

Life Sciences & Biotech

Because of the constant and rapid changes in the life sciences and biotech industry, companies require an extraordinary range of expertise in auditing, accounting and tax. At KMJ, our professionals understand the lifecycle of your organization – from discovery through development, clinical testing, promotion and sales. We are familiar with the unique issues of this industry and have the extensive experience to understand the accounting and tax issues facing your business, including:

- *Research & development costs (R&D)*

We are familiar with outsourced R&D and collaboration arrangements, including accounting specific matters for prepaid and accrued R&D costs, and milestone payments.

- *Revenue recognition and complex licensing arrangements*

Revenue recognition is a complex area for pharmaceutical and biotech companies, especially licensing of intellectual property. Our professionals are well versed in the various accounting pronouncements in this area.

- *Debt & equity financing arrangements*

Our professionals have extensive experience in guiding our life sciences and biotech clients through the maze of accounting pronouncements related to complex debt and equity financing transactions. These transactions include convertible preferred stock, convertible debt, and issuance of warrants. We also have extensive experience in understanding the accounting and disclosure requirements for beneficial conversion features, embedded derivative financial instruments, and stock-based compensation arrangements.

- *Public offerings*

As a PCAOB registered firm, we audit publicly-traded companies in the life sciences and biotech industry and have extensive knowledge and experience with the initial public offering (IPO) process and secondary offerings. We can help your organization navigate through the accounting and reporting complexities associated with the public offering process.

OUR VALUE PROPOSITION. KMJ combines specialized industry knowledge of a national firm with accessibility, responsiveness and equitable pricing to serve the audit, accounting and tax needs of our life sciences and biotech industry clients.