

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**

Alain Rousseau

Ken Ebbage

John Mathew

Daikin Europe

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Alain Rousseau

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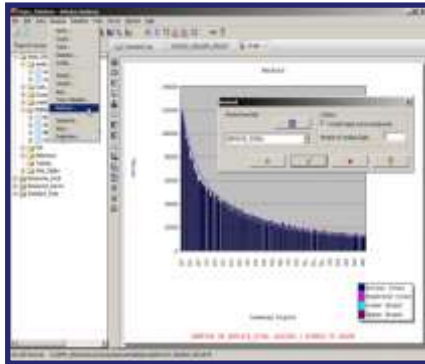
John Mathew

Daikin Europe

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

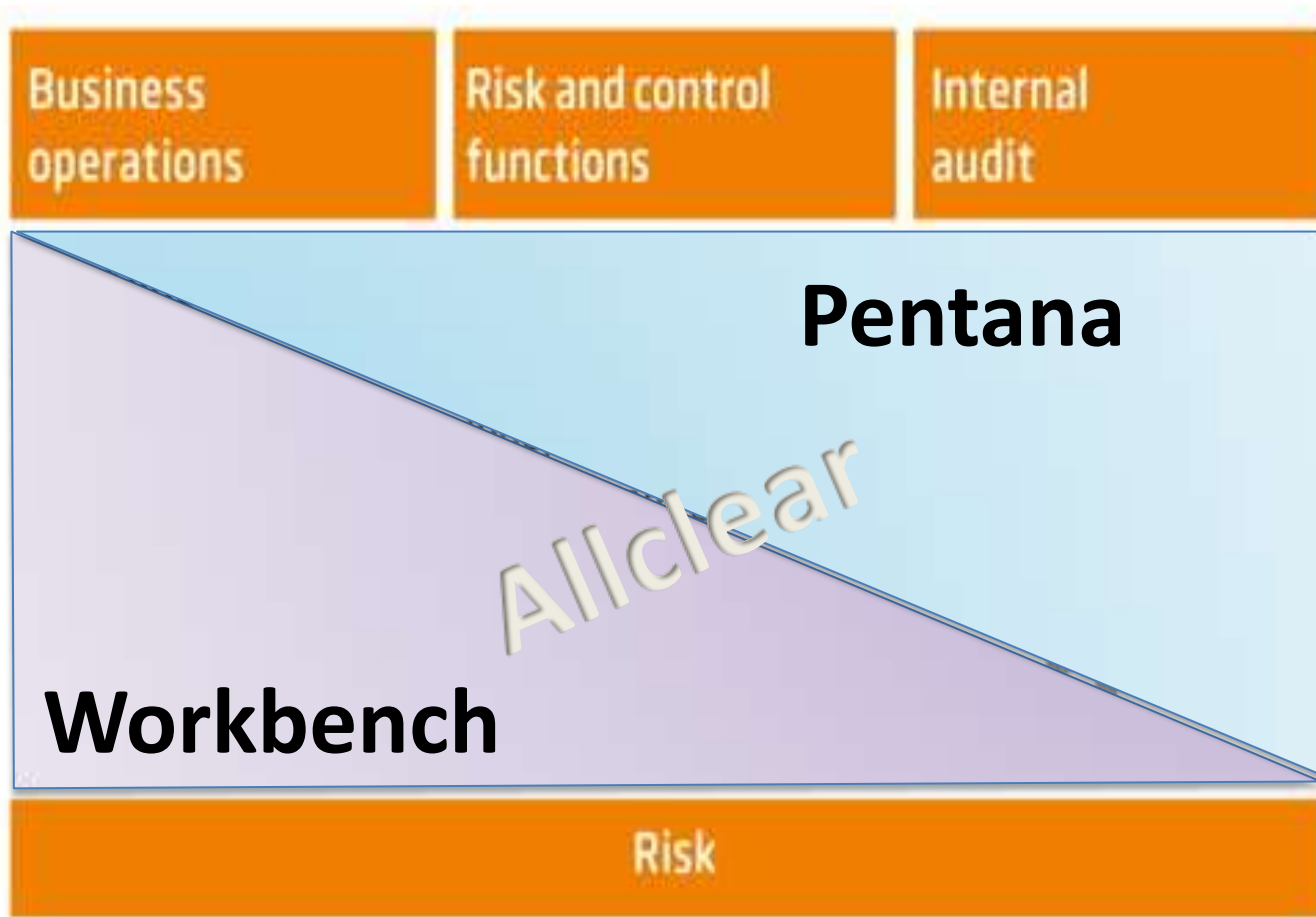


Ideagen plc is building a globally important GRC business

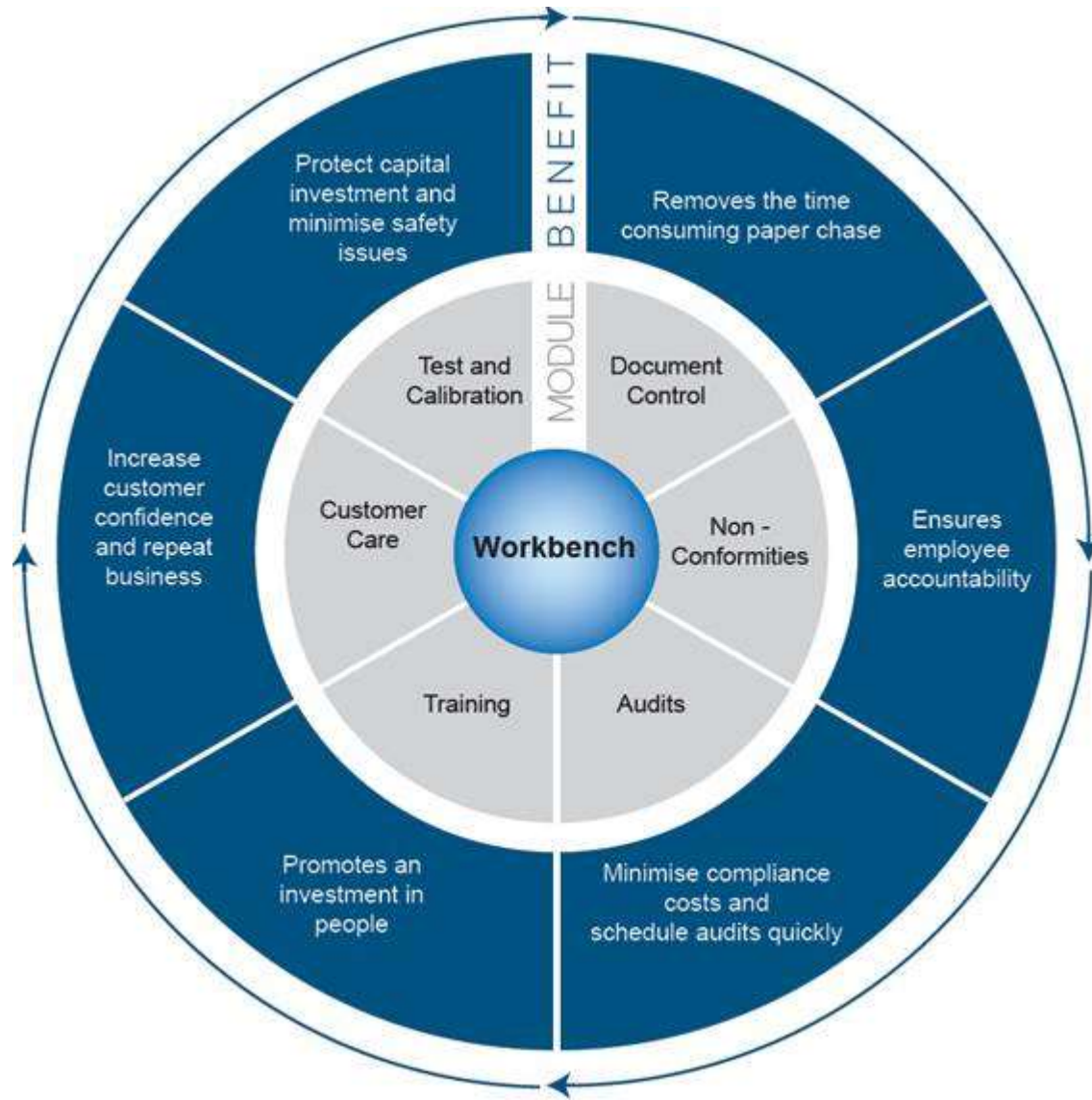
- Acquired Pentana in 2013
- **150 staff** in UK and US
- **20 partners** around the world
- Strategy is to implement “**best of breed**” solutions with seamless interfaces
- Pentana Vision becomes Pentana

How Ideagen can help

Three levels of risk management



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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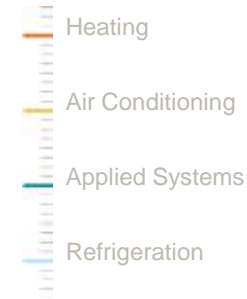
Ken Ebbage

John Mathew

Daikin Europe



All Seasons
°CLIMATE COMFORT



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

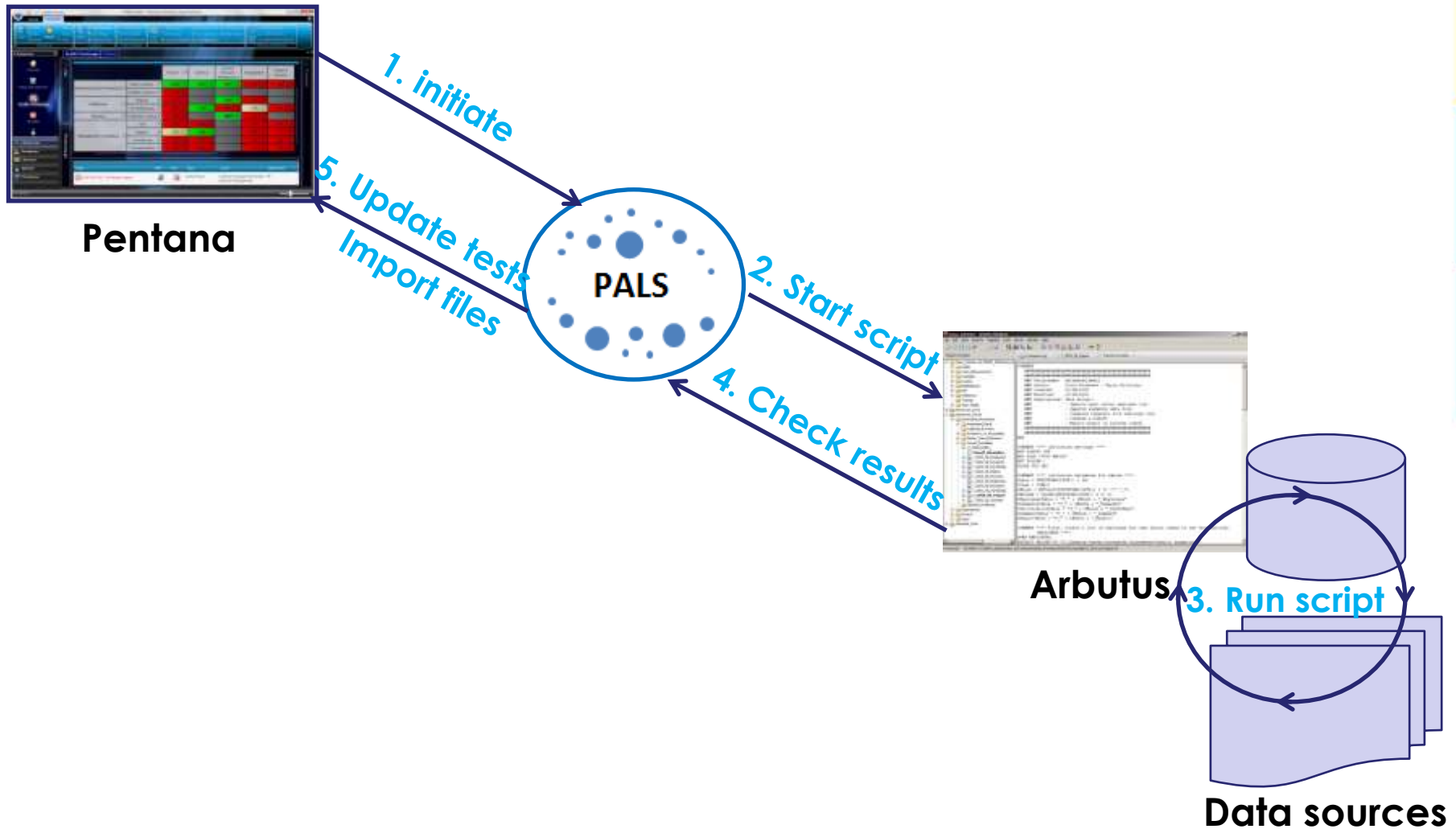
Audit challenges

- 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



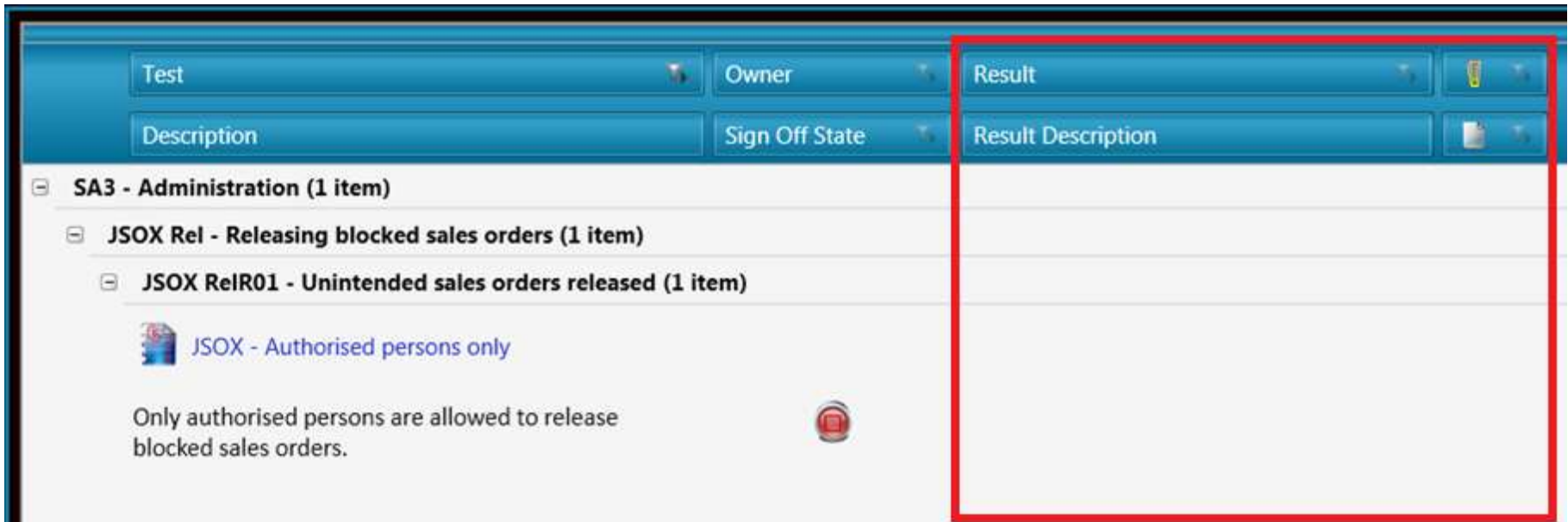
J-SOX Example & demonstration

- 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
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- Results in Pentana

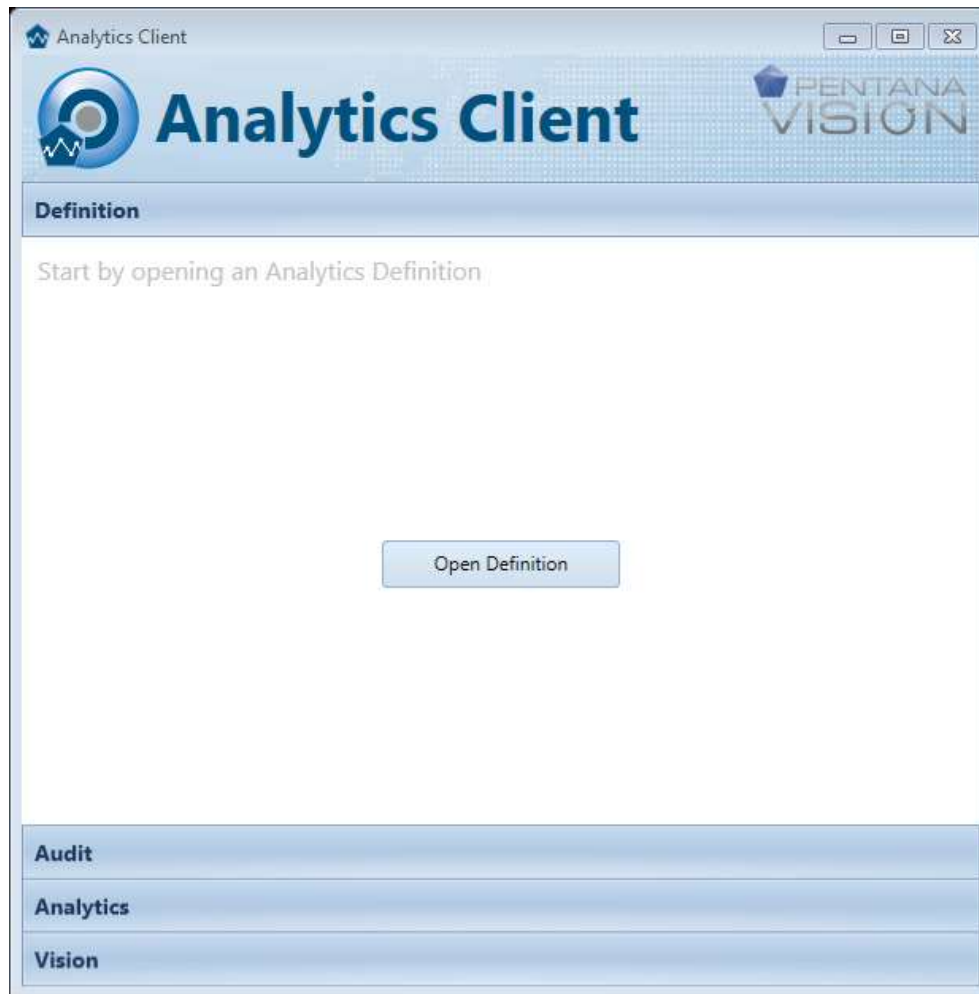


The screenshot displays the Pentana software interface. The top navigation bar includes buttons for 'Test', 'Owner', 'Result', 'Description', 'Sign Off State', and 'Result Description'. Below this, a tree view shows the following structure:

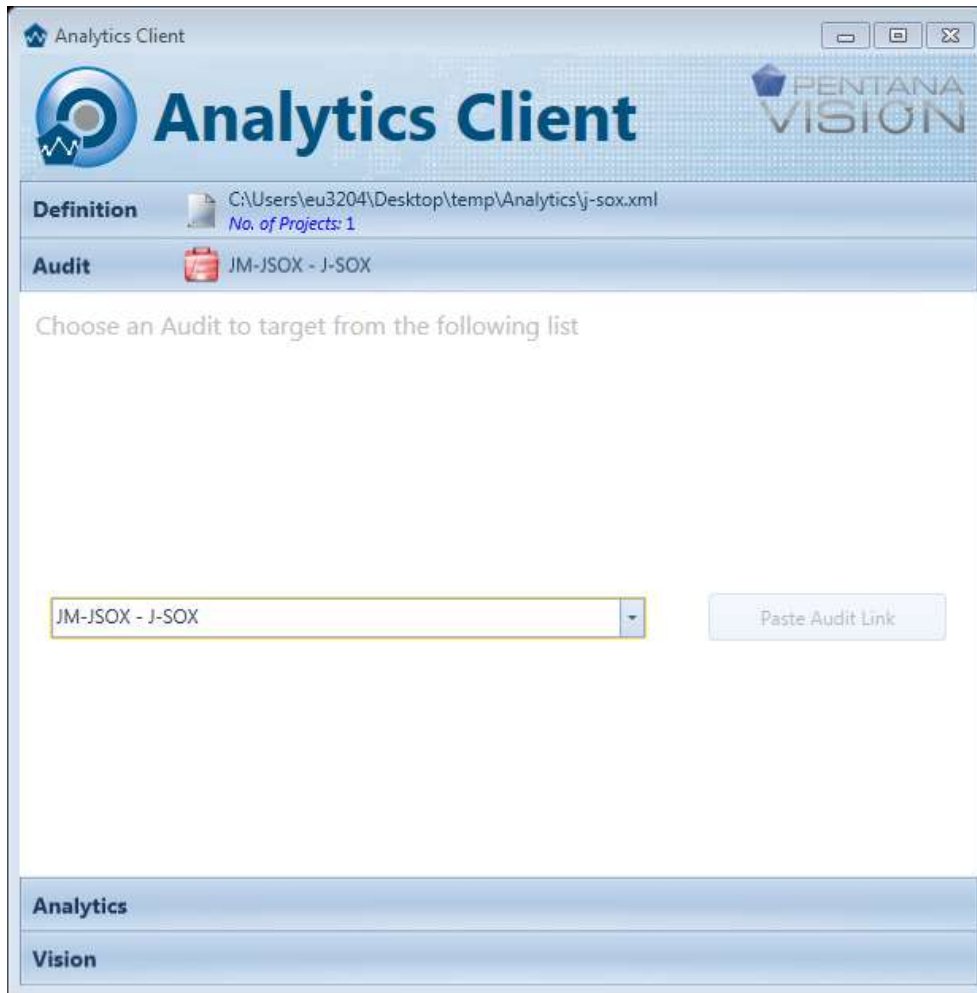
- SA3 - Administration (1 item)
 - JSOX Rel - Releasing blocked sales orders (1 item)
 - JSOX RelR01 - Unintended sales orders released (1 item)
 - JSOX - Authorised persons only

Under the 'JSOX - Authorised persons only' item, there is a text description: 'Only authorised persons are allowed to release blocked sales orders.' and a red circular icon with a white 'X'.

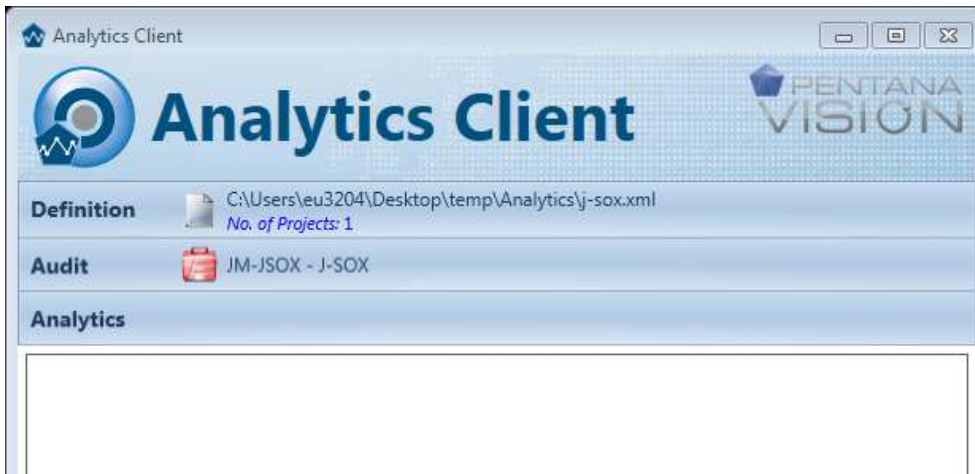
A red rectangular box highlights the right side of the interface, specifically the area containing the 'Result' and 'Result Description' columns of the table.



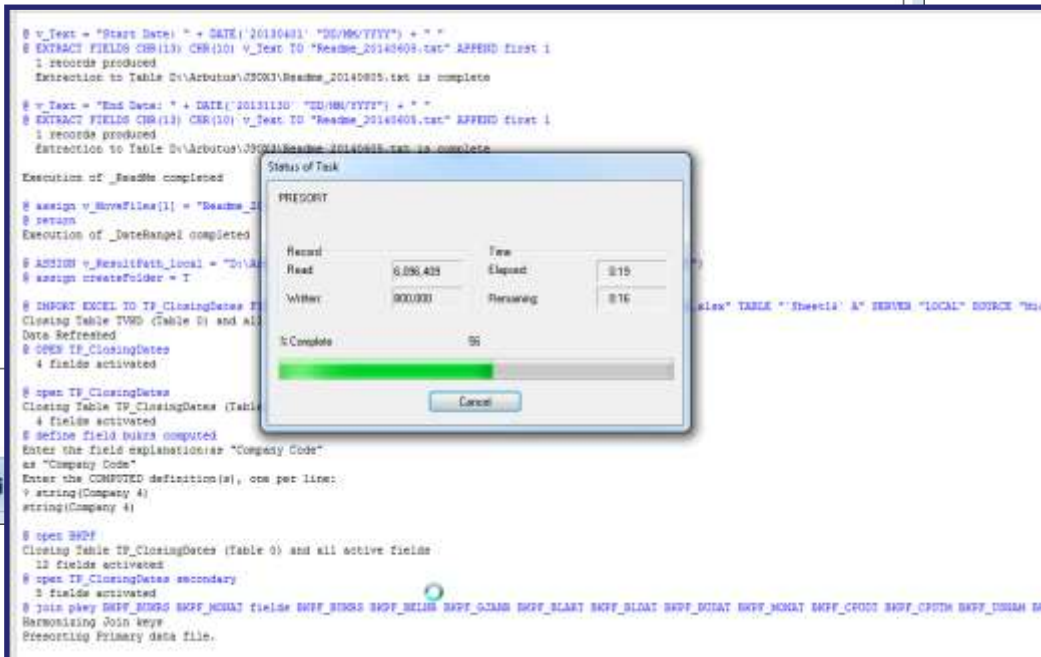
- Steps in Pentana
- **Start client**
- **Load the definition file**
- Select the audit
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana

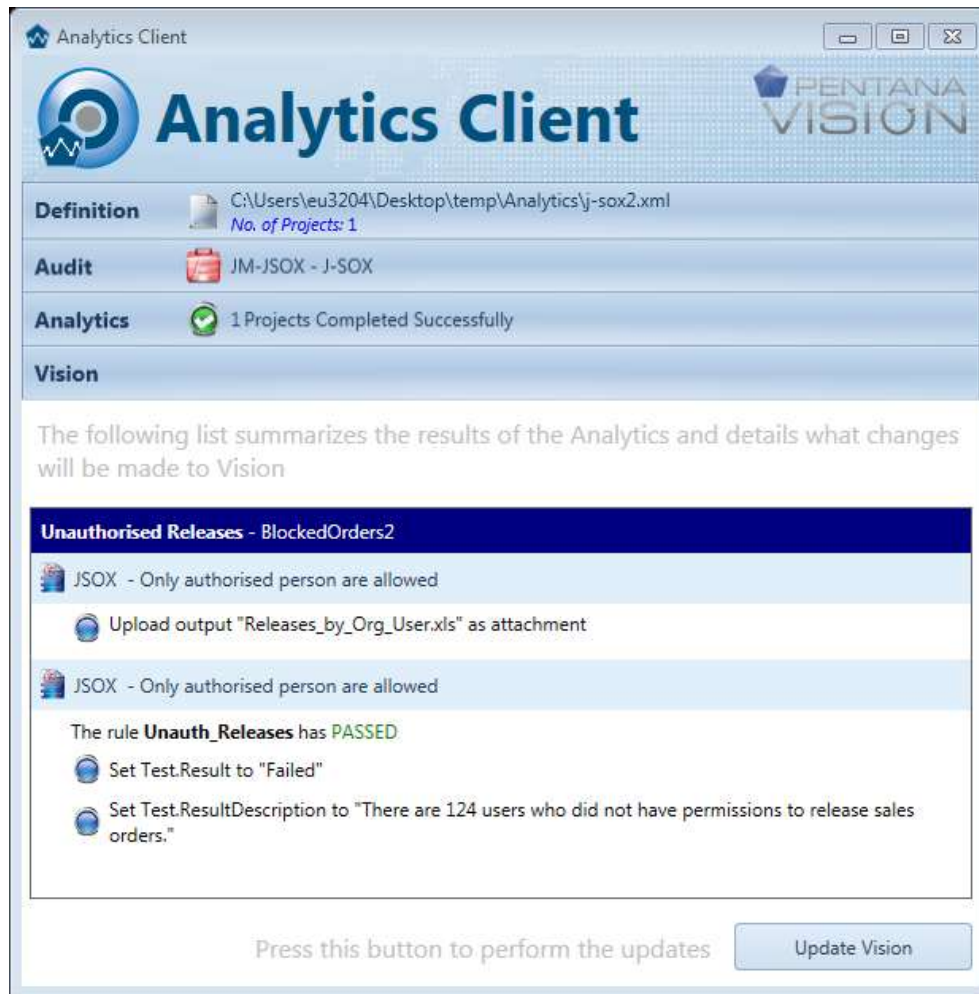


- Steps in Pentana
- Start client
- Load the definition file
- **Select the audit**
- Execute
- Confirm results
- Upload to Pentana
- Results in Pentana

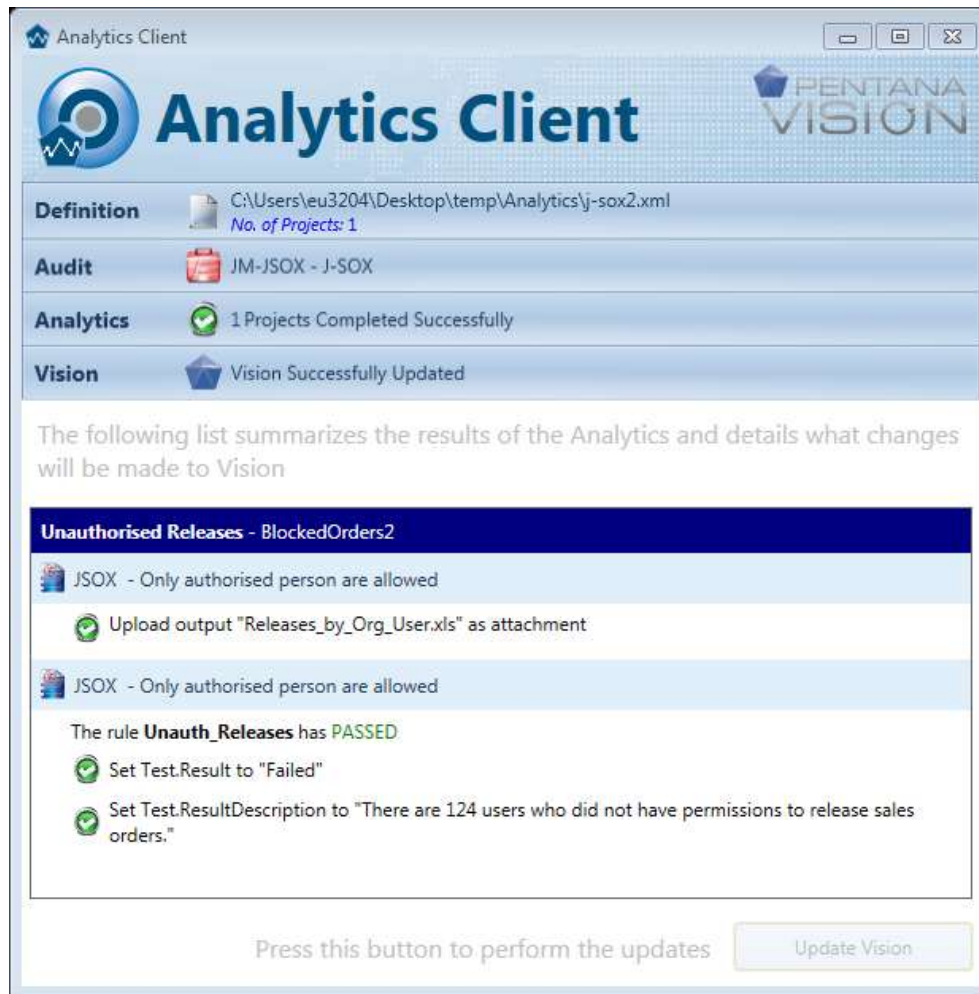


- Steps in Pentana
- Start client
- Load the definition file
- Select the audit
- **Execute**
- Confirm results
- Upload to Pentana
- Results in Pentana





- 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**

The screenshot displays the Pentana software interface with a tree view of audits. The selected audit is 'JSOX - Authorised persons only', which has a status of 'Failed'. The description of the audit is 'Only authorised persons are allowed to release blocked sales orders.' Below the description, there is a file named 'JSOX.01 - Releases_by_Org_User'. A red box highlights the file name. To the right of the description, there is a red box containing the text 'Failed' and a yellow warning icon. Below this, another red box contains the text 'There are 124 users who did not have permission to release sales orders.' The interface also shows a table with columns for Test, Owner, Result, Description, Sign Off State, and Result Description.

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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Alain Rousseau

Ken Ebbage

- **Bridging the gap between**

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John Mathew

Daikin Europe

- **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