

CASE STUDY

SOX Annual Testing

ABOUT THE CLIENT



The company is an enabler of financial inclusion for unserved and underserved communities, investing in and partnering with financial service providers around the world.

The company has its headquarters in Tokyo, with subsidiary companies in Sri Lanka, Myanmar, Cambodia, India, Tajikistan and Bangladesh

Their core mission is to broaden financial accessibility for all individuals in developing nations, with the ambitious goal of reaching over 100 million people in 50 or more countries by 2030.

The organization was gearing up to list on the stock exchanges and therefore wanted all the processes to be SOX compliant. The specific requirement from the client was as under:



BUSINESS REQUIREMENT

Understanding of the business and existing controls

Conducting Test of Effectiveness



Formulating and assessing Test of Design

Reporting with Remediation plan

www.valueonshore.com

This document is being submitted to your organization / you for the purpose of describing Valueonshore Advisors qualifications to provide the services outlined herein. In consideration of receiving the disclosures, we request for this document to be treated as confidential material. This document shall remain the property of Valueonshore Advisors and reserves the right to request the return of any and all materials included in this document.



Our Approach



1

Understanding of the business and existing controls



Understanding the company's control environment, including the financial reporting process, key business cycles and related controls.

Review the existing RCMs to check coverage and accuracy of financial assertions (CEAVOP) along with completeness & accuracy of various parameters

Perform process walkthrough and identify the changes in process and update the control in the RCMs

2

Test of Design (TOD) and Test of Effectiveness (TOE)



Assessing Control Design Effectiveness

Performing test of design effectiveness to evaluate if controls are designed effectively (for revised controls)

Develop a listing of control gaps for remediation activities

Support implementation of agreed upon remediation /corrective steps.

Assessing Control Effectiveness:

Determining the sample of control instances (transactions, events, or data) that will be tested for each key control.

Performing the control procedures as documented in the control documentation and following the steps or activities specified in the control design to assess their effectiveness.

Collecting the evidences to verify that the control procedures were executed correctly and that they had the intended effect which includes reviewing documentation, approving, system logging, or other relevant records.

Documenting the testing of controls in agreed Test Scripts.

Assessing whether the controls are operating as intended, providing reasonable assurance that financial statements are free from material misstatements.

If any control deficiencies are identified, working with process owners to develop and implement remediation plans to strengthen controls.

3

Reporting with Remediation plan



Document the results of tests of effectiveness including any control weaknesses, deficiencies, or instances where controls are not operating as intended.

Issue SOX readiness report covering key aspects of remediation, test of operating effectiveness.



VALUE CREATION



Valueonshore Advisors assisted the Company in compliance to the SEC requirements. This enhanced the overall integrity of the financial reporting and disclosures, as well as the company's corporate governance framework.

Our teams conducted test of design and test of effectiveness which are essential components of the internal control assessment process thereby ensuring that the company's internal controls were designed effectively and operated as intended to prevent financial misstatement and fraud.

ABOUT US



Headquartered in Gurgaon, Valueonshore Advisors is a specialized professional services firm managed by the Big 4 alumni and industry executives. Our portfolio includes multi billion-dollar companies, mid-cap public, and pre-IPO companies that range from late stage to early stage. We are a trusted, preferred partner for various multinational and Indian clients who engage us for our functional expertise, industry knowledge and for our objective solutions for complex problems.

If you need any further information on our services, please contact us:

Krupa Ruparel



Vice President

Krupa.ruparel@valueonshore.com

Shashank Agarwal



Vice President

shashank.agarwal@valueonshore.com

OUR OFFICES



Gurugram – Enkay Tower

Enkay Centre, Wing A, Second Floor, Plot No A, Vanijiya Nikunj, Udyog Vihar, Phase V, Gurugram-122016

Hyderabad

CWS One, Plot No: 40, 41 & 42, Survey No: #54 Kondapur, Serilingampally, Hyderabad, Telangana 500084.

Mumbai

5th floor B Wing Akruti Trade Centre, Road No. 7, Kondivita, Andheri East, Mumbai, Maharashtra 400047

Gurugram - Ocus Technopolis

Third Floor Tower A, Ocus Technopolis, Golf Course Road, Sector – 54, Gurugram - 122002

Bengaluru

2nd & 3rd Floor, 235,13th cross Road, 2nd Stage, Indiranagar, Bengaluru, Karnataka 560038

USA

572, Cascade Dr, Sunnyvale, CA, 94087

www.valueonshore.com

This document is being submitted to your organization / you for the purpose of describing Valueonshore Advisors qualifications to provide the services outlined herein. In consideration of receiving the disclosures, we request for this document to be treated as confidential material. This document shall remain the property of Valueonshore Advisors and reserves the right to request the return of any and all materials included in this document.

Follow Us

