

Addressing Accounting Challenges in Complex Company Structures

Aneal Vallurupalli

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Webinar Features and CPE Credit

Q&A

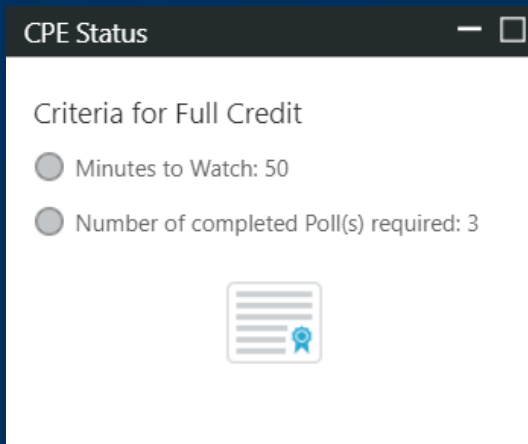
Asking Questions



Help



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Moderator

Sue Khawaja

**Business Development Manager,
Business Development**

IMA



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Featured Presenter

Aneal Vallurupalli
CFO
Airbase



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Aneal Vallurupalli's Biography

- Aneal Vallurupalli is the CFO of Airbase, a platform geared towards helping companies with their spend management. His background includes early to late-stage corporate finance, corporate development, operations, and tech M&A.
- Most recently, Aneal was the VP of Finance & Operations at Mattermost, where he still serves as an advisor. At Mattermost, Aneal grew the company's enterprise value—with a 4x increase in revenue growth and by leading the \$50M Series B. He also managed the company's fully distributed global growth by doubling the number of countries it operates in, and growing employee count by 5x. Prior to that, he was the Head of Strategic Finance at Mapbox, where he led the company's \$164M Series C round of funding from SoftBank and was the founding member of the Corporate Development team at Guidewire, helping to grow it from a \$800M private company to a \$7B public company.
- Aneal's career began in technology investment banking at Union Square Advisors, completing a range of public and private M&A transactions including buy-side, sell-side, corporate divestitures, and restructurings.



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Learning Objectives

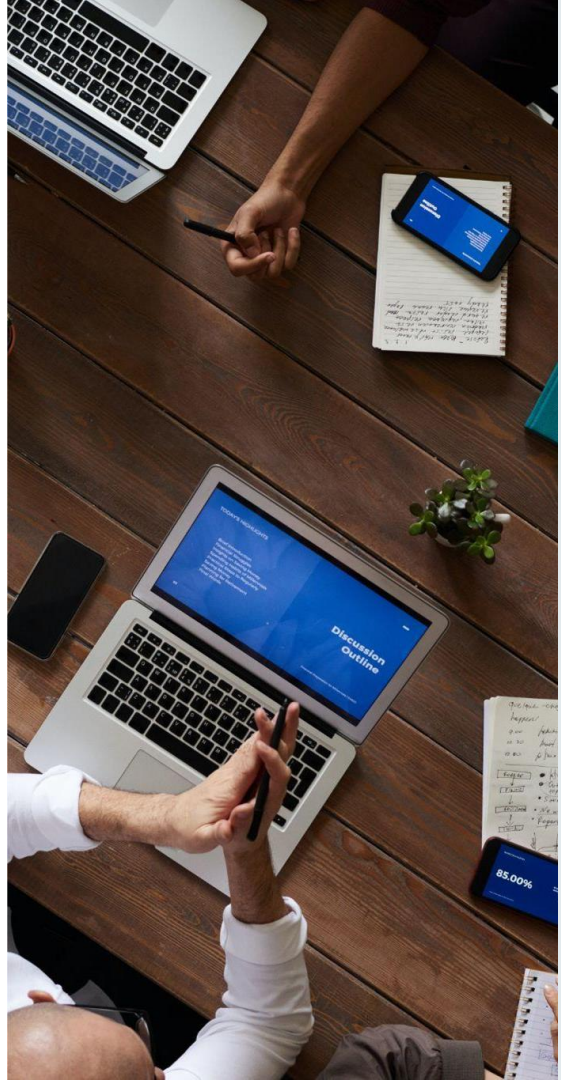
1. Recognize how to build a company structure to support remote teams and global sales.
2. Describe how spend management supports global, remote, and hybrid teams.
3. Explain the value of using software stacks to support multi-subsidiary multi-currency accounting.





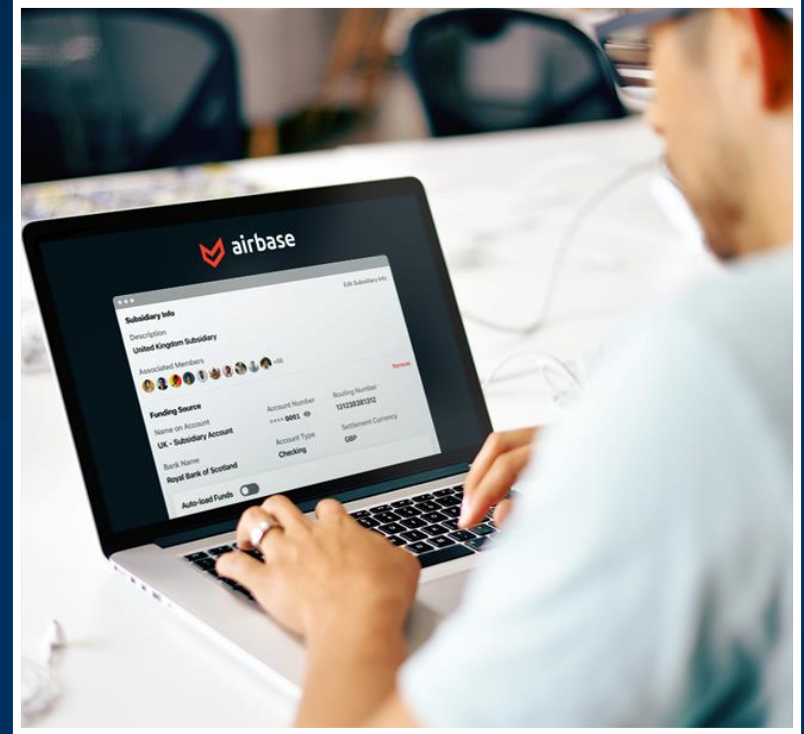
Addressing accounting challenges in complex company structures

A matter of risk management



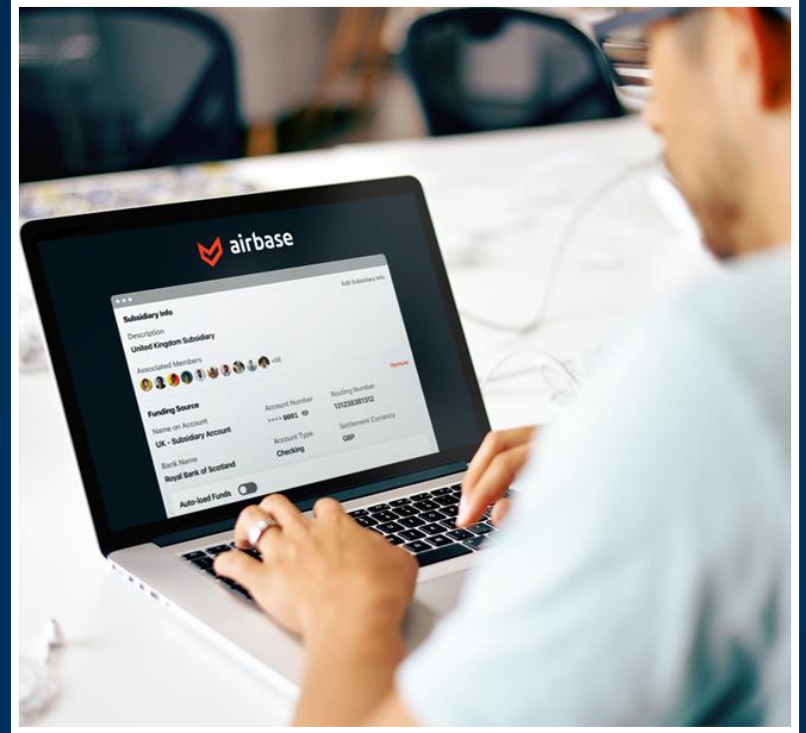
Why leverage subsidiaries?

- Hiring
- Tax strategy
- Hold IP
- M&A purposes
- Broadening strategically into new markets
- Improve operations
- Manage permanent establishment



Subsidiaries as a response to remote work

- Risk mitigation
- Cost effectiveness
- Better tools for hiring globally





Developing a risk framework for your company

- Foundational work
- Define company's risk tolerance and assign weightings
- Better and more consistent decision-making



Some factors that drive decisions to set up subsidiaries

- Protect revenue
- Reduce risk
- Improve operations
- Cultural norms
- Participate in local business opportunities
- Take advantage of local business incentives

Poll Question 1:

What are the biggest challenges companies encounter when setting up subsidiaries?

- a. Risk mitigation
- b. Cost-effectiveness
- c. Better tools for hiring globally
- d. All of the above

Poll Question 1 Results: (Placeholder)

What is the process for setting up a subsidiary?

- Varies in every jurisdiction
- Banking and finance requirements
- Board composition requirements
- Legal and registration requirements



Poll Question 2:

What is not typically included in the process of setting up a subsidiary?

- a. Varies in every jurisdiction
- b. Banking and finance requirements
- c. Legal and registration requirements
- d. Determine what software is needed

Poll Question 2 Results: (Placeholder)

The importance of internal alignment

- Establish a broad working group
- HR, Legal, Finance, Accounting, Leadership, appropriate business units



Accounting and operational challenges and how to address

- ERP — setting up the GL for primary and statutory books
- Functional currency
- Intercompany transfers
- Reporting requirements
- Consolidation
- Payroll system
- AR system
- Spend management system — paying local vendors, supporting local employee expenses

Poll Question 3:

How many accounting and operational challenges could you face when setting up subsidiaries?

- a. 8
- b. 15
- c. 6
- d. Unlimited

Poll Question 3 Results: (Placeholder)

The background is a dark blue gradient. In the center, there is a faint, dotted world map. Overlaid on this map and the background are numerous vertical lines of varying heights and colors (red, orange, yellow, and white). These lines are decorated with small circles and dots, some of which are also colored red, orange, or yellow. The overall aesthetic is high-tech and data-driven.

Spend management for global company structures

Spend management automates the whole process



Spend management automates the whole process

Request and approval
compliance

Making payments
multi-currency

Booking transactions
to subsidiary level

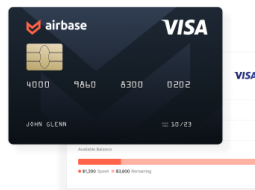
Consolidated view
from sub and parent

for all non-payroll spend



Bill
Payments

01



Corporate
Cards

02



Employee
Reimbursements

03

Poll Question 4:

What are the key benefits of spend management for global company structures?

- a. Pre-approval processes & policies for global spend
- b. Saving money on currency exchange rates
- c. Automated booking of transactions at the subsidiary level
- d. Complete visibility into the spend of sub and parent
- e. All of the above

Poll Question 4 Results: (Placeholder)

Multi sub support


Subsidiary Info

Edit Subsidiary Info

Description

United Kingdom Subsidiary

Associated Members

 +68

Funding Source

Remove

Name on Account

Account Number

Routing Number

Bank Name

Account Type

Settlement Currency

UK - Subsidiary Account

•••• 0001

131238381312

Royal Bank of Scotland

Checking

GBP

Auto-load Funds ☐

Virtual Cards

Bill Payments

Reimbursements

Purchase Orders

Priority & Trigger

Approver/s

1

When department is Marketing and category is Advertising

1st

2nd

2

When department is Sales

1st

2nd

3rd

3

When department is Sales and service is Salesforce

1st

2nd

Subsidiary

United Kingdom

United States

Canada

than \$3,000

on Web Services

er HR, Finance and Service is Delta

1st

2nd

3rd

1st

2nd

1st

2nd

The background is a dark blue gradient. It features a faint, dotted world map in a lighter blue color. Overlaid on the map and the background are numerous small, semi-transparent circles in red, orange, and white. Some of these circles are connected by thin, vertical lines, suggesting a data flow or network. The overall aesthetic is technological and global.

Global spend provides real-time
visibility and control at the
subsidiary and at the parent level

Measuring success of your legal entity strategy

- Are you using the entity the way you had intended?
- Are risks being managed?
- The costs of maintaining vs costs of shutting down.

Poll Question 5:

What is your top priority in setting up multi-subsidiaries?

- a. Migrating to an ERP first
- b. Getting proper visibility and control over subsidiary spending.
- c. Building an efficient procure to pay process
- d. Ensuring that accounting and reporting are in place
- e. Finding tax and legal resources to help with planning and execution.

Poll Question 5 Results: (Placeholder)

Poll Question 6:

Would you be interested in learning about a spend management platform with multi-sub support for all non-payroll spend?

- a. Yes
- b. No, thank you.

Poll Question 6 Results: (Placeholder)



Thank you.



Interested in Airbase? Sign up for a demo airbasehq.io/ima

Questions and Answers



Aneal Vallurupalli
CFO
Airbase



Sue Khawaja
Business Development Manager
IMA

Thank You to Our Featured Presenter!

Aneal Vallurupalli
CFO
Airbase



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Final Reminders

- ▶ **Complete the Evaluation survey**– 2 options
 - On your screen
 - Evaluation Survey icon at the bottom of your console
- ▶ **Access to your CPE Certificate** – 2 options
 - Click the “CPE” icon at the bottom of your console
or
 - Click the link in your post-event e-mail
- ▶ Please print a copy of the CPE certificate for your records.
- ▶ Your CPE credit will be automatically recorded in your transcript.



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