financial advice – just like you would expect by hiring a full-time CFO/Controller.



Every business needs a strong financial leader – one who can establish best accounting practices, providing financial planning insights needed to fuel growth.

HOW A FRACTIONAL CFO CAN HELP

Projections and Financial Analysis

- » Perform financial analysis
- » Calculate key financial ratios

Monthly Financial Closing and Reporting

- » Ensures accurate, timely accounting
- » Access to financial records

Professional Financial Statements

- » Deliver concise, transparent data
- » Compare current growth to growth projections

Implement Best Practices

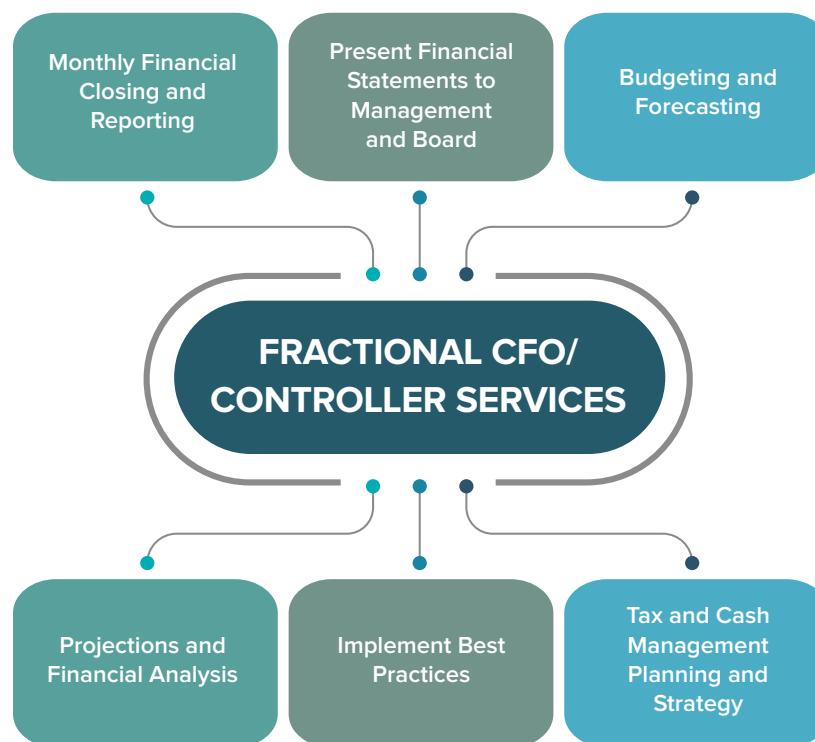
- » Assess and improve operational processes
- » Identify key and high-risk processes

Tax and Cash Management Planning and Strategy

- » Identify tax strategy
- » Provide cash flow analysis

Budgeting and Forecasting

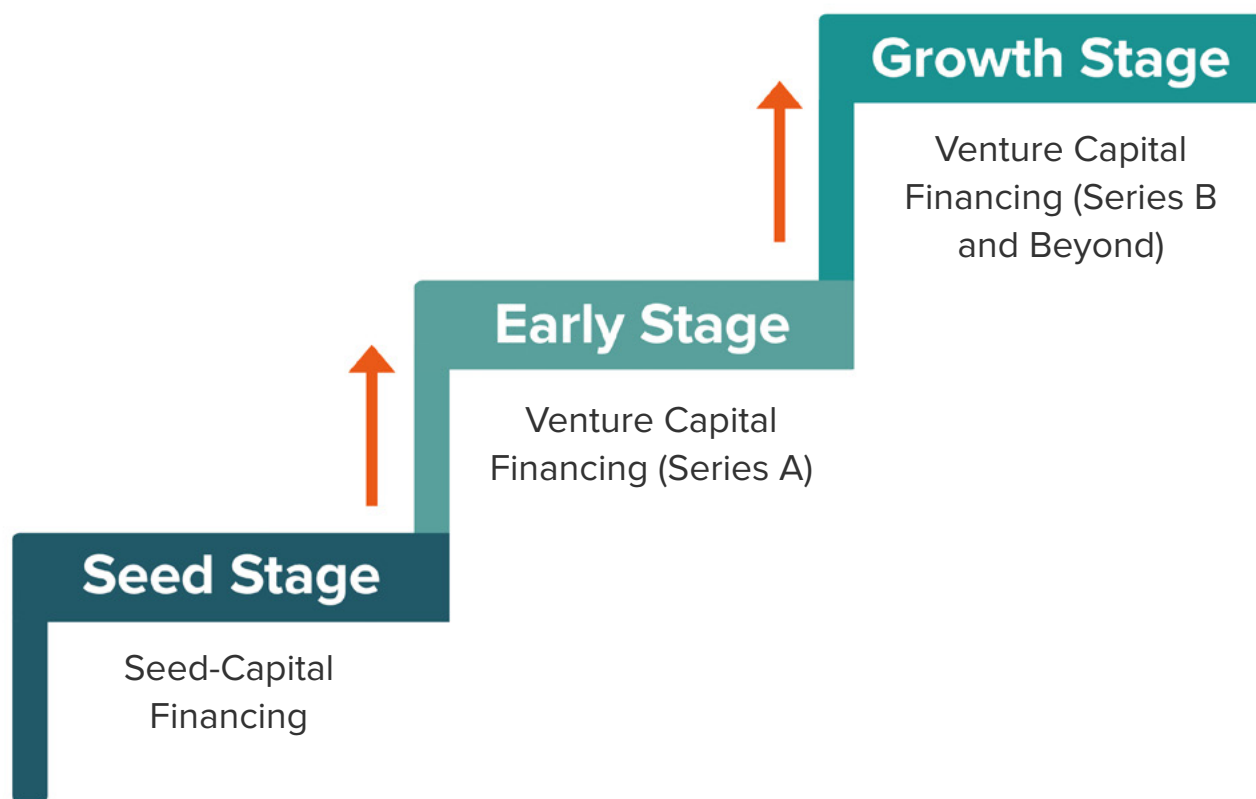
- » Create budgets and forecasts



Astute's Outsourced CFO team assists with all CFO/Controller responsibilities, including review of strategy, financial planning, budgeting, and reporting, building a true value-added partnership

NAVIGATING STARTUP FUNDING

Stakes are high in startups – or any early-stage company – regardless of industry or sector. Complexities within an organization vary; solutions for one will not apply to another. Regardless of the stage, strategic planning is vital if a venture is to be successful.

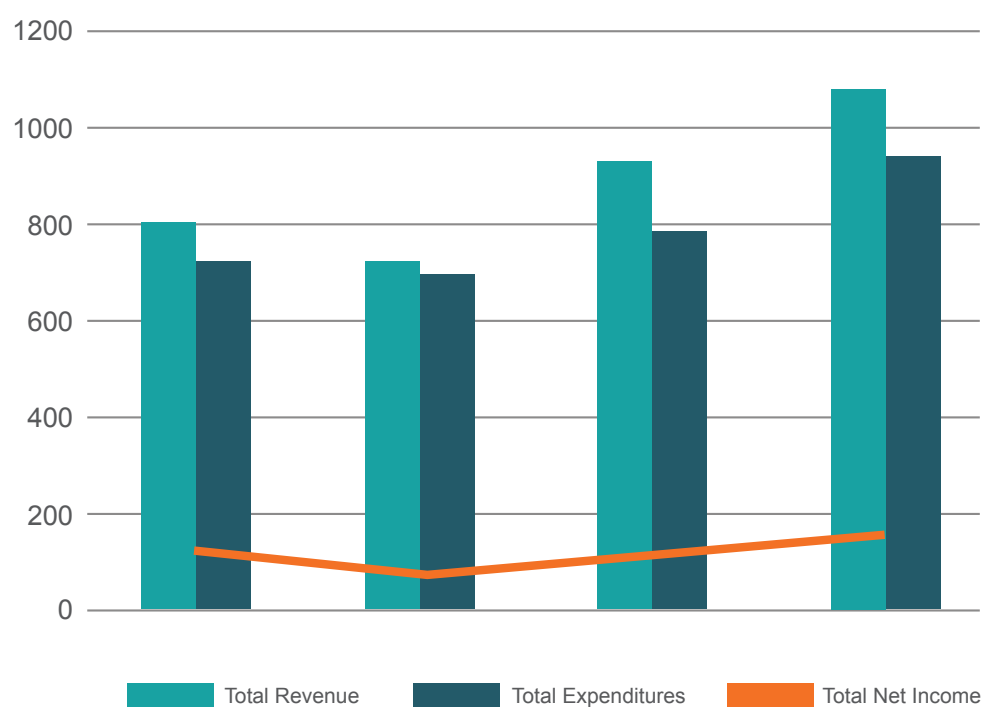


Your survival depends on innovation. Astute has the right resources with the credentials, and can create customizable reports so you can make smart business decisions.

SCENARIO PLANNING

Scenario planning is a process of examining possible events and drawing assumptions of how the business environment can change in the light of future events. With scenario planning you can identify likely impacts on the P&L, Balance sheet and Liquidity, and open doors to new opportunities.

Astute's forecast scenario templates (Best, Mid, Worst case) can help you build a sustainable planning process that is more robust, flexible, and shock-resistant.



	2020 Actual \$'000	2021 Worst Case \$'000	2021 Mid Case \$'000	2021 Best Case \$'000
Total Revenue	794	698	875	1065
Total Expenditures	713	661	783	934
Total Net Income	81	36	92	131

Astute's proprietary Scenario Analysis Template is the most easy-to-use tool for calculating financial impacts (favorable and unfavorable) to the business.

RESEARCH AND DEVELOPMENT TAX CREDIT

Research & Development tax credit is an incentive that rewards taxpayers for conducting research in the United States. Its goal is to promote and incentivize innovation by allowing tax credits for their research expenditures. It is for businesses of all sizes, not just for research labs and larger corporations.

Substantiating research activities, documenting research expenses, and computing research tax credits in a way that meets the stringent audit requirements of the IRS and state tax authorities isn't easy. As a result, we find many taxpayers don't receive the R&D tax credit they deserve.



R&D TAX CREDIT SAVINGS

Here's how companies with different revenue sizes saved taxes from Astute's R&D tax credit study (federal computation only).

	Technology (Software)	Technology (Hardware)	Manufacturing
Without R&D tax credit benefits:			
Taxable income	\$500K	\$5.0M	\$6.0M
Federal Tax rate 21%			
Federal Taxes paid	\$105K	\$1.05M	\$1.26M
With R&D tax credit benefits:			
Taxable income	\$500K	\$5.0M	\$6.0M
Federal Tax rate 21%			
Federal Taxes paid	\$105K	\$1.05M	\$1.26M
Less: R&D Tax Credit	(\$20K)	(\$260K)	(\$370K)
Net Federal Taxes paid	\$85K	\$790K	\$890K
Total taxes paid without R&D tax credit benefit	\$105K	\$1.05M	\$1.26M
Total taxes paid with R&D tax credit benefit	\$85K	\$790K	\$890K
Total taxes saved	\$20K	\$260K	\$370K

R&D Tax Credit is not a deduction; it is an actual dollar-for-dollar credit against taxes owed or taxes paid.

Note: This is an example of R&D Tax credit workings

Astute has helped save millions of dollars in R&D tax incentives through our R&D tax credit study.

INDUSTRY EXPERIENCE



Our industry experts have conducted more than 100 R&D Tax Credit Studies for companies of all sizes resulting in over \$75 million in tax incentives.

BENEFITS AND HOW TO QUALIFY

BENEFITS:

- Reduction in federal & state income tax liability
- Immediate cash flow.
- Tax credit carried forward up to 20 years.
- Unclaimed credit for open tax years, generally last three to four years.



QUALIFIED EXPENSES

- Salaries paid to employees and supervisors involved in the research.
- Payments made to US-based contractors assisting in the qualified research.
- Supplies used and consumed in the R&D process.



QUALIFYING RESEARCH ACTIVITIES MUST MEET THE "FOUR-PART TEST":



Relate to the development of new or improved products or processes.



Rely on fundamental principles of sciences and engineering.



Intend to eliminate technological uncertainties.



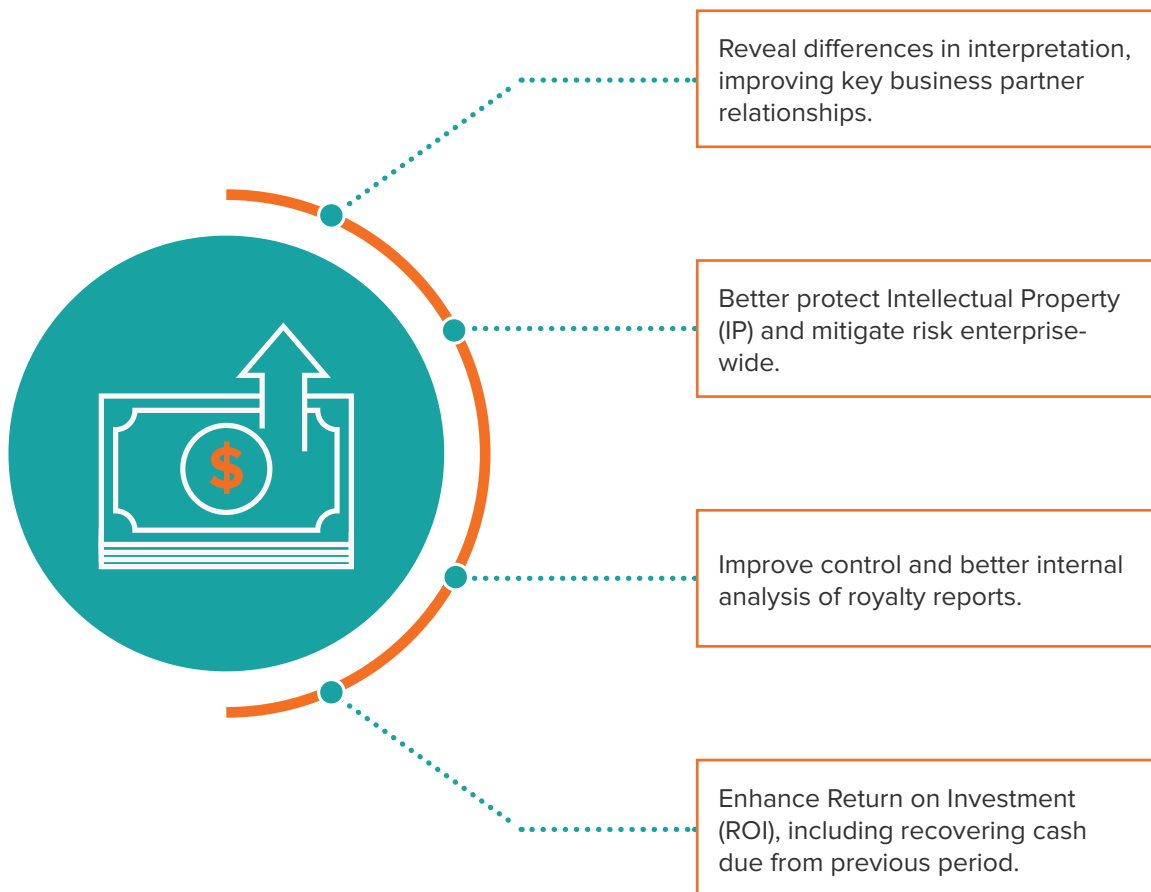
Involve experimentations.

ROYALTY/LICENSING COMPLIANCE AUDIT

Royalties are payments that you are entitled to. While it sounds simple enough, getting your 'fair share' can be complicated. An audit will ensure all parties involved are playing by the same rules.

A Royalty/Licensing Compliance Audit verifies if the Licensee (user of a Patent, License or Franchise) is complying with the agreement or contract and thus determine if the Licensor is receiving the agreed-upon fees.

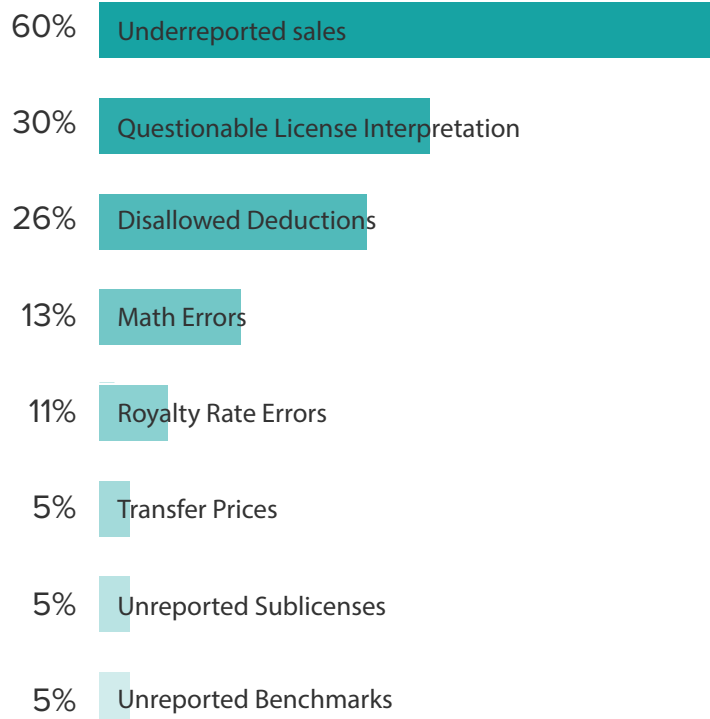
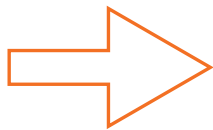
Our industry experts have been successfully performing Royalty Compliance Audits for companies that have developed and continue to develop IP. We provide quantifiable findings that can aid in the strategic negotiation and collection of unreported royalties/licensing revenues.



Astute has build large scale Royalty/Licensing compliance programs to identify errors in contracts and prevent loss of revenue.

KEY FINDINGS

**Percentage findings
on the causes
of errors for
underreported
royalties.**

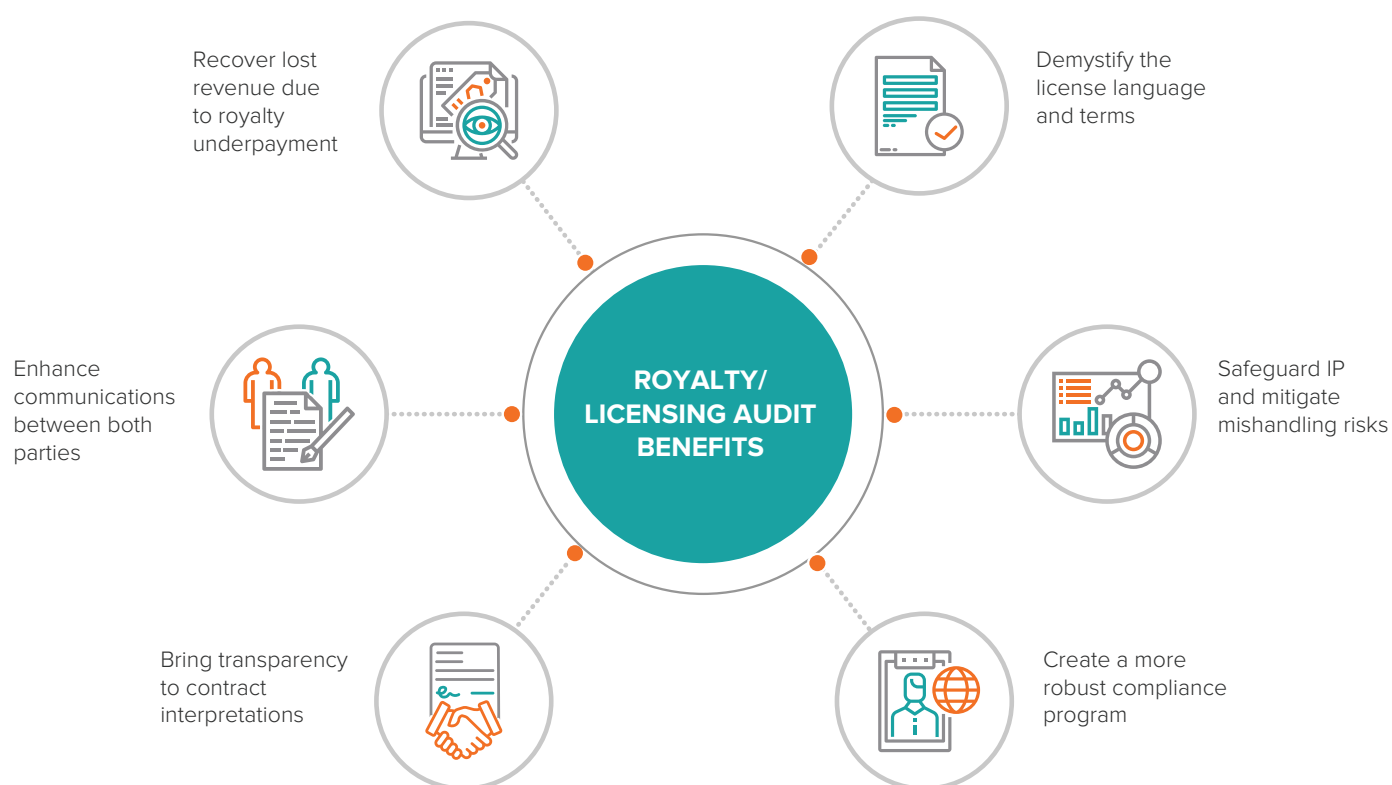


Source: InvotexIP Audit Statistics 1997-2016

We have saved more than \$10M in royalty payments and recovered millions in lost royalty revenue.

KEY BENEFITS

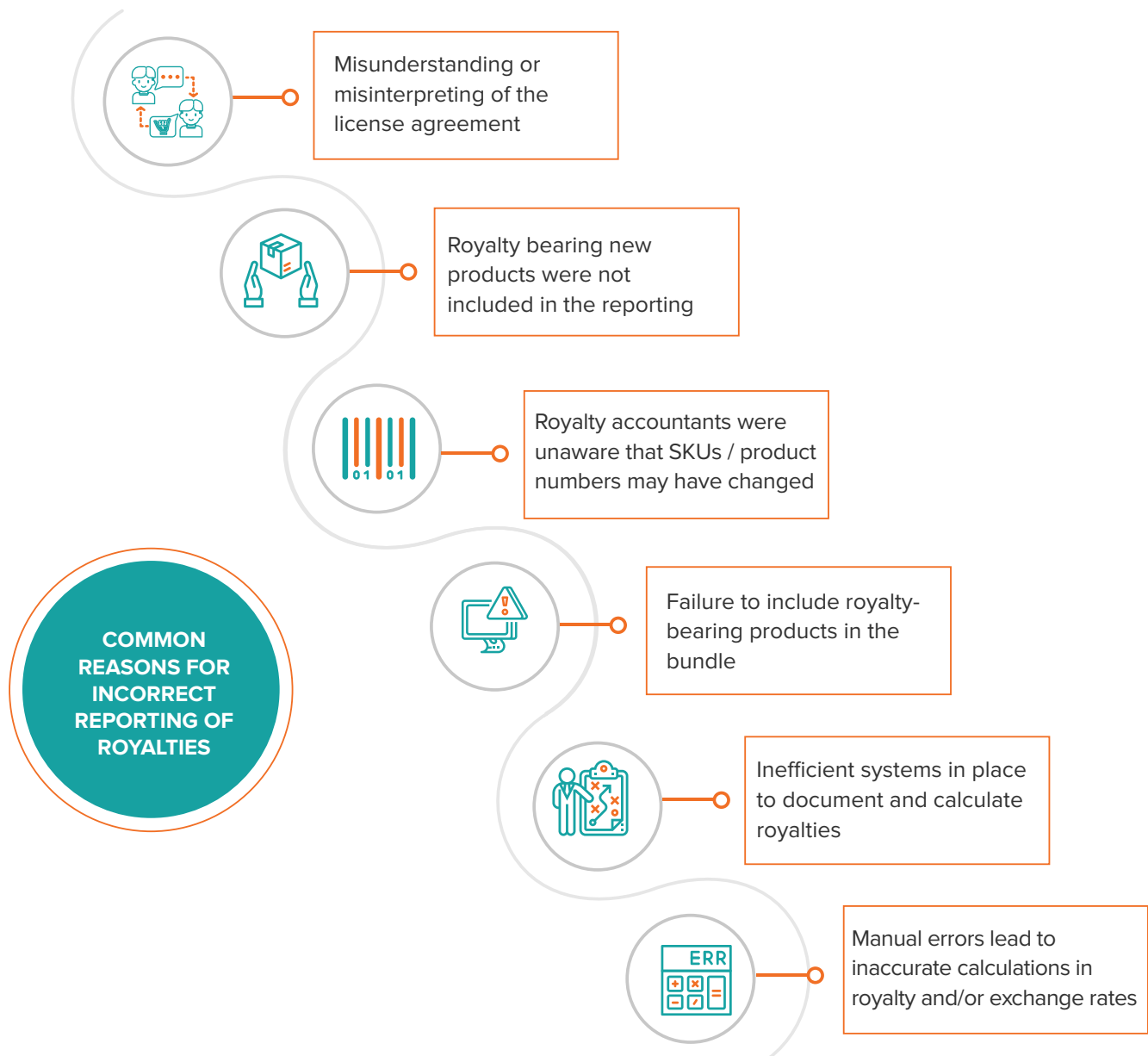
An independent Royalty/Licensing Compliance Audit provides you with quantifiable data, which is essential in collecting underreported royalties/licensing revenues.



We have helped Licensors renegotiate their royalty or licensing contracts to recover lost revenues.

INCORRECT REPORTING OF ROYALTIES

Often unintentional mistakes can happen that may cause errors in reporting revenue from Royalties.



Licensor could exercise his rights over Intellectual Properties and trigger the audit clause outlined in licensing agreement.



CERTIFICATIONS

- Certified Public Accountant, California

PROFESSIONAL ASSOCIATIONS

- California Society of Certified Public Accountants

EDUCATION

- San Jose State University.
Certification in International Taxation
- University of Mangalore, India
Master's in Business Administration (MBA) in
Finance and Accounting
- University of Mangalore, India.
Bachelor's in commerce and economics

SANDHYA MUKKAMALA, CPA

(Partner and Co-Founder)



INTRODUCTION

Sandhya Mukkamala, CPA, Partner and Co-Founder at Astute, advises clients on R & D Tax incentives, strategizing Tax planning, Technical accounting, Forensic Audits, and other corporate compliance related matters. She has more than 15 years of experience in audit and review engagements, complex M&A due diligence audits, Accounting for Income Tax Provisions (ASC-740) and Corporate Tax planning for private and public sectors.



PROFESSIONAL EXPERIENCE

Prior to founding Astute, Sandhya has served as Merger & Acquisition due diligence auditor for several years in a reputed public accounting firm in Silicon Valley. She has led the audit team in planning, structuring, and performed M&A due diligence activities across all functional areas such as financial, products, operations, and technology etc. As an acumen auditor, she helped companies uncover millions of dollars lost due to fraudulent activities or lack of control over processes, addressed complex accounting and financial reporting challenges.

Besides Auditing and Corporate finance, Sandhya has an extensive experience in R&D tax credit consulting projects (IRC. Sec. 41), SEC reporting, internal controls, and fraud testing over financial reporting for multitude of industries from early Startup's to Pre-IPO to Publicly held companies.

- Astute
- NA&G CPA's LLP
- Viteos Capital Market Services Ltd, (formerly Viteos Technologies), India
- Toyota Kirloskar Motor Ltd. (Subsidiary of Toyota Motors, Japan), India



SPECIALIZATION

Her unique understanding, problem-solving skills and providing reliable solutions has benefited clients in the following industry sectors

- | | |
|--------------------------------------|----------------------|
| ► Technology (software and hardware) | ► Food and Beverage |
| ► Manufacturing | ► Real Estate |
| ► Construction | ► Medical Services |
| ► Semiconductor | ► Telecommunications |
| | ► Automotive |



EDUCATION

- ▶ California State University, East Bay
Bachelor's Degree, Accounting
- ▶ University of Mumbai, India
Commerce and Economics

ASHWINI VASUDEVA

(Partner and Co-Founder)

INTRODUCTION



Ashwini Vasudeva, Partner and Co-Founder at Astute, advises clients on Financial stability, Sustained growth and Financial recovery. She assists companies on various Licensing/Royalty Compliance Audit, Technical Accounting, R&D Tax Incentive and Forensic Audit related work as well as works closely with clients' CFOs/Controllers to develop stronger processes and controls within business. She has more than 15 years of experience in public accounting and various industries.

PROFESSIONAL EXPERIENCE



Prior to founding Astute, Ashwini has served some of the most reputable publicly held companies in Silicon Valley as a financial and internal auditor with KPMG, LLP. Besides technical accounting and auditing, Ashwini has a broad knowledge of internal audits, business processes, internal controls, Intellectual Property Compliance Audits and Forensic Audits.

Ashwini has also developed Internal Audit and Intellectual Property/Royalty/Licensing Compliance Audit Programs for a variety of industries. She has played a key role developing "Royalty Compliance Audit Program" within a giant Life Science Corporation and helped save \$10M in royalty payment and recover millions of lost royalty revenue.


- ▶ Astute
- ▶ Morpho Detection (now Smiths Group)
- ▶ Life Technologies (now ThermoFisher Scientific)
- ▶ KPMG, LLP

SPECIALIZATION



Her business acumen along with her strong ability to communicate effectively has reaped financial benefits to clients in the following industry sectors:

- | | |
|--------------------------------------|----------------------|
| ▶ Technology (software and hardware) | ▶ Semiconductor |
| ▶ Manufacturing | ▶ Entertainment |
| ▶ Pharmaceutical and Biotechnology | ▶ Gaming |
| ▶ Medical Devices | ▶ Construction |
| | ▶ Telecommunications |

A low-angle photograph of a modern glass skyscraper with a curved facade, set against a light sky. The bottom of the image features a large, stylized wave graphic in orange and teal. The text is centered in the upper half of the image.

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