Bridging the gap between Audit Management and Data Analysis
Session agenda

- **Introduction**
  - Sepia Solutions & Expert Software Tools
  - Ideagen PLC & Pentana

- **Bridging the gap** between
  **Audit Management** and **Data Analysis**
  - Background Daikin Europe
  - Audit working environment
  - Audit challenges
  - Pentana Analytics Link Software
  - Key benefits

- **Wrap up**
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• Wrap up
Expert software tools

**Analyzer**
*by Arbutus Inc*

- Big data analysis & Continuous monitoring
  - Import many file formats
  - Analyse big data
  - Manual / Automate analysis
  - 80+ Functions
  - 80+ Commands
  - Export formats
  - Easy sharing of data

**Pentana**
*by Ideagen PLC*

- Audit Management & eGRC
  - Risk-based audit planning
  - Configured audit methodology
  - Execute fieldwork
  - Document issues
  - Auto generate audit reports
  - Import management responses
  - Action follow-up

**Retain**
*by Retain International*

- Resource planning & time recording
  - Integrated with Pentana
  - Schedule resources on projects
  - Schedule recurring tasks
  - Highlight over-allocation
  - Drag and drop to update plan
  - Record time per resource
  - Compare budget/plan/actual
Ideagen plc is building a globally important GRC business

- Acquired Pentana in 2013
- **150 staff** in UK and US
- **20 partners** around the world
- Strategy is to implement “best of breed” solutions with seamless interfaces
- Pentana Vision becomes Pentana
How Ideagen can help
Workbench – Policy / Compliance
Pentana – Summary

• SmartClient Technology Gives desktop user interface over the web with off-line working
• Simple deployment and automatic updates
• On-premise or hosted
• Includes comprehensive risk based multi-year audit planning
• Many reporting/dashboard options
• Pre-packaged with content or can be customised (with no code changes) for larger installations
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Pentana Analytics Link Software

Audit & Assurance Software Watch Day
15 October 2014

by Dr. John Mathew
Background John Mathew

- I’m not an auditor!
- Data background
  - Academic: PhD in Information Systems/Statistics
  - Large Data: Sales and logistics
  - Predictive data models: Aggregation of data

- With Daikin Audit team for 2 years
- SAP ERP is the main focus
- Only dealt with FICO and SD modules
- Starting with CRM and the authorization concepts
Background Daikin Europe

• Fully owned subsidiary of Daikin Industries Japan
• Main focus: air conditioner manufacturing
• Company statistics
  ❖ 5 production facilities
  ❖ 17 affiliated sales companies across Europe
  ❖ 1 800 million euros turnover
  ❖ 5 517 employees
  ❖ 5 auditors
• Auditors located in
  ❖ Belgium
  ❖ Italy
  ❖ UK
Audit working environment

• One ERP system: SAP
• Downloaded a copy of required tables
  ❖ 100 tables at least (2 table had to be split into small tables)
  ❖ 200 million records in largest table
  ❖ 300 columns in widest table
  ❖ 2 TB total disk space to store data
• Data analysis scripts
  ❖ 25 scripts in production
  ❖ 28 under development
  ❖ 80 ad-hoc scripts
• Many scripts are linked to controls/tests
Audit challenges

• Managing relations between
  - Tests / Controls
  - Data analysis scripts
  - Result files and storage location

• Auditor needs to know a lot more for each test
  - Find the (latest) result files/tables
  - Determine the pass/fail criteria
  - Interpret the result files/tables
  - Summarise the test result
Pentana Analytics Link Software

- **Integrates** Pentana (Audit Management System) with Data Analytics:
  - Arbutus Analyzer
  - Idea
  - ACL
  - SQL
- **Maps** data analytic scripts to
  - tests
  - controls
- **Updates** Pentana tests with
  - results and
  - result descriptions
- **Imports** output result files into Pentana
Pentana Analytics Link Software

1. Initiate
2. Start script
3. Run script
4. Check results
5. Update tests

Pentana

PALS

Arbutus

Data sources

Run script

Import files

16

17 October 2014
Pentana Analytics Link Software

Manager
Create definitions, mapping

Client
Execute, upload, update
J-SOX Example & demonstration

• J-SOX test
  Only authorized users may release blocked sales orders

Demonstration steps

• Steps in Pentana without results
• Start client
• Load the definition file
• Select the audit
• Execute
• Confirm results
• Upload to Pentana
• Results in Pentana with results
• **Steps in Pentana**
  • Start client
  • Load the definition file
  • Select the audit
  • Execute
  • Confirm results
  • Upload to Pentana
  • Results in Pentana

Only authorised persons are allowed to release blocked sales orders.
- Steps in Pentana
- **Start client**
- **Load the definition file**
- Select the audit
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana
• Steps in Pentana
• Start client
• Load the definition file
• **Select the audit**
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Results in Pentana

SA3 - Administration (1 item)
  JSOX Rel - Releasing blocked sales orders (1 item)
    JSOX RelR01 - Unintended sales orders released (1 item)

Test | Owner | Result | Description | Sign Off State | Result Description
--- | --- | --- | --- | --- | ---

- JSOX - Authorised persons only
- Failed
- There are 124 users who did not have permission to release sales orders.

Only authorised persons are allowed to release blocked sales orders.
Key Benefits

• Data analysis scripts to be run for each test are already identified before the field work, by the tool.
• Auditors save time to upload test results into Pentana.
• Auditors are more efficient because most of the test results are pre-populated in Pentana.

Conclusion

• Given these benefits, Daikin intends to continue using this tool.
Wrap up

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  – Introduction
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  – Bridging the gap between
    Audit Management and Data Analysis

• Questions
  – Do you have any questions at this moment?
  – If you think of questions later:
    • Alain Rousseau: Alain.Rousseau@sepiasolutions.net
    • Ken Ebbage: Ken.Ebbage@ideagenplc.com
    • John Mathew: Mathew.J@daikineurope.com
Thank you

Thank you John for sharing Daikin’s experiences

Thank you all for your attention