

AUDIT3.0

Data Analytics - Process Mining - Visualization - Machine Learning

Get familiarized with the Audit3.0 approach of Coney Minds.



Audit3.0 is the new service of Coney around the check of the yearly financial statements. Yes, we do check the financial statements, however our mindset is aimed towards sharing (corporate) information and the discovery of new relevant insights. We want to be of added value for our clients.

In order to offer this added value, we actively use data-analysis, process mining and data visualization techniques (Tableau dashboards). We invest in a new generation of data analysis based on Machine Learning techniques.



Auditing is and will remain people-person's matter. The technique is still supportive to the auditing process. 'People Minded' is part of our approach, our DNA. Audit3.0 also stands for listening, cooperating positively, sharing insight actively and openness regarding hours and rates. We are an informal organization with a flat structure.

Insight by transparency

We apply as many analytics techniques as possible in order to review the IT-systems and corporate processes. Aside from this we give insight into transaction flows, analyze trends and are keen on brainstorming surrounding the measurement and direction of critical corporate processes such as clarity, focus and relevant insights. We want to connect the remaining question of internal controlling (ongoing monitoring) with our data driven audit approach.



Coney Team

Our controlling team consists of auditors, data analysts and IT-auditors with ranging backgrounds. Experienced chartered accountants and accountancy talents complete the team. With a wide-ranging team we control different businesses and organizations. Since the start of Coney in 2005 we have always worked towards a sustainable growth and development of our team and the acquisition of good people. We are proud of the fact that our outflow of people is fairly limited.



[Video: Auditing3.0 in 3 minutes](#)

In order to quickly and amusingly convey the message of accountant3.0 we have assembled a short video. Click on the link alongside the page to watch this video directly!



Who is Audit3.0 meant for?

We work together with Managing directors/majority shareholders, controllers and financial directors who share our fundamental ideas. Supervisory boards and (Monitoring and Advising?) appreciate our data driven approach as well. Audit3.0 is a mindset, an experience that we want to share. There has to be a connection. We deem our profession to be the best profession as we time and again get to cooperate positively, give insight into what goes well but also give insight into possible bottlenecks.

Why Audit3.0?

We are talking about adding value, but what does this consist of for businesses that choose our Audit3.0 approach from the approach of other accounting firms?

A short overview:

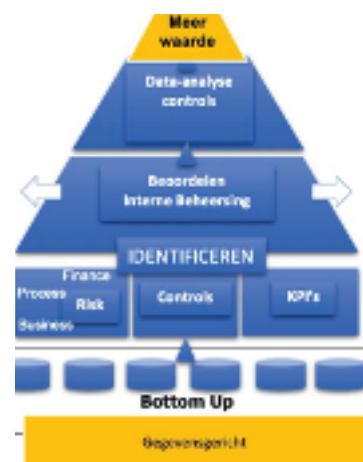
- By deploying data-analytics, process mining and data visualization we don't merely check the yearly financial statements, but we also offer our clients continuous insight into their performances, risks, bottlenecks and eye-catching transactions. We share our audit findings, observations and analyses through Tableau. Our clients have access to our audit observations surrounding data-analysis. We call this 'The Story of the Audit'.
- We do not just check once year, but periodically. By doing so sudden surprises in the end are avoided. In an Audit3.0 course we work together with a diverse team of specialists that consist of accountants, tax specialists, data-analysts and IT-auditors.
- Each year we invest in the development of data technology and knowledge, this makes us a unique firm, with a unique team. To realize this we cooperate with several technology partners.
- We work with fixed fees. Our clients will not encounter any surprises regarding the price.
- We value swift communication. Apart from that we operate informally, with a personal touch.

DATA-ANALYSIS AND PROCESS MINING - THE POWER OF THE TRUTH

We unconditionally believe in a controlling approach in which analytics take center stage and the testing of relevant IT general controls and application controls is an important aspect as well.

Our controlling focus however is aimed at transactions and efficient business operations. Such a bottom-up approach (instead of a system-based top-down controlling approach) is truly essential in our eyes.

We primarily control in a data-oriented manner and if need be, supplement this with the application of the elements of a system-oriented approach. Our controlling approach starts by understanding the relevance of ICT for the concerning organization, an understanding of the layout of the most important IT general controls and insight into the contents and quality of the ledger.



The Story of the Audit.

The complete process of controlling based on the application of data-analysis, process mining and visualization put together is what we like to call the Story of the Audit: an important attribute of the Audit 3.0.

In order to tell the story of the audit, or 'storytelling' if you will, we make use of Tableau. In the story of the audit attention is paid to both qualitative and quantitative aspects and different analyses with regard to process control, process improvement or business analytics.

Incidentally some realism and reservation is appropriate with the application of a few analyses. Based on our experience it requires a timeframe of two to three years in order to completely build a Story of the Audit, which includes room for input from our client team. In addition to data-analysis we will also apply 'classical' controlling techniques such as onsite observations, inventories and detail controls. Data-analysis is not the answer for everything.

Extra: STORYTELLING OF THE AUDIT – I WITH TABLEAU

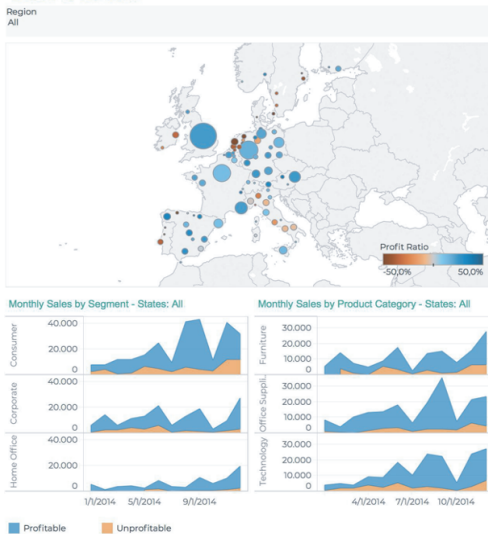
In 2015 we opted for Tableau, the worldwide number one software tool for dashboarding and visualization. The two important fundamentals of Auditing 3.0 are: The sharing of insight Ongoing controlling

We share knowledge with our clients regarding corporate processes by making our audit findings insightful through the Tableau Story of the Audit dashboard.

The data driven controlling-approach is made visual by a Story in Tableau. The client sees the apparent findings and deviations we have arrived at and is able to spectate the audit through Tableau.



Sales Overview



Example. The revenue analysis is an aspect of the check of the financial statements. In the example depicted on the left hand side we analyze the revenue based on region and profitability. This revenue is analyzed versus the budget and previous years. Any eye-catching abnormalities and trends have been made insightful by us and we will discuss the findings with the client. In Tableau deviations from revenue analyses can be explored at transaction level.

Featured: Process Mining

In 2011 we were the first firm to apply Process Mining in the audit. Process mining is a technique that enables to look at what actually happens within a corporate process. By comparing an existing process to the 'ideal process' any bottlenecks or deviations can be identified within the process. In this manner we review the purchasing and selling process for an online wholesale, and consequently review to what extent purchasing and selling transactions flow through the (automated) internal controlling process correctly.

MonkeyMining

We work with Monkey Process Mining, one of the most advanced process mining platforms.



Featured: Data-Analysis – ETL – Taking a look under the Coney hood

Under the Coney hood lies Alteryx. Since 2005 (start of Coney) we have used several data-analysis and data-wrangling tools. In 2020 we made the transition to Alteryx. By doing so we integrated ETL, data-wrangling and techniques such as Python and R into the audit.

Alteryx is both an ETL (unlocking of data) and a data-analytics tool. We are able to show our clients how the data-analyses are composed step by step. Alteryx uses a 'canvas' which enables us to follow the structure of the analyses easily.

In addition to this we are able to 'schedule' data unlocking and are able to repeat the planned analyses periodically and conveniently. This is an important aspect for 'Ongoing Auditing'. Alteryx is the leading data-analysis tool at this moment.

The Alteryx logo consists of the word "alteryx" in a lowercase, blue, sans-serif font.

Alteryx

The 'ongoing controlling' aspect is coupled with a timeline. This timeline is not the same for every client. In the last fifteen years a lot has been discussed about 'continuous auditing'. This entails being able to provide assurance about the financial numbers at any given moment.

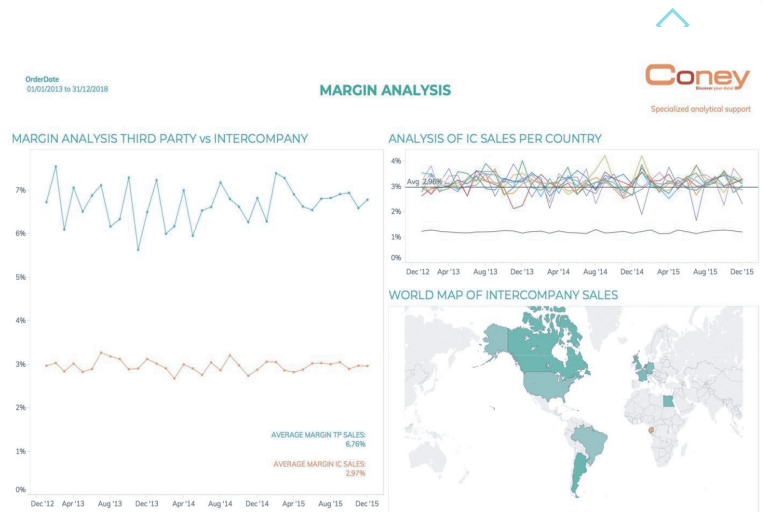
As Coney we have worked on this concept for years. Realistically speaking continuous auditing is an appealing prospect, but the truth of the matter is that businesses in 2021 aren't being managed continuously.

An external audit with a higher frequency (monthly, quarterly) is for most small and mid-sized companies a tall order.

The technique required for 'continuous' monitoring is readily available. At any given moment a dataset can be held to (internal and external) standards, links can be made between transactions and it is possible to analyze swiftly. All of this however is pointless if the transactions are not checked internally or there is no timely internal follow-up of the audit findings.

By now we believe that ongoing monitoring is the most valuable. This corresponds with the ongoing monitoring ambitions of our clients as well. The actual frequency of controlling, or the analyzing of transactions if you will, is discussed with our client and can be adjusted during the whole process.

An example of added value is the analyses of the margins of a wholesale that sells to both subsidiaries and external purchasers. The intercompany sales are determined by transfer pricing and a lower threshold regarding margin is arranged with the tax authorities that has to be realized in the Netherlands. Through the application of data-analysis and visualization we make this norm transparent and are able to help the business to gain insight about what sales and in which country deviate from this norm. This is not just input for control, but also of advantageous for the business itself.



More information?

As you have read in this brochure, the Auditing 3.0 approach stands for:

- v More than just a financial statements check. Giving meaning to numbers through data-analysis and process mining;
- v Controlling continuously to gain insight regarding risks, trends, performances and exceptions;
- v Sharing our relevant control findings periodically through Tableau Story of the Audit Dashboards. Easily accessible through laptop, iPad and iPhone.
- v Not merely focusing on analyses relevant for the check of the financial statements, but also for the business, the entrepreneur, the CFO and the team.



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