

L·B·B BRIEFS FOR SMALLER REPORTING COMPANIES

EXTERNAL INTERNAL CONTROL AUDIT REQUIREMENT DELAYED AGAIN!

Companies with a fiscal year-end in the range of December to May are impacted. Excerpts from the SEC, Release 2009-213:

Washington, D.C., Oct. 2, 2009 – The Securities and Exchange Commission today announced that the smallest publicly reporting companies will begin complying in nine months with the final portion of a key provision of a 2002 corporate governance law that requires companies to report to the public about the effectiveness of their internal control over financial reporting.

Under the provisions of Section 404 of the Sarbanes-Oxley Act, public companies and their independent auditors are each required to report to the public on the effectiveness of a company's internal controls. The smallest public companies with a public float below \$75 million have been given extra time to design, implement and document these internal controls before their auditors are required to attest to the effectiveness of these controls.

This extension of time will expire beginning with the annual reports of companies with fiscal years ending on or after June 15, 2010. This expiration date previously had been for fiscal years ending on or after Dec. 15, 2009. The extension was granted so that the SEC's Office of Economic Analysis could complete a study of whether additional guidance provided to company managers and auditors in 2007 was effective in reducing the costs of compliance. Because the study was published less than three months before the December 15 deadline, the Commission determined that additional time is appropriate and reasonable so that small public companies and their auditors can better plan for the required auditor attestation.

"Since there will be no further Commission extensions, it is important for all public companies and their auditors to act with deliberate speed to move toward full Section 404 compliance," said SEC Chairman Mary L. Schapiro.

For link of this announcement: <http://www.sec.gov/news/press/2009/2009-213.htm>

ALSO, RE: IFRS: Updated FOQ on IFRS reflects developments in convergence arena. See IFRS FAQ's link at http://www.ifrs.com/ifrs_faqs.html.

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