Bridging the gap
between
Audit Management and Data Analysis

Session agenda

- **Introduction**
  - **Sepia Solutions & Expert Software Tools** — Alain Rousseau
  - **Ideagen PLC & Pentana** — Ken Ebbage
- **Bridging the gap** between **Audit Management** and **Data Analysis** — John Mathew, Daikin Europe
  - Background Daikin Europe
  - Audit working environment
  - Audit challenges
  - Pentana Analytics Link Software
  - Key benefits
- **Wrap up**

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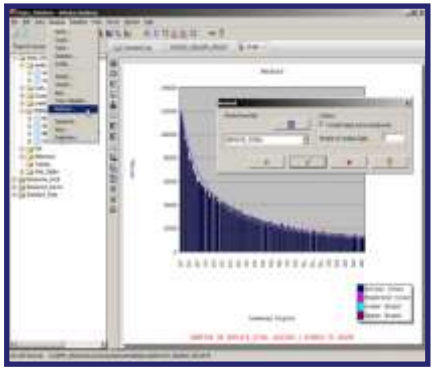
Expert software tools

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

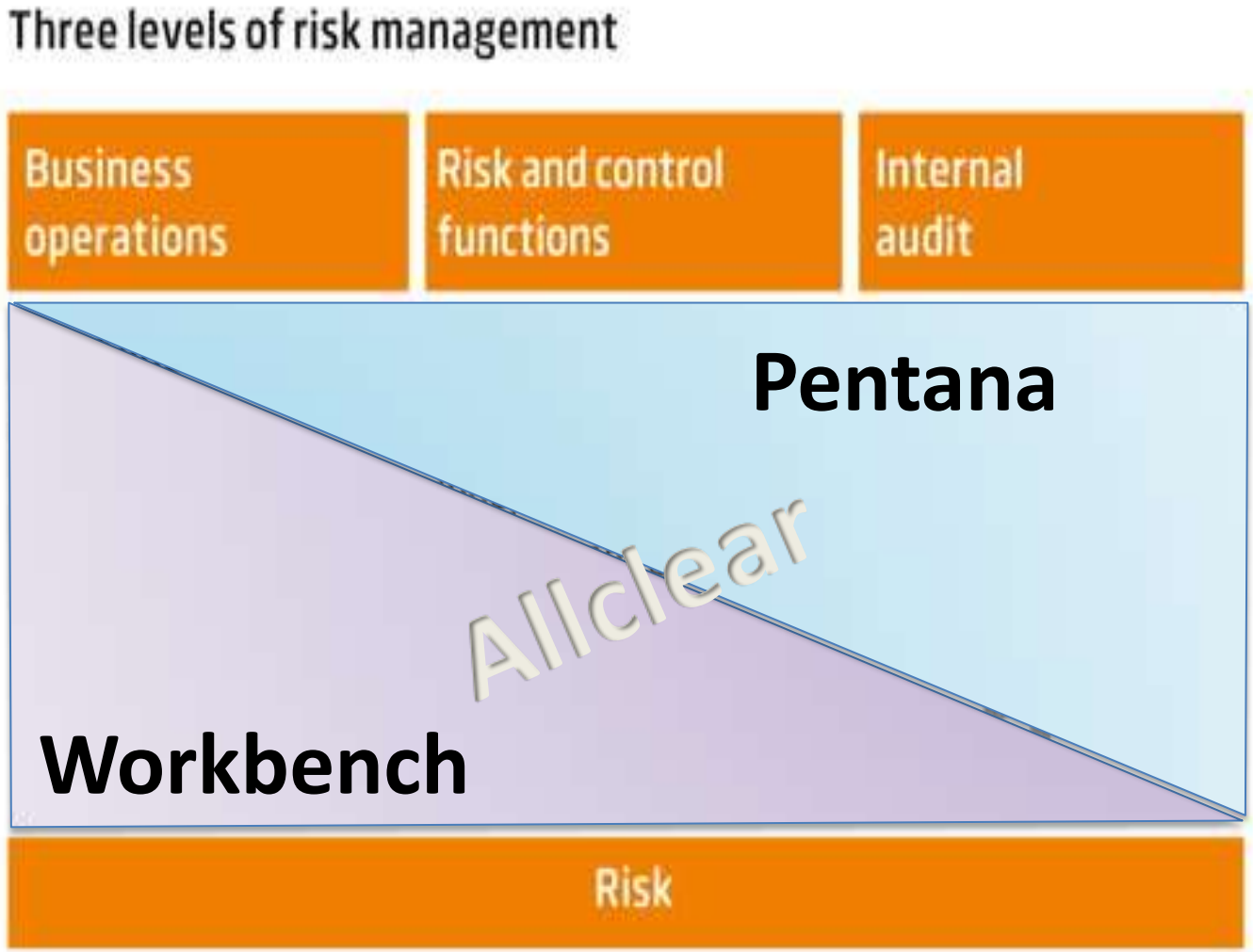
- Integrated with Pentana
- Schedule resources on projects
- Schedule recurring tasks
- Highlight over-allocation
- Drag and drop to update plan
- Record time per resource
- Compare budget/plan/actual

Ideagen plc

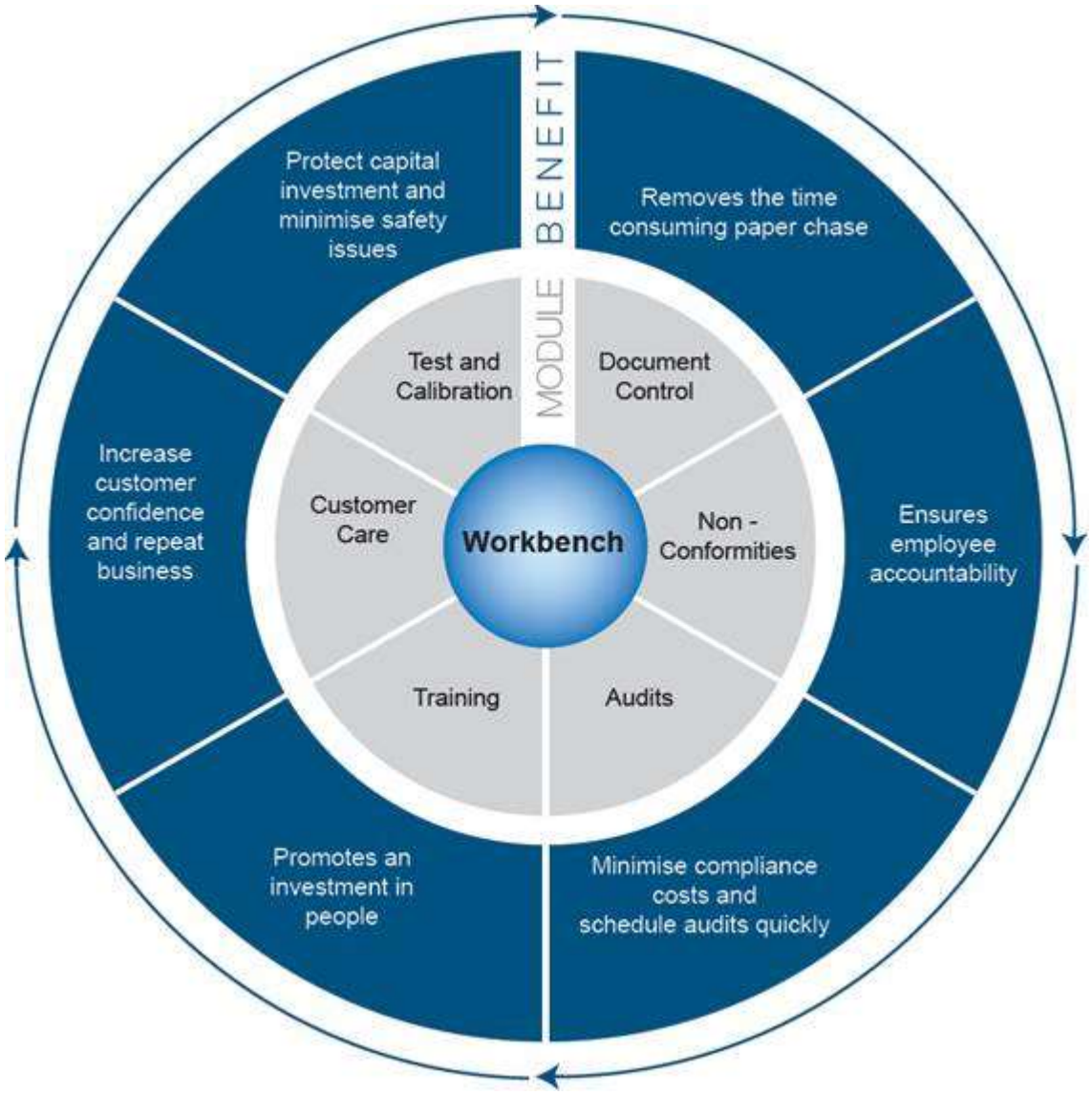
Ideagen plc is building a globally important GRC business

- 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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All Seasons
CLIMATE COMFORT

Heating
Air Conditioning
Applied Systems
Refrigeration

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

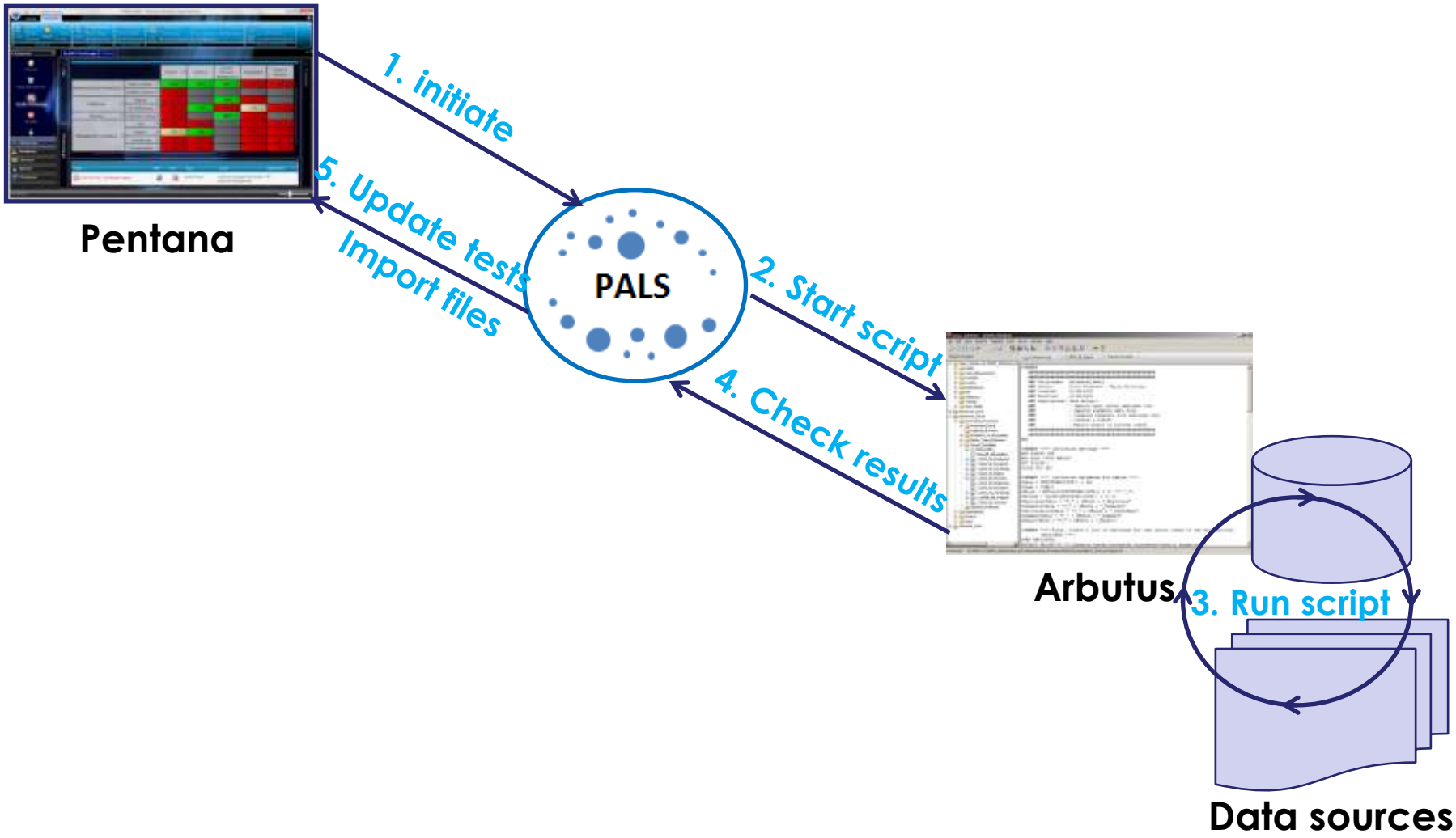
- Managing relations between
  - ❖ Tests / Controls
  - ❖ Data analysis scripts
  - ❖ Result files and storage location

- 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**

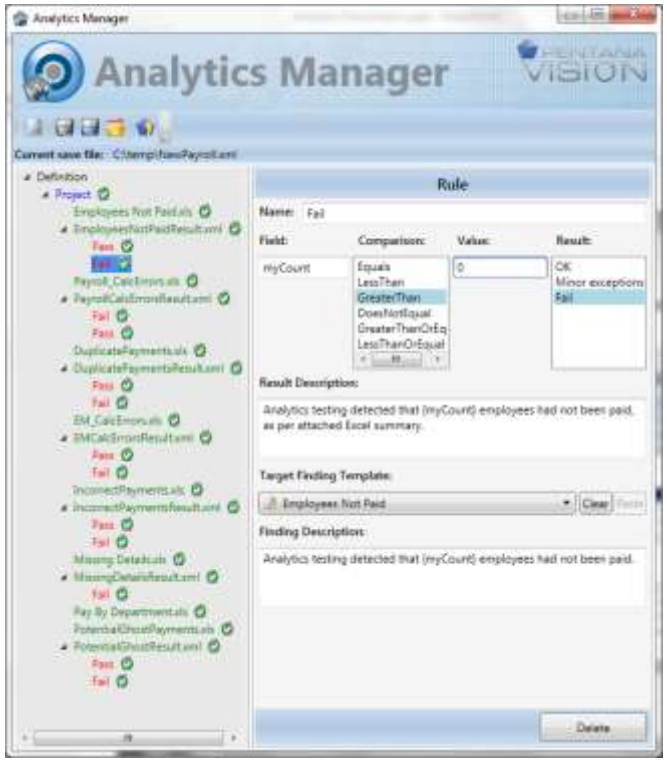
Pentana Analytics Link Software



Pentana Analytics Link Software

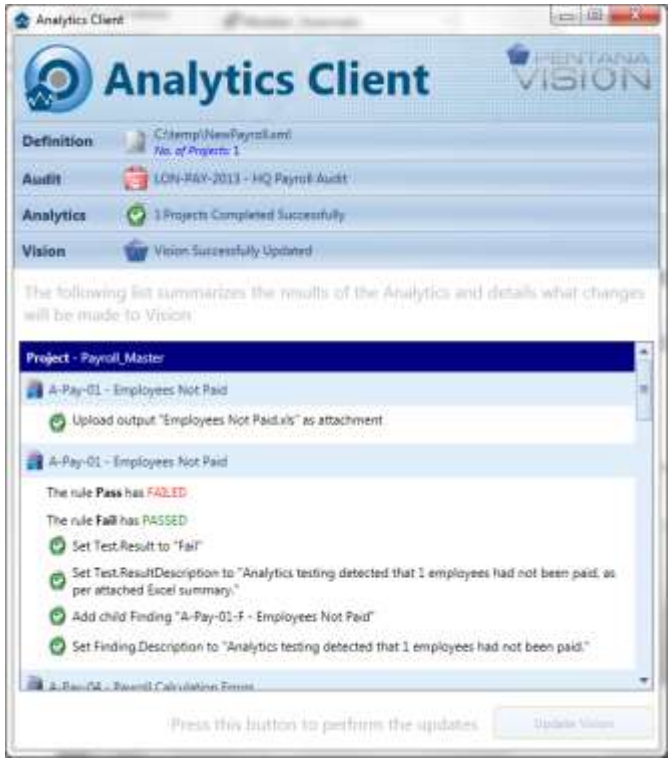
Manager

Create definitions, mapping



Client

Execute, upload, update



J-SOx Example & demonstration

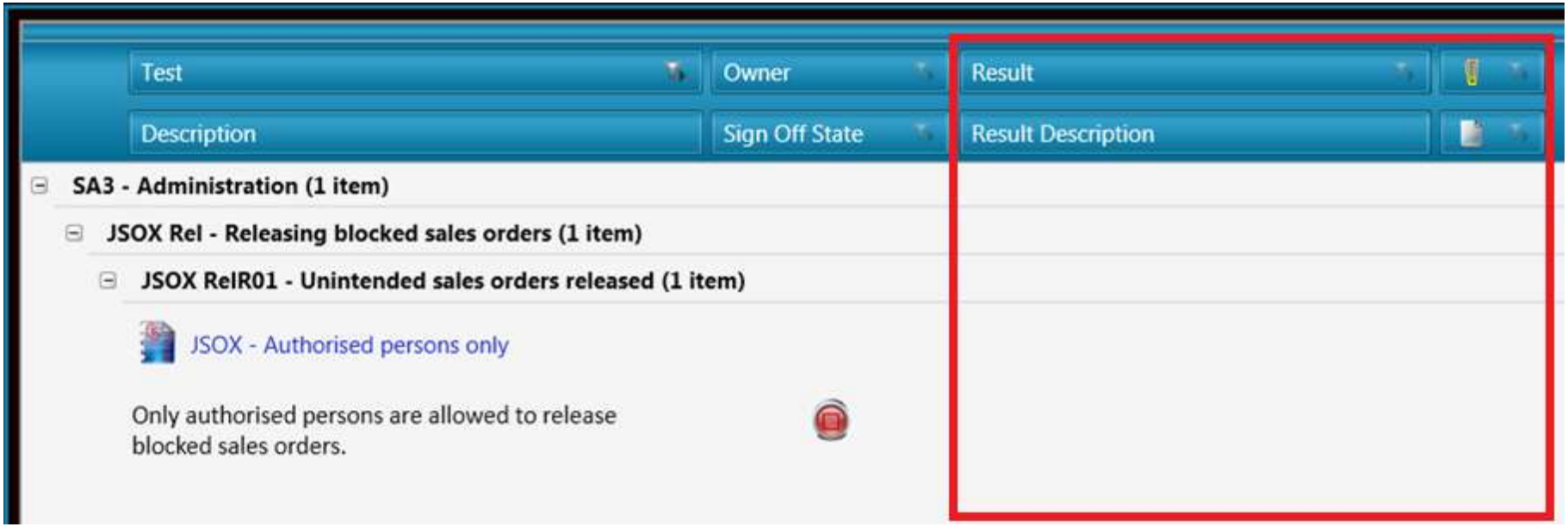
- J-SOX test

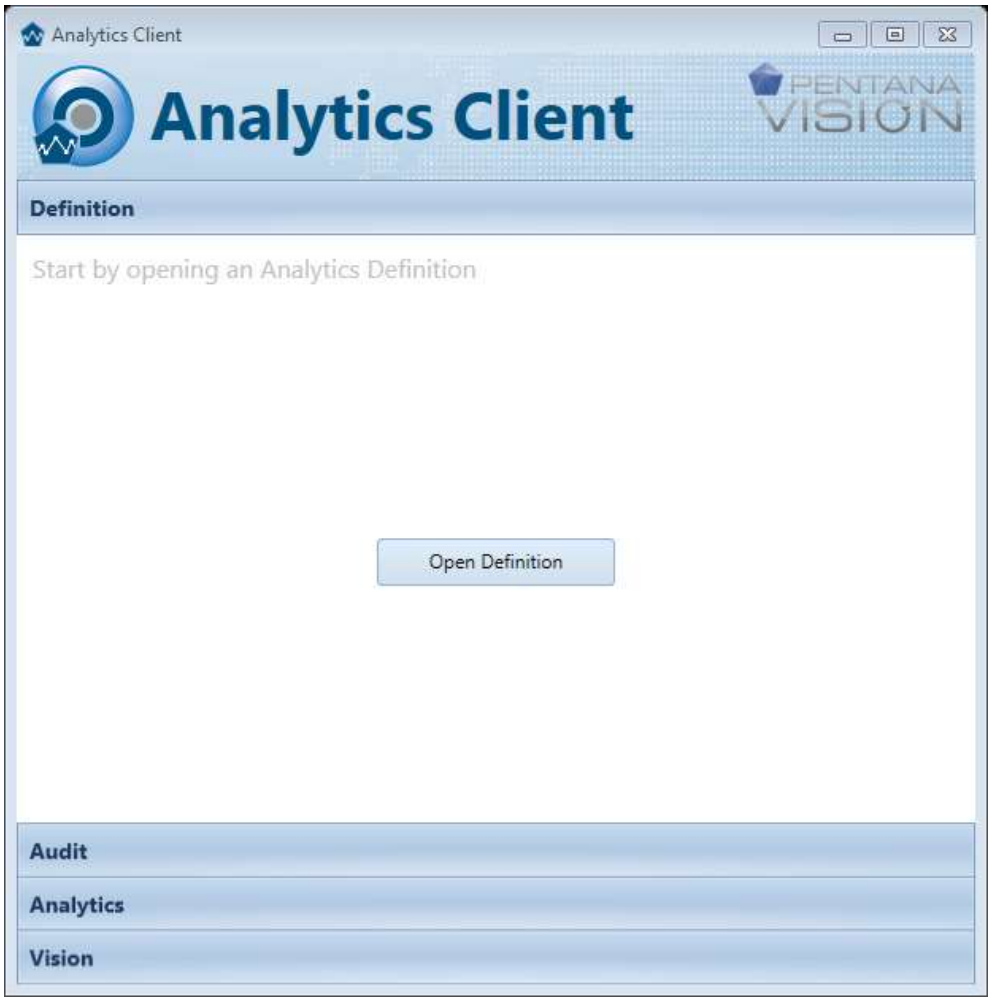
  Only **authorized users** may **release blocked sales orders**

Demonstration steps

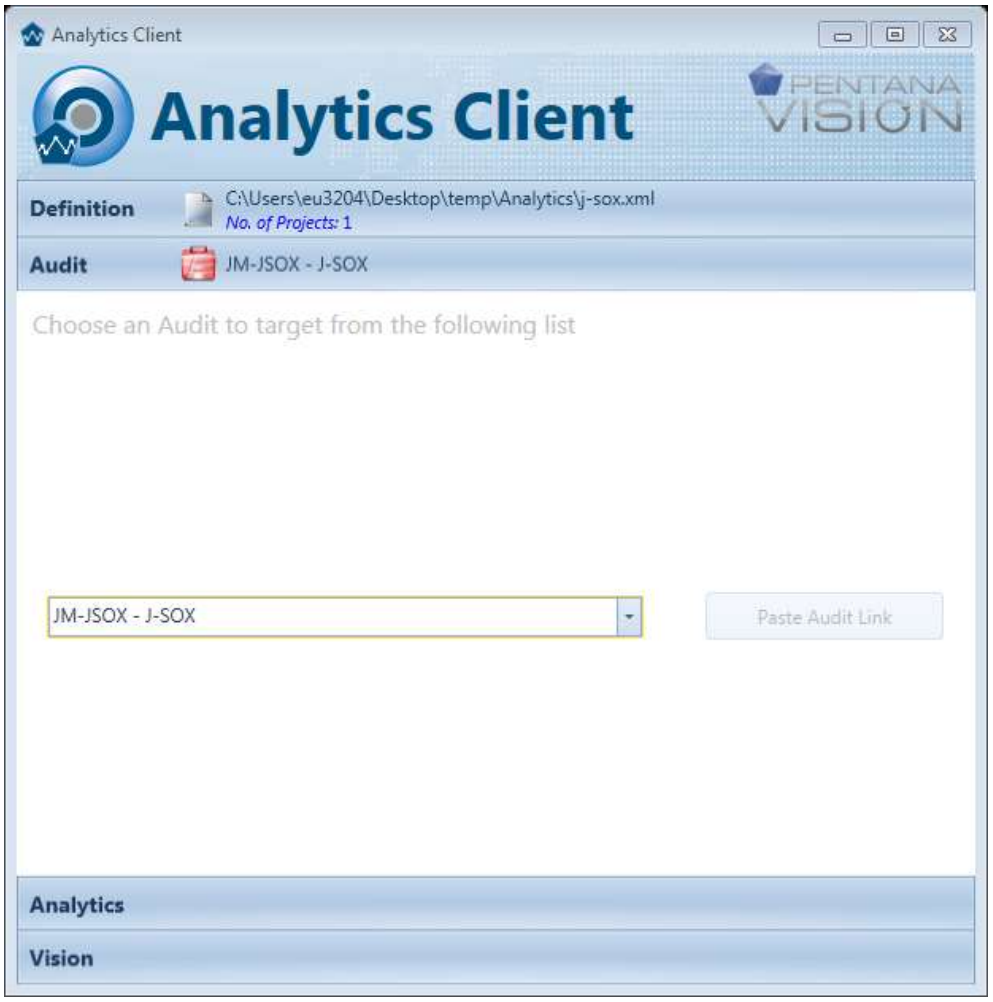
- Steps in Pentana without results
- Start client
- Load the definition file
- Select the audit
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana with results

- **Steps in Pentana**
- Start client
- Load the definition file
- Select the audit
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana

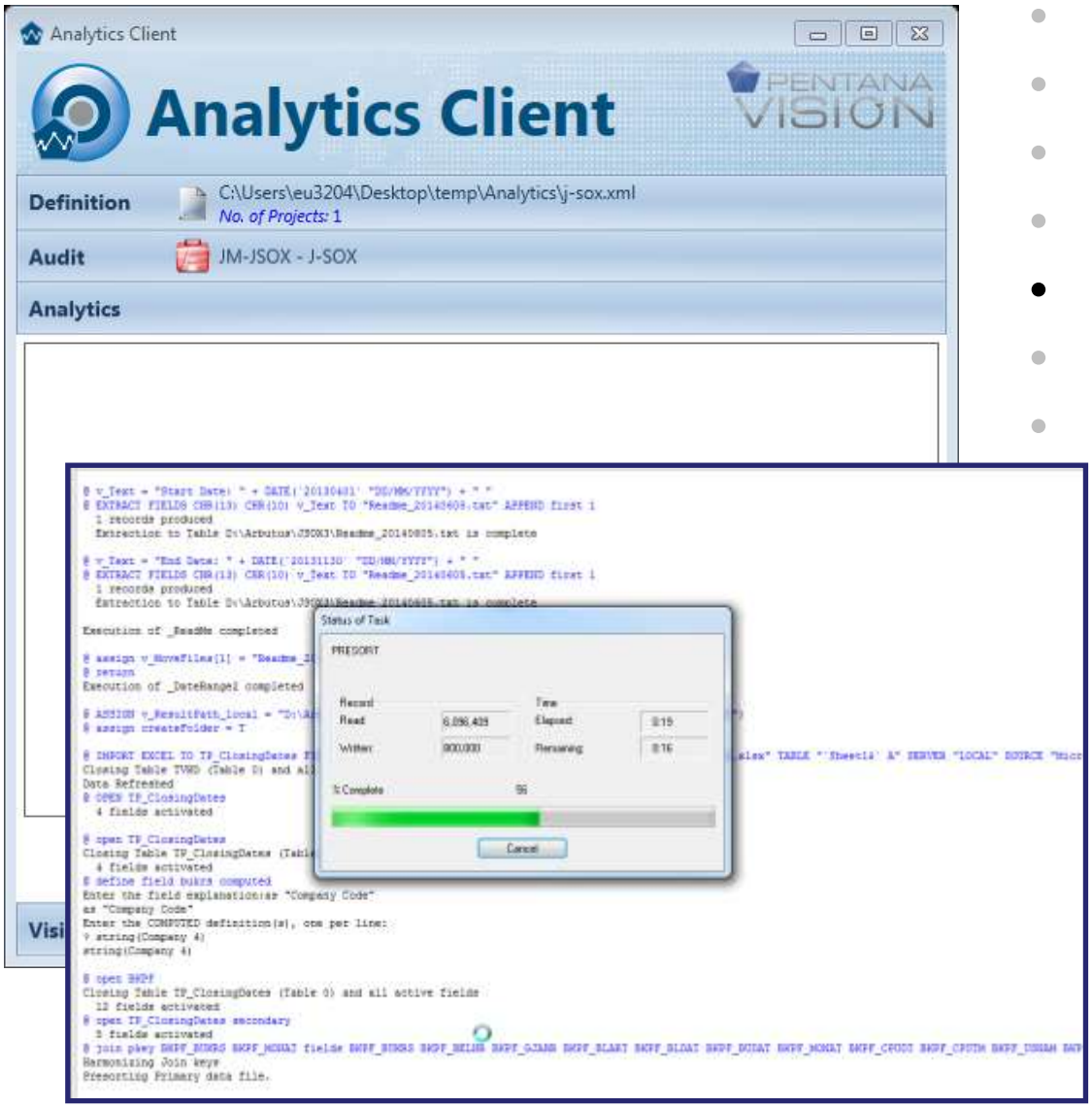




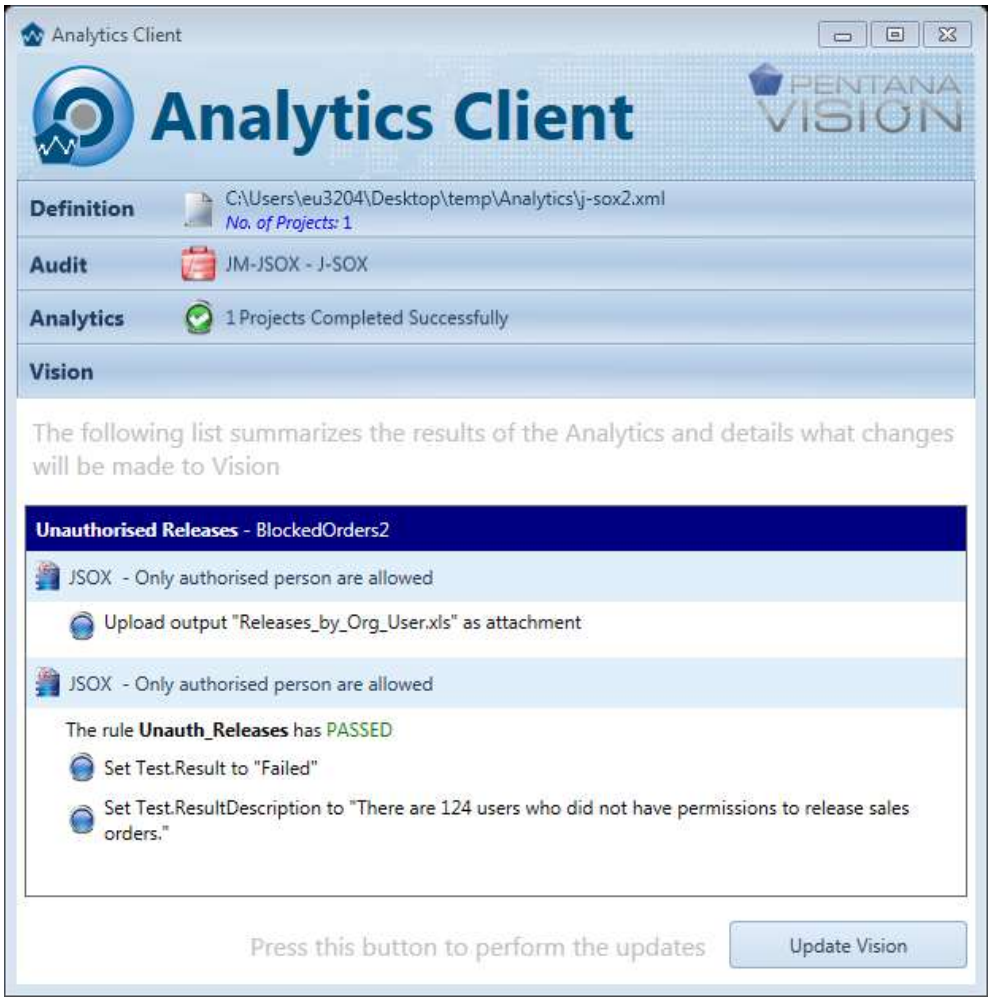
- Steps in Pentana
- **Start client**
- **Load the definition file**
- Select the audit
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana



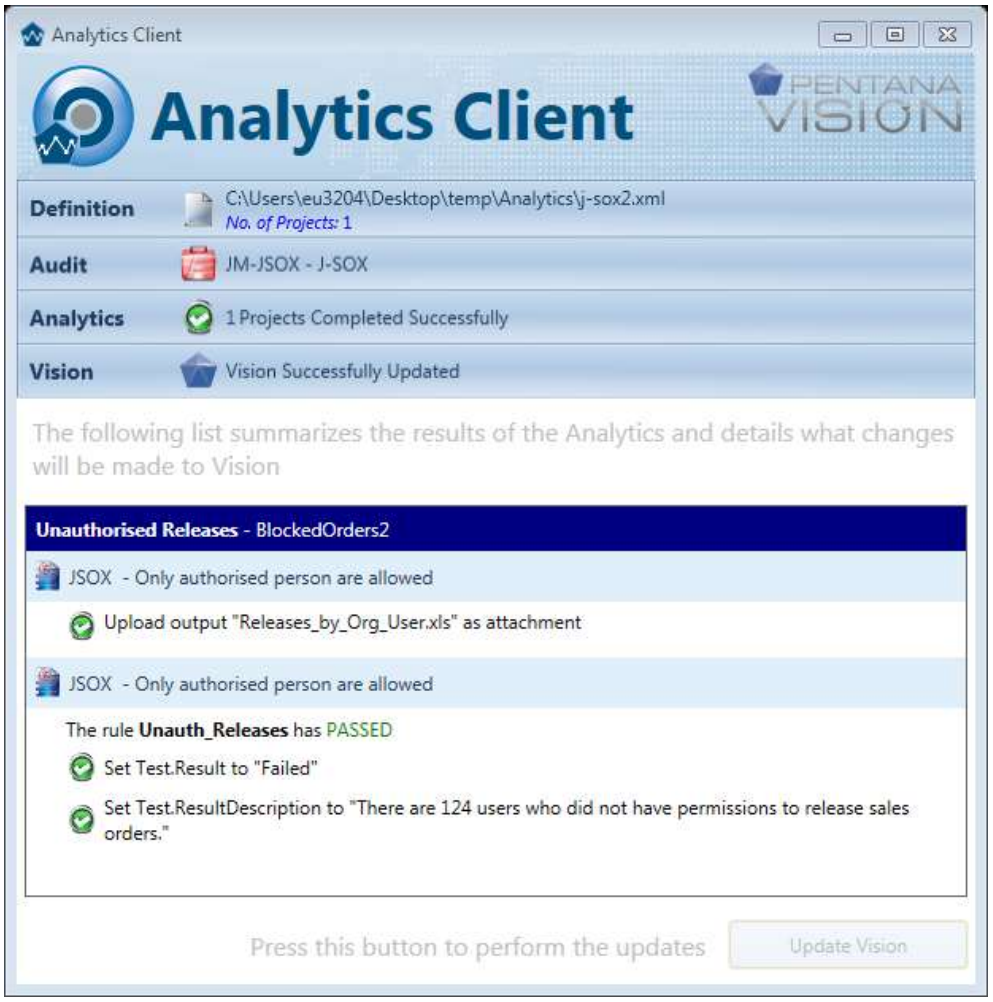
- Steps in Pentana
- Start client
- Load the definition file
- **Select the audit**
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana



- Steps in Pentana
- Start client
- Load the definition file
- Select the audit
- **Execute**
- Confirm results
- Upload to Pentana Results in Pentana

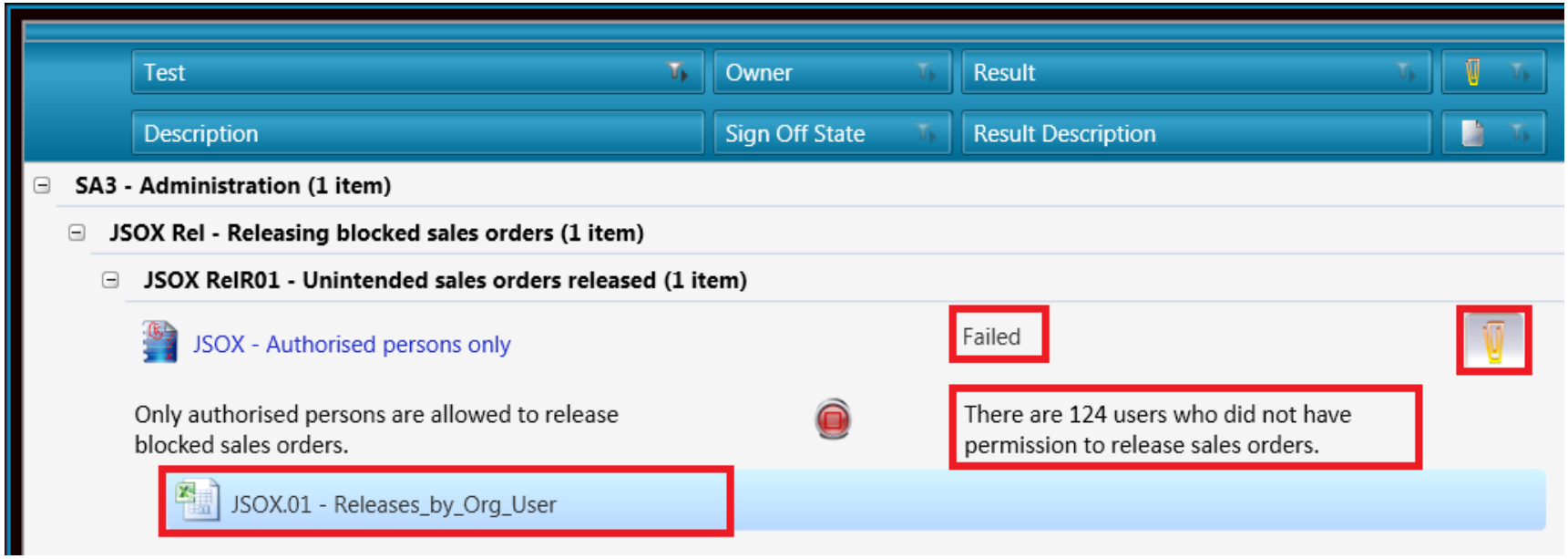


- Steps in Pentana
- Start client
- Load the definition file
- Select the audit
- Execute
- **Confirm results**
- Upload to Pentana
- Results in Pentana



- 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
- Execute
- Confirm results
- Upload to Pentana
- **Results in Pentana**



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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- **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