



Have you built trust with your stakeholders?

Service Organization Controls Reporting (SOCR)
through SOC 1, SOC 2, ISAE 3402
and other reports

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The better the question. The better the answer.
The better the world works.



EY

Building a better
working world

Why should we review controls in service organizations?

Are your customers, business partners and regulators looking for trust in areas such as security and privacy and expecting you to provide answers in these areas?

Are you recognizing the increased dependence on suppliers and business partners and are you looking for additional comfort on how these organizations are managing their risks and continue to be reliable suppliers in the future?

This results in increased requirements for independent assurance throughout the supply chain, to satisfy all parties that risks are being effectively managed. Service Organization Controls Reporting (SOCR) helps companies build that trust with their partners by providing an independent opinion from an auditor on the extent to which their controls are designed to address key risks and are operating effectively.

SOC reports help companies build trust with their partners by providing an independent opinion from an auditor

Challenges

Service organizations' customers, business partners, and regulators demand both an understanding of the controls over a service organization's system and evidence that the controls are operating effectively. Service organizations can:



Proactively design and provide this information and evidence as a part of their core service through a SOC report.



Assist customers in extracting the information individually for them.

Most service organizations currently focus their efforts on individual extraction causing duplication of efforts, distraction of key personnel, excessive costs and disruption of operations.



SOC Reporting value

Our clients tell us the benefits of obtaining this independent assurance that they can provide to their customers and prospective customers include:

Building trust with existing customers and stakeholders.

Demonstrating the quality of controls as part of bidding for new contracts - including building credibility where startups are looking to win contracts with larger entities.

One audit rather than multiple audits, helping to reduce costs.

Focus on key controls, with the opportunity to challenge other control activities and risk assessments.

Enhancing client communications and increasing transparency of outsourced internal controls.

Builds competitive advantage and being a market differentiator.

Assists organizations with vendor oversight and meet contractual obligations.

Helps addressing multiple security evaluation frameworks with one report (e.g. SOC 2+ incorporating ISO 27000).

Reduces redundant questions and testing - decreasing costs and minimizing disruptions.

Improves the maturity of internal controls.

Which SOC report fits your needs?

<h2>SOC 1</h2> <p>SSAE 18 or ISAE 3402</p>	<h2>SOC 2</h2> <p>SSAE 18 or ISAE 3000</p>	<h2>SOC 3</h2> <p>SOC 2 supplement</p>
INTERESTED PARTIES		
<p>User entities that outsource business processes and their auditors, service organization management.</p>	<p>Users entities, others with specific needs (e.g., business partners), regulators, service organization management.</p>	<p>Anyone.</p>
REPORT USE		
<p>Use restricted to user entities and their auditors for use in financial statement audits and related matters.</p>	<p>Use restricted to users who have sufficient knowledge and understanding of the service organization and internal control.</p>	<p>General use, no special understanding is required to use the report effectively.</p>
REPORT PURPOSE		
<p>To provide information to the auditor of a user entity's financial statements about controls at a service organization that are relevant to a user entity's internal control over financial reporting. This report is intended mainly for financial auditors.</p>	<p>To provide interested parties with information and a service auditor's opinion about controls at the service organization related to security, availability, processing integrity, confidentiality, or privacy. We typically issue SOC 2 reports for IaaS, SaaS, PaaS and similar companies.</p>	<p>To provide interested parties with an auditor's opinion about controls at the service organization related to security, availability, processing integrity, confidentiality, or privacy. Usually, it is a public marketing document supplementing SOC 2 report.</p>

Why EY?

Globally, EY continues to be an industry leader and standard setter for SOC reporting. We have been providing SOC reporting services for over 30 years.

We have been part of developing the new standard and members of our team continue to participate in these new developments.

We issue more than 3,000 SOC reports annually across more than 900 clients. In the technology sector, we issue 500+ reports for 40+ service organizations annually.

We serve 3 of the top 4 global data processing providers and 6 of the top 10 leading outsourcers.

For additional information please refer to the contacts below.

30 years

of expertise on the global market

900

clients

3,000

SOC reports issued annually

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Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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