

SOX 404(b) Compliance for a Growing Consumer Brand



Situation

A publicly traded consumer brand (the Company) was close to losing its status as an emerging growth company. When that happens, the Company must provide an auditor's report on its Internal Control over Financial Reporting, which is required under Sarbanes-Oxley (SOX) section 404(b).

In anticipation of this, they aimed to ensure that their internal control processes were effective and efficient. The Company was considering various outsourced providers.

Driving Results Through Proficiency

To help the Company [strengthen its internal controls and maintain an effective SOX- compliant program](#), our team of dedicated professionals collaborated with various stakeholders and process owners to develop an assessment of their internal controls over financial reporting. This included both business and IT-related processes.

Cherry Bekaert's Risk Advisory practice reviewed past issues and offered remediation actions. They also examined the internal controls design related to the ability to prevent or detect the risk of material financial misstatement. Our team identified gaps and best practices for the Company to consider in advance of external auditor attestation under SOX Section 404(b).

Finally, the Company engaged Cherry Bekaert's Accounting Advisory for co-sourcing offerings to supplement their internal team with experienced professionals with deep subject matter knowledge to provide guidance and testing support for management's assessment of internal controls over financial reporting.

By providing the Company with experienced professionals who have relevant experience with SOX compliance, Cherry Bekaert was able to save them from the time-consuming process of sourcing and hiring permanent accounting and SOX compliance staff with unique experience during a time when [accountants are in short supply](#).

Guiding Your Business Through Complex Matters

Cherry's Bekaert's experienced [Risk Advisory](#) practice can guide your business through a variety of compliance and regulatory requirements to manage risk and position your company for future growth.

Related Guidance

Article: [SOX Compliance Checklist](#)

Article: [Six Steps To Creating Efficiencies and a Well-planned SOX Program](#)

Article: [Uncovering the ROI of SOX Compliance](#)

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About Cherry Bekaert

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