Purpose of ISO PC 295

This standard aims to resolve the common problems that auditors face when requesting data, from various systems, to perform their audit procedures. The information contained in the standard will help to improve the accessibility and transparency of audit data, standardize the process of collecting audit data, avoid duplicate efforts and save resources. The worldwide standardization of audit data content and formats will enhance the effectiveness and efficiency of government, internal and external audits, and provide benefits to related stakeholders.

SCOPE of PC 295

This document establishes common definitions of accounting data elements and provides information necessary to extract relevant audit data.

This document is applicable to the bridging of understanding among the auditors, auditees, software developers and IT professionals, and creating a mechanism for expressing the information, common to accounting, in a manner independent of accounting and ERP systems. This document serves as a foundation for local data extraction efforts in the areas of General Ledger; accounts receivable; sales; accounts payable; purchases; inventory; and property, plant and equipment.

Who will use this standard?

- Auditors
- Accountants
- Financial analysts
- Data scientists
- IT report developers
- Compliance personnel
- Risk managers
- Data analysts

What are current challenges?

- Many small data extractions
- Many different system to understand
- Difficult for users to identify the data they need
- Difficult to extract the data once identified
- Connection points to existing standards

How will the standard help?

- Common names for data across systems
- One extraction to cover key business areas
- Specification so system owners can develop extraction code
- Knowledge of available data for development of analytics

Participation of PC 295

Participating Members(14):

Canada, China, Finland, Indonesia, Japan, Kuwait, Malaysia, Nepal, Netherlands, Romania, Russian Federation, South Africa, Thailand, United States

Observing Members(22):

Argentina, Austria, Bulgaria, Czech Republic, Denmark, Estonia, France, Germany, Iran, Islamic Republic of, Israel, Italy, Korea, Mali, Mexico, Portugal, Saudi Arabia, Singapore, Slovakia, Spain, Sweden, United Kingdom, Zimbabwe
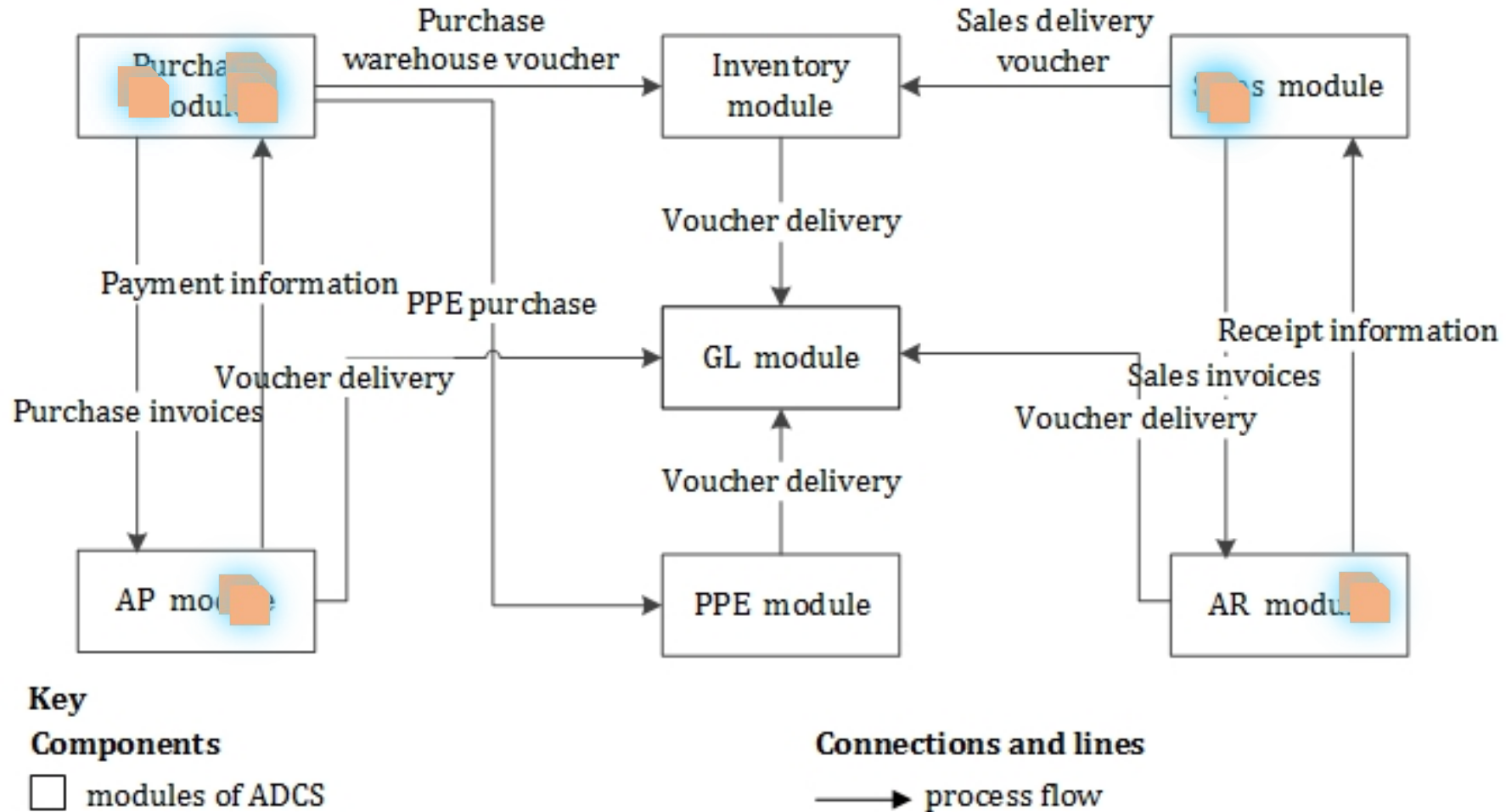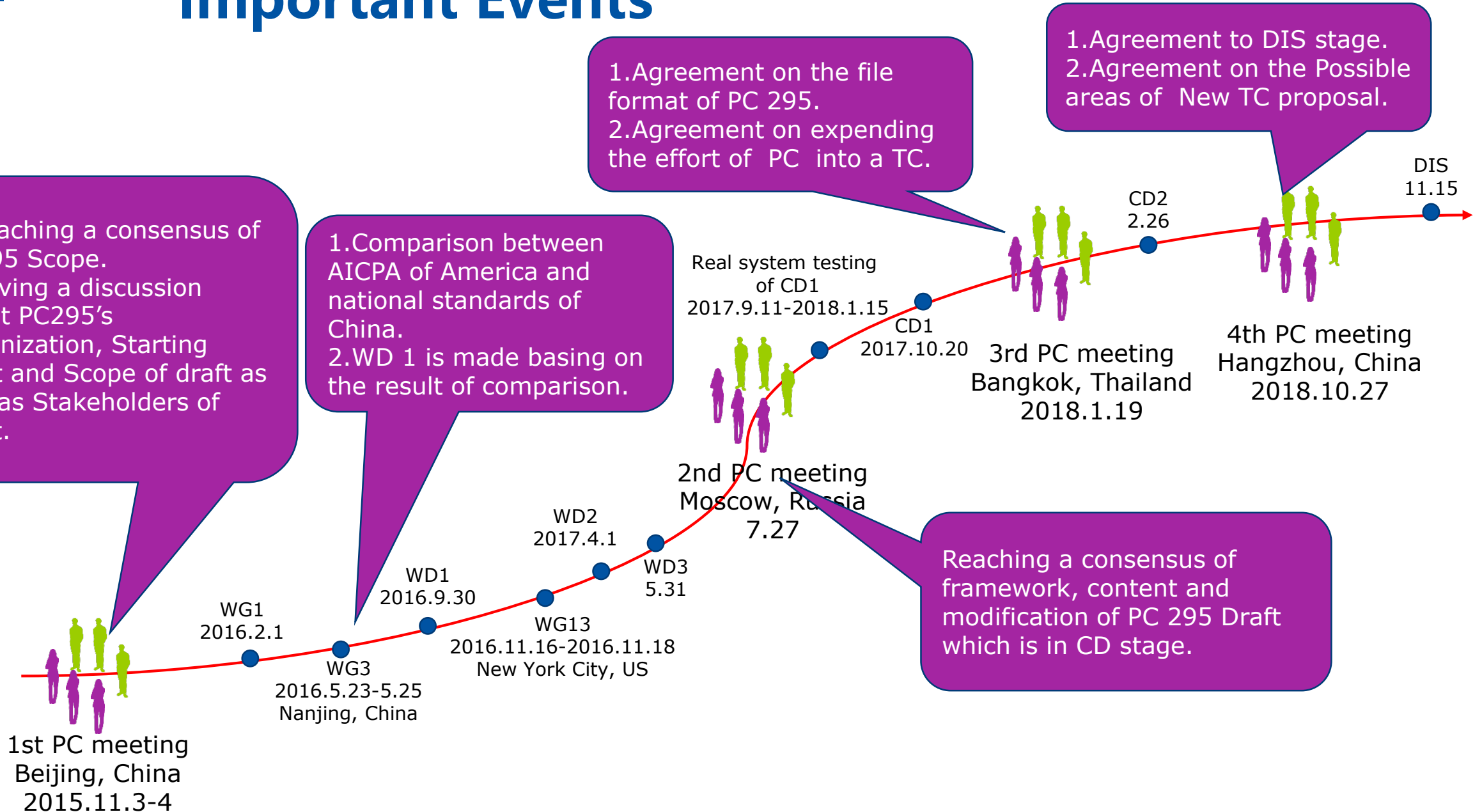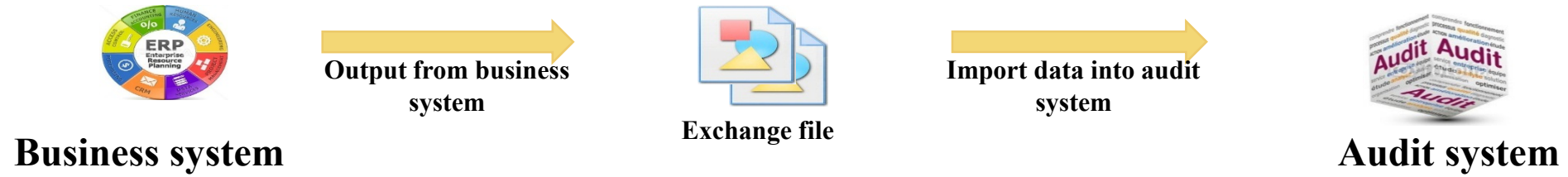
Business modules in the ADCS

Figure 1 — The business modules in the ADCS

Important Events

1.Reaching a consensus of PC295 Scope.
2.Having a discussion about PC295's Organization, Starting point and Scope of draft as well as Stakeholders of Draft.

1.Comparison between AICPA of America and national standards of China.
2.WD 1 is made basing on the result of comparison.

1.Agreement on the file format of PC 295.
2.Agreement on expending the effort of PC into a TC.

1.Agreement to DIS stage.
2.Agreement on the Possible areas of New TC proposal.

DIS
11.15

CD2
2.26

Real system testing of CD1
2017.9.11-2018.1.15

CD1
2017.10.20

3rd PC meeting
Bangkok, Thailand
2018.1.19

4th PC meeting
Hangzhou, China
2018.10.27

2nd PC meeting
Moscow, Russia
7.27

WD2
2017.4.1

WD3
5.31

Reaching a consensus of framework, content and modification of PC 295 Draft which is in CD stage.

WD1
2016.9.30

WG13
2016.11.16-2016.11.18
New York City, US

WG1
2016.2.1

WG3
2016.5.23-5.25
Nanjing, China

1st PC meeting
Beijing, China
2015.11.3-4

Testing

Business system → Output from business system → **Exchange file** → Import data into audit system → **Audit system**

From September to November 2017, testing was conducted on select areas of the standard. The scope included six versions of four ERP systems in the areas of journal entries and PPE. Results indicated that the structure of the standard supports use in the systems tested. Additionally, the ERP vendors had a strong preference for the use of flat file and xml formats.
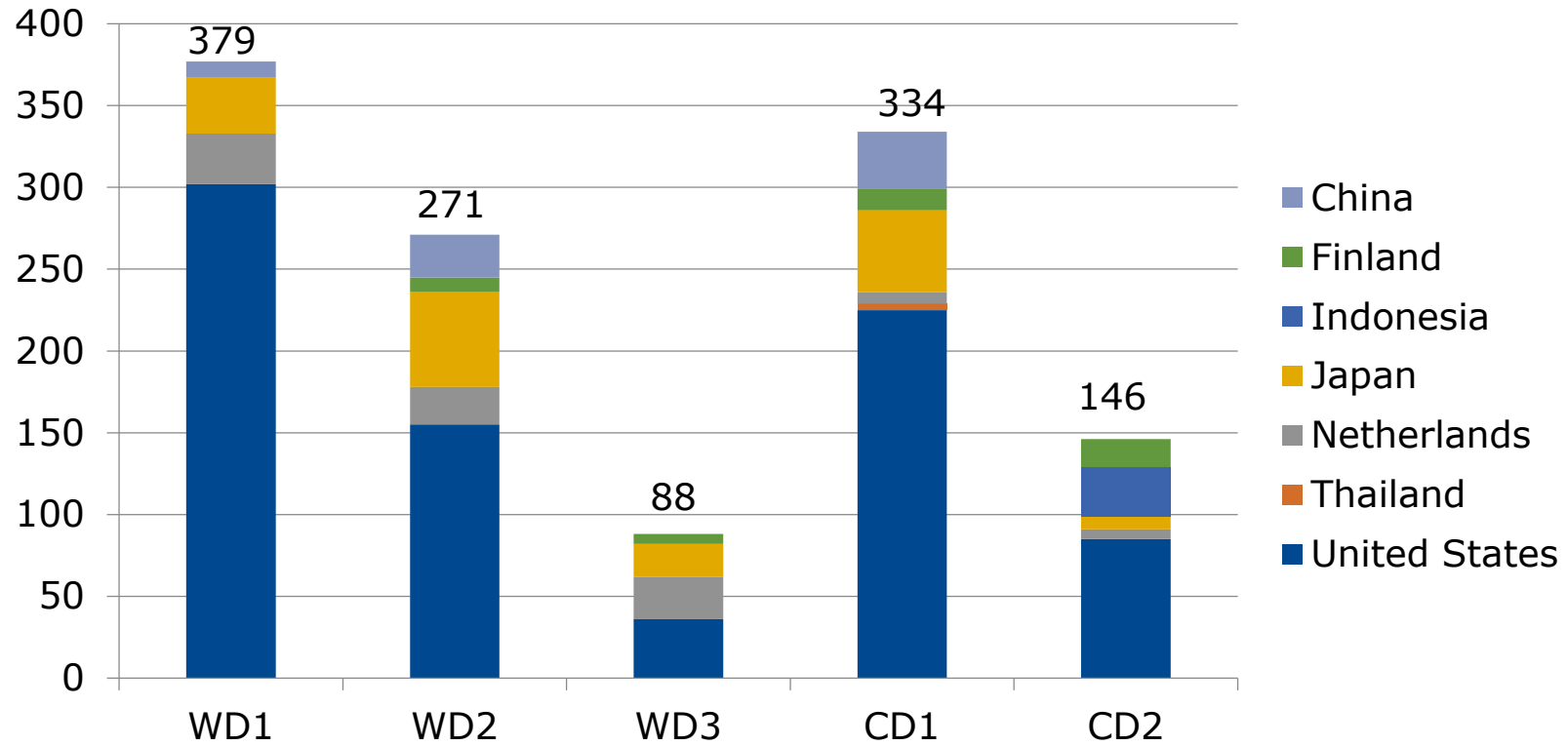
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Comment statistics

Structure of the standard

Abbreviation of Module's name

Table's name

Fields are labeled as level 1 or level 2.
Similarly, to the table designations, level 1 fields are defined as fields containing information the auditor should leverage when auditing and the data is available within the system.
The level 2 field designation indicates that these fields contain information that the auditor can leverage if the scope of the audit requires this type of data.

Table 50 — GL_Trial_Balance

Data Element Name

Data type

Representation of data elements includes data type, length and precision, according to ISO/IEC 14957:2010, ISO 4217:2015 and ISO 8601:2004.

No.	Name	Data-type	Repre-sentation	Description	Level
1	GL_Account_Number	String	%100s	The GL account number. The number is often generated by the system. Shall match the GL_Account_Number used in the BAS_Chart_Of_Accounts table.	1
		String		Fiscal year in which the Balance_As_Of_Date occurs. The year shall be shown in four digits as "YYYY", which is part of the extended format and the "YYYY-MM-DD" in ISO 8601:2004. Shall match the the the e.	1
3	Accounting_Period	String		hich the weekly y periods, Q1–Q4 for quarterly periods, and from any beginning date to any ending date. Shall match the Accounting_Period in the BAS_Accounting_Period table.	1
4	Balance_As_Of_Date	Date	%10c	The date through which the provided balance reflects account activity. EXAMPLE If a report was run for activity through 20141231 on 20150122, the date recorded would be 20141231.	1

Expert commentary

ISO/PC 295 is completed with the joint efforts of experts from 37 member countries and many well-known accounting software providers and ERP vendors. It absorbs the successful practice for more than ten years of China's Golden Audit Project and the latest achievements of AICPA. It will help government audit departments, CPA firms and internal audit institutions to deal with the issue of auditee's information differentiation.

ISO/PC 295 Chairman
Dean of School of Government Audit, Nanjing Audit University
Zhou Weipei

A unified standard for collecting audit data is crucial to auditing. PC295 is a great achievement made by the project committee and experts worldwide after several years of common efforts. SAP Globalization Services Financials will continuously support standardizations in various countries for a smooth auditing for the benefits of our customers and a fruitful cooperation with authorities.

Vice President, Globalization Services Financials, SAP
Friedrich Lindauer

Data standardization has been a high priority of the AICPA's Emerging Assurance Technologies task force for a number of years, and we have been happy to provide support and technical expertise to the ISO's PC 295 audit data collection effort. This is a very valuable effort and we look forward to the publication of the global standard, and how it will help to innovate the financial statement audit going forward.

Vice President, Assurance and Advisory Innovation Association of International Certified Professional Accountants
Amy Pawlicki

The standardization of audit data collection will improve the efficiency and effectiveness of the supreme audit institutions (SAI)s worldwide, and finally strengthening accountability, promoting good governance.

Deputy Auditor General of SAO Thailand
Sirin Phankasem

The registration by ISO for the Draft of the International Standard (DIS) for ISO/PC 295 is a significant achievement. Oracle remains committed to continuing to contribute to this important effort in defining and evolving a global standard leveraging the insight and expertise across an outstanding group of government, consultant, academic and vendor participants. The initial DIS is an excellent start.

Vice President, Applications Global Strategy, Oracle
Michael Miller

A major focus at KPMG is the use of innovations and technologies to further enhance audit quality and produce more insights for our clients and their stakeholders. In China, we trust that ISO 295 will be a valuable foundation for future data enhanced audits by making audit data requirements more transparent and consistent.

Head of Audit, KPMG China
David Ko