

The Top Down Group



"Experts at getting your SOX to fit"

What's new?

The [Top Down Group's](#) monthly newsletter is aimed to provide you with the latest news, trends and suggestions to make your Sarbanes Oxley 404 compliance initiative less expensive, more routine and value added.

Tips to create an efficient SOX 404 process:

While SOX 404 compliance will always involve some level of effort, there are some proven ways to reduce cost and increase efficiency:

1. Update SOX documentation throughout the year, not just during testing.
2. Ensure that control owners take ownership of the process, making sure controls are still operating as designed.
3. Prepare a top down, risk based approach to your controls.
4. Use internal staffing to as much extent possible. Have an audit professional review the results, however.
5. Provide regular metrics and updates to management to gauge the success of the project and reduce year end surprises.
6. Use a timeline to determine when testing will be performed.
7. Review your sample sizes. Are you testing your controls too high and too frequently?
8. Can you rely on a SAS 70 type II report for some areas?

How much reliance on spreadsheets?

The use of spreadsheets has been a critical aid in enabling companies to prepare their financial statements in a timely fashion, but too much reliance on them can have severe consequences if there are formula errors, user access problems or version control issues.

To mitigate against these or other risks often associated with spreadsheets, take an inventory of the critical spreadsheets used at your company. Note the process, uses, owner, complexity, and directory for each spreadsheet and test the calculations and integrity of the spreadsheet itself at least annually.

Who is the Top Down Group?

We specialize in right-sizing SOX for each client, making sure the benefits of sound internal controls outweigh the costs and effort. SOX compliance doesn't have to be complicated, or expensive.

At the [Top Down Group](#), we will

- Develop a SOX plan just right for your company.
- Look for ways to reduce costs and create efficiencies in your SOX program.
- Understand your business, processes and controls to develop a SOX program to fit your budget.
- Guide you step by step on documenting, testing and assessing your control environment and ensure a repeatable, efficient process, year after year.