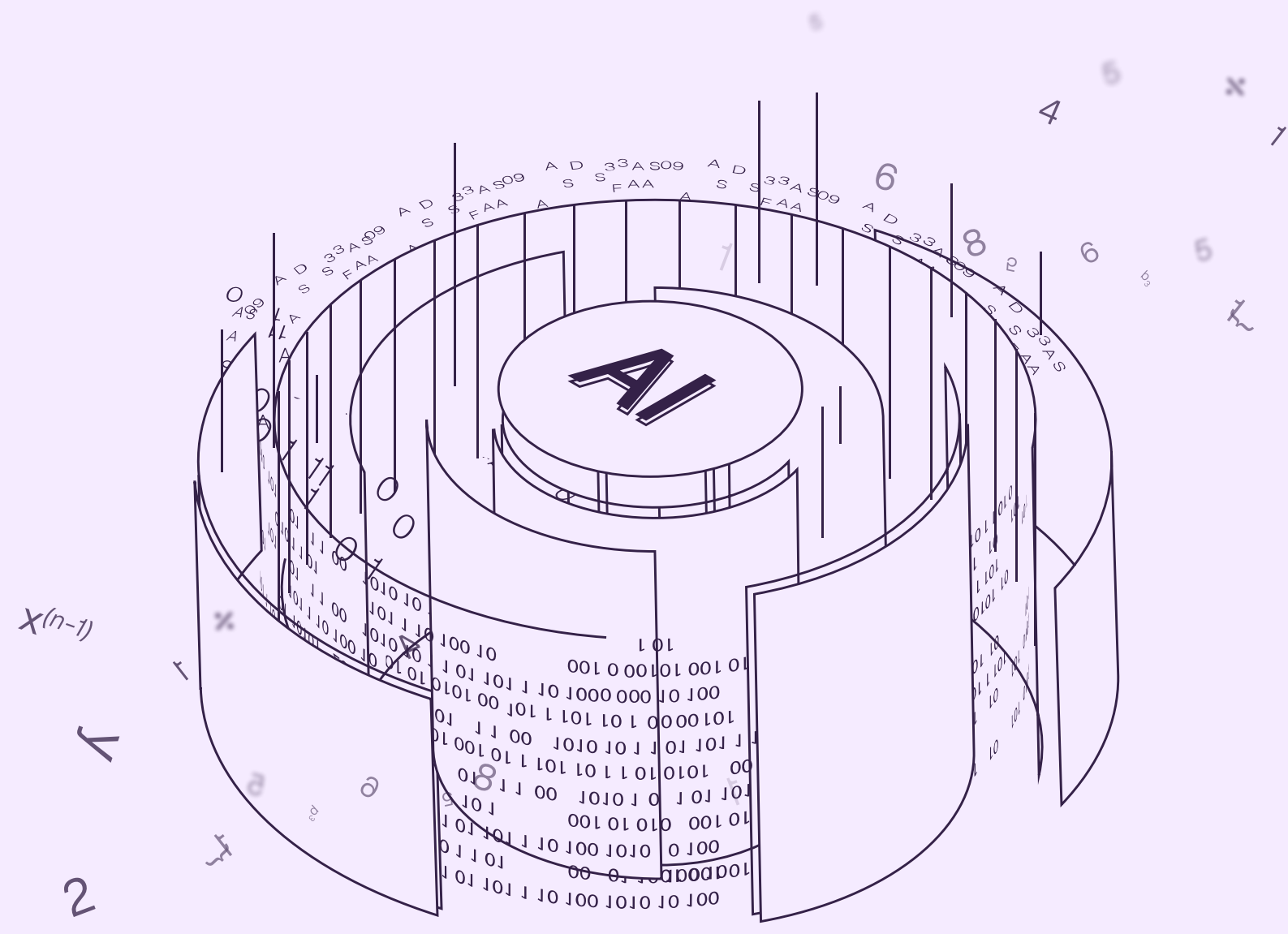
TRULLION

Emerging Trends In AI-Powered Audit Workflows



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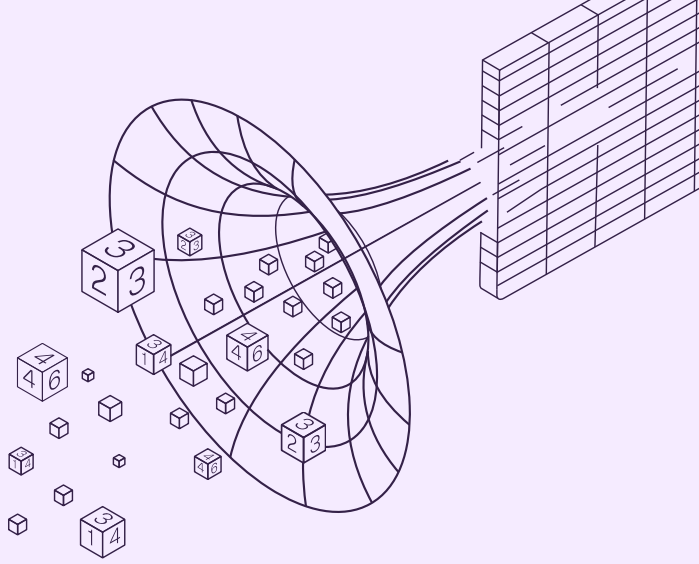

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Introduction

Audits ensure the integrity and trustworthiness of the global financial system.

Without audits, specifically independent external audits, any company could report whatever figures it wished, with no basis in reality.

No one would invest, no one would lend, no one would employ – the entire system of commerce would grind to a halt. This shows how vitally important audits are.

It's against this backdrop that we present the Ultimate Guide to Emerging Trends In AI-Powered Audit Workflows. We've made sure to focus on the latest technology trends in the audit world, including artificial intelligence (AI), machine learning (ML), automation and more.

Emerging Trends in Audit Processes

Auditing, like many other fields, is experiencing significant transformation due to advances in technology, data analytics, and artificial intelligence (AI). These emerging trends are reshaping audit methodologies and tools, ultimately enhancing the efficiency, accuracy, and effectiveness of audits.

01 Technology-Driven Audit Processes

Technology has revolutionized the way audits are conducted. Auditors are increasingly utilizing specialized audit software and tools that allow for real-time data access and analysis. Cloud-based audit platforms enable remote auditing, enhancing flexibility and collaboration among audit teams, especially in a post-pandemic world.

02 Data Analytics and AI

Data analytics and AI are at the forefront of auditing's evolution. Auditors are leveraging advanced data analytics techniques to identify patterns, anomalies, and trends within financial data. AI-powered algorithms can process vast datasets quickly, increasing the scope of audit procedures and the detection of irregularities. Predictive analytics are being used to assess the likelihood of fraud or financial misstatements.

03 Blockchain Auditing

As blockchain technology gains prominence in various industries, auditing of blockchain-based transactions and smart contracts is becoming more relevant. Auditors need to adapt to this new technology and develop methodologies for auditing blockchain systems effectively.

04 Robotic Process Automation (RPA)

RPA is being used to automate repetitive audit tasks, such as data extraction and reconciliation. This not only reduces the risk of errors but also allows auditors to focus on higher-value tasks like data analysis and interpretation.

05 Cybersecurity Audits

With the increasing frequency and sophistication of cyberattacks, auditors are paying more attention to cybersecurity audits. This involves evaluating an organization's information security controls to ensure the protection of sensitive data.

06 Environmental, Social, and Governance (ESG) Audits

As sustainability and ESG considerations become more important for investors and stakeholders, auditors are exploring ways to incorporate ESG auditing into their practices. This includes assessing an organization's environmental impact, social responsibility, and corporate governance practices.

07 Regulatory Compliance and Reporting

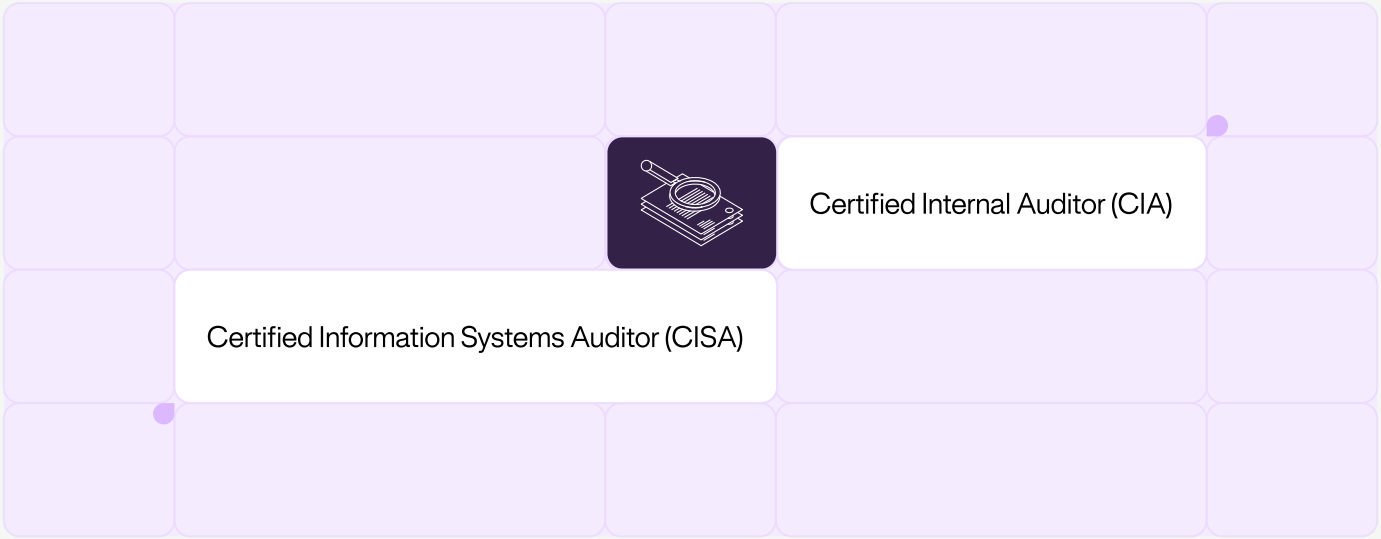
Audit methodologies are evolving to keep pace with changing regulatory requirements. Auditors are adapting to new standards, such as updated lease accounting and revenue recognition standards.

Vincent Shurr, Global Director of Corporate Accounting and Consolidations at Eisai, explains that the system "handled leasehold improvements a little differently than our Excel models and we ultimately proved to ourselves and Deloitte that Trullion is performing an accurate ASC 842, and converted."

Continuing Education and Career Development

Continuing education and career development are paramount for accounting professionals, especially those looking to advance their auditing skills. Staying up-to-date with the latest developments in audit methodologies, standards, and technology is essential.

To further develop their careers, professionals can consider enrolling in specialized auditing courses, pursuing advanced certifications such as the Certified Internal Auditor (CIA) or Certified Information Systems Auditor (CISA), and attending industry conferences and seminars to network and learn from experts.



AI advancements offer a valuable opportunity for career development in auditing. Accounting professionals can leverage AI tools and platforms to enhance their analytical capabilities, automate routine audit tasks, and extract valuable insights from vast datasets. By mastering AI-driven data analytics and machine learning, auditors can not only increase their efficiency but also offer more advanced and sophisticated audit services. Embracing AI as a tool for audit analytics can position professionals at the forefront of the evolving audit landscape, making them more competitive and valuable in the industry.

External Audit Software & Automation

Trullion enables audit teams to unlock their full audit potential. Trullion not only helps audit firms save time and money – it empowers audit teams to enhance clients' audits, provide an elevated experience, and increase trust, adding value throughout the process.

With Trullion, auditors can expect:

01

To make a strategic impact

Reduce busywork and empower your employees to focus on more high-impact work. This will also result in more employee satisfaction and higher retention.

02

Increased visibility

From the big picture to the granular details, easily upgrade from endless communication threads and access data at its source, in real-time.

03

A smoother, seamless audit experience

Perform audits in less time, while increasing the quality and accuracy of your reviews and substantive testing with AI-powered automation. A SaaS solution and continuous compliance means you're always up to date with evolving standards.

Audit Case Studies

While most audits are relatively straightforward, some offer fascinating instances of complexity that need to be overcome.

Example

Eisai, Inc., the U.S. subsidiary of Eisai Co., Ltd, a Japanese pharmaceutical company based in Tokyo. While Eisai is a publicly-traded company on the Tokyo stock exchange, the U.S. arm is a private entity comprising approximately 3,000 employees with business operations across the world.

This introduced a tremendous amount of complexity for the accounting teams of the company. Just accounting correctly for leases, which had to comply with the latest lease accounting standards in both GAAP and IFRS, meant hundreds of worksheets and a huge amount of resources required.

The company decided that to remain compliant and audit-ready, a tech-forward solution was required. The company engaged Trullion and hasn't looked back.

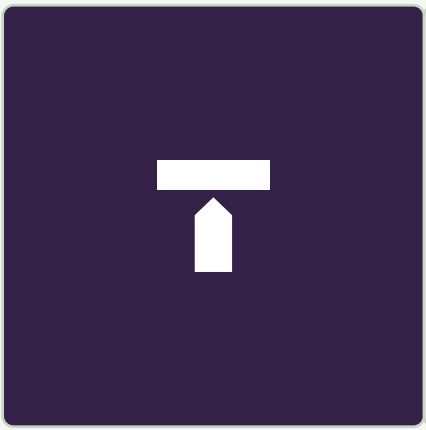
Eisai is now using Trullion on a monthly basis to book the accounting entries, report on leases, reconcile the date of the general ledger, and report IFRS numbers to their corporate parent. On an annual basis, the client utilizes the disclosure features to compile the data needed for annual GAAP financial statements.

Eisai went on to make strategic changes in the way they accounted for leases according to Trullion's calculations, valuing the audit trail provided by the solution.

Conclusion: Audit Is More Critical Than Ever in Maintaining Financial Stability

As we know, audits are rigorous processes that aim to establish that a company's financial results accurately represent its financial position, performance, and cash flows, by complying with the relevant financial reporting standards.

Perhaps most excitingly, it is the future of audit, as it harnesses technology to add more value to audit teams and their clients that holds so much promise.



To learn more about incorporating Trullion's advanced technology into your accounting and auditing processes, connect with Trullion today.

www.trullion.com

Learn more about meeting today's revenue challenges head-on.

Set up a call with a Trullion product expert.

For more information

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