

COSO for Smaller Public Companies: the answer to SOX compliance?

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Lord & Benoit announced on Oct 25, 2006, that it was one of the first SOX compliance firms to use COSO for Smaller Public Companies. Lord & Benoit is a national (U.S.) SOX compliance and research firm focused on affordable compliance for smaller public companies. According to their recent report in the Sarbanes-Oxley Compliance Journal, use of the new COSO implementation tool is, indeed, effective.

[ILLUSTRATION OMITTED]

In July 11, 2006, COSO released their Internal Control over Financial Reporting--Guidance for Small Public Companies. The COSO implementation tool covers the unique needs of small companies' financial reporting requirements and is therefore focused on achieving understandable and efficient SOX compliance.

Lord & Benoit set out to see if the new COSO guidance would truly be more efficient and practical for smaller public companies. The study was performed on a small public company client that voluntarily complied with SOX 404.

According to the Journal's report, the COSO Guidance for Smaller Public Companies has made great strides in helping smaller public companies right-size their internal controls. The report notes that more guidance would be helpful, but that the tool is definitely a great first step and should be applauded.

For the full story visit www.s-ox.com/Feature/detail.cfm?ArticleID=2163.

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