AICPA Panel on Audit Analytics

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Evolving Assurance Landscape

Source: Deloitte “Audit of the Future” Survey
Priorities for Evolving Assurance:

- Developing new, value-added assurance services for subject matter outside the financial statement audit

- Innovating the traditional financial statement audit process...
Emerging Assurance Technologies Task Force

- Responsible for developing a conceptual framework and guidance to capitalize on emerging technologies impacting both internal and external reporting, including:

  - Data access (Audit Data Standards)
  - Data analysis (Audit Data Analytics, continuous assurance/auditing, continuous control monitoring, and continuous risk monitoring)
# Assurance Services Executive Committee Work in Data Analytics

<table>
<thead>
<tr>
<th>Standard</th>
<th>Progress</th>
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</thead>
<tbody>
<tr>
<td>Base Standard</td>
<td>Published</td>
</tr>
<tr>
<td>General Ledger Standard</td>
<td>Published</td>
</tr>
<tr>
<td>Accounts Receivable Sub ledger Standard</td>
<td>Published</td>
</tr>
<tr>
<td>Order to Cash Sub ledger Standard</td>
<td>Published</td>
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<tr>
<td>Procure to Pay Sub ledger Standard</td>
<td>Published</td>
</tr>
<tr>
<td>Inventory Sub ledger Standard</td>
<td>In process</td>
</tr>
<tr>
<td>Fixed Asset Sub ledger Standard</td>
<td>In process</td>
</tr>
<tr>
<td><strong>Generic</strong>: Payroll, expanded Inventory standard including manufacturing components</td>
<td>Possible future standards</td>
</tr>
<tr>
<td><strong>Industry Specific</strong>: Banking/Capital Markets and Insurance</td>
<td>Possible future standards</td>
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</tbody>
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Assurance Services Executive Committee
Work in Data Analytics

• Audit Data Analytics:
  - Audit Analytics and Continuous Audit – Looking Toward the Future:
  - Spreadsheet linking audit objectives to manual and automated procedures/apps under development with illustrative examples
  - Audit Data Analytics guide with examples and visualizations is being developed in collaboration with ASB
  - Rutgers AICPA Audit Analytics Research Initiative
Development Components for Audit Data Analysis

Audit Data Standards

Audit Apps

Methodology/Framework

Audit Data Standards
- Base
- O2C
- P2P
- INV

Specific Topic
White Papers &
Guidance Documents

Transaction Volume

Version: 1.2
Author: Ryan Teeter
Platform: ACL 9.1, SAP
Timing: Weekly
Method: Automatic
Location: Remote

Description
Transaction Volume evaluates the total number of transactions passing through any given module and compares it against prior weeks. Date range and SAP module can be customized.

Assertions
Reviews

Americans Institute of CPAs

AICPA

Crowd Source
Panel Discussion:

*Practical Perspectives on Current and Future Application of Audit Analytics*
Audience Q&A