



AUSTRALIA'S CORPORATE COMPLIANCE FOR SOX – A RELIABLE SOLUTION

Released: 13 September 2004

More than 1073 US-Australian based companies are facing the looming international compliance deadline of 15 November 2004 set down by the new US Sarbanes-Oxley Act (SOX).

Australian companies who trade with US companies have left compliance to the last minute as they are unsure of the procedures /systems that must be implemented for SOX. Australian Project and Consulting Services report a significant increase in urgent enquiries seeking IT consulting services and project management as the deadline looms.

The SOX – Section 404 compliance often requires a complete overhaul of financial controls, with a subsequent impact on data systems and management, accounting systems, reporting, communications channels and the overall accountability of information relating to financial transactions and corporate responsibility for Australian companies.

“Affected companies have reached out to independent specialist IT consulting companies to assist with their system compliance. APCS is also providing a support structure for the IT managers and key decision makers to change their corporate culture and systems for compliance,” says Craig Dennis, Director of Australian Project and Consulting Services (APCS).

More than 40% of all APCS enquires relate to SOX compliance. With 100% success rate APCS has been working with Australian companies for the past 6 months achieving compliance with project teams working in-house and along side existing IT, compliance management and accounting teams.

‘Unlike similar compulsory compliance events seen in Australian eg Y2K, Sarbanes-Oxley is the most radical and comprehensive overhaul of internal controls, systems and culture that American-Australian companies and their service providers have undergone,’ said Mr Dennis.

Mr Dennis is leading APCS in its growth and service offerings in project management, disaster recovery and business continuity for Australian companies.

“Our exposure to the benefits of the US Act urgently flags the need for an Australian led corporate accountability and regulatory system that overhauls corporate Australia. This will prevent corporate malfunctions such as the recent National Australia Bank breakdown in corporate governance or the more far reaching HIH collapse,’ said Mr Dennis.

Media contact: Jennifer Muir
T: 61 2 9818 1388 M: 0415 401 200 E: Jennifer@juicegroup.com.au



Media Juice

A U S T R A L I A

The European Union are currently investigating a more stringent version of corporate governance law. This will leave Australia and the rest of the world who haven't been affected by SOX working with limited systems of accountability and lagging behind new international standards of corporate governance.

Who's affected: USA corporate subsidiaries, appointed auditors or financial advisors to these companies in Australia or Australian companies listing on the USA markets or those that have joint projects with US companies.

The Sarbanes-Oxley Act is a significant piece of US federal legislation that was signed into law by President Bush on July 30, 2002 in response to corporate failures such as Enron, WorldCom and the many other corporate accounting scandals that have plagued the US in recent years. It is already having far reaching effects on US public companies, their management, auditors and procedures relating to reporting protocols to US regulatory authorities. The Act also applies to Australian companies and nationals with US parents or who have a significant business-to-business relationship with a publicly owned US company. Compliance to the ACT is compulsory and has significant repercussions for CFO's, CEO's, Board members and Directors of Australian companies.

Media contact: Jennifer Muir
T: 61 2 9818 1388 M: 0415 401 200 E: Jennifer@juicegroup.com.au

Media Juice
A U S T R A L I A