

Whole Ledger Analytics – the Grant Thornton approach

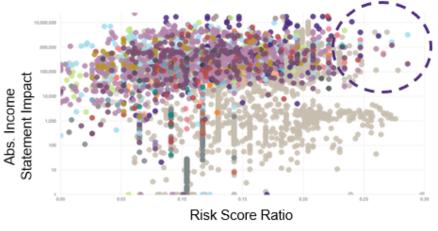
Identifying risks and proactive monitoring across your entire ledger.

Grant Thornton's proprietary solution, used internally by thousands of our financial statement audits, transforms your audit process through always-on-monitoring and intelligent analytics. By consolidating your general ledger and then assessing transactions against our proprietary 40-point risk ranking system, our Professionals are able to identify the high-risk transactions for further review across your entire ledger. Saving time and money while also reducing risk and churn resulting from late discoveries or last-minute audit record requests.

Grant Thornton has an experienced team with deep expertise in the strategic planning, development and execution of data analytics and financial auditing.

Whole ledger analytics

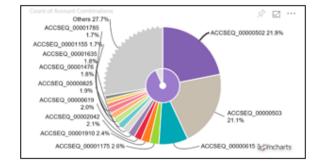
Transactional scoring and account combinations



SCORE RATIO

0.338

INC STMT IMP



The top 20 combinations account for 86% of JE line items

	Journal lines	% of tota		
Total journal entry lines	1,558,112	100%		
Line items with zero inco statement impact	ome 136,930	9%		
Top 20 account combina	tions 1,338,811	86%		
Remaining 322 account combinations	82,371	5%		
BAL_SHEET_IMPACT	Description	Posting Date		
216,678.08	To balance to subledger	12/31/2020		
	Line items with zero incostatement impact Top 20 account combina Remaining 322 account combinations BAL_SHEET_IMPACT	Line items with zero income statement impact 136,930 Top 20 account combinations 1,338,811 Remaining 322 account combinations 82,371 BAL_SHEET_IMPACT Description		

The Approach	The Benefits					
Transactional Scoring	 Rank eve override journal e the JEs, c 					
Account Combinations	 View even financial over time and rependent 					
Digital and Textual Analytics	 Detect un digits use and even parties, o techniqu 					

Summary Statistics														
273 Num_of_ACs Cou	25 nt_of_FS	178,474 506,040 Count_of_JEs Count_JE_Lines			s Dr_Amt Cr_Amt 200,970									
	Summary	by Financia	l Line	76	3				Risk b	y Financi	ial Line			
Financial Line	Total Lines	Risk Score	Net Amt	Abs Amt	^	Deferred	Revenue	Allowand	e For Doubtful					
Deferred Revenue	6,392	21.90 %	-24,756,577.21	358,360,351.5	3									
Misc. Revenues	1,079	20.45 %	-932,445.94	141,803,275.2	3									
Revenue	7,957	19.88 %	-131,090,465.28	610,722,755.6	5	21.90%		18.20%						
General and Administrative	154,184	19.16 %	8,380,267.65	74,951,095.1	9	Misc. Re	venues	Other As						
Allowance For Doubtful Account	ts 5	18.20 %	-46,821.67	94,152.0	5	in service				15.13%	15.08%	14.95%	13.92%	13.84%
Other Assets	325	15.81 %	2,205,135.11	25,665,135.1	9			15.81%						
Income Tax Expense (Benefit)	4	15.60 %	56,229.50	186,178.3	1	20,45%		Income 1						
Cost of Goods Sold	175,087	15.15 %	113,722,555.96	343,650,874.0	5									
Cash and Cash Equivalents	2,520	15.15 %	0.00	153,885,811.6	7	Revenue		15.60%						
Accrued Expenses	2,021		-158,665.81	149,143,909.1	_			Cost of 0	oods Sold					
Amortization Expense	5	15.08 %	927,750.77	927,750.7	_									
Research & Development	8		3,611,399.97	3,611,399.9	_	19.88%		15.15%						
Accumulated Depreciation	42	-	-711,570.60	3,039,338.3	_	General	and Administrati.		I Cash Equivale	A/R Trade	Sale			
A/P Trade	39,448		-5,419,557.98	531,272,347.0	_			Cash and	r cash equivale					
Short-Term Debt	500		3,177,026.63	94,712,540.9										
Total	506,040	16.05 %	470,268.65	3,594,658,368.0	2	19.16%		15.15%		13.38%				



Top entries

1

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ery journal entry based on risk of error or management of internal controls to allow visualizing this risk by entry, GL account, account combination, person entering document type, and for overall company entities.

ery unique combination of debits and credits, the statement impact of each, and how they are changing ne. Focus can be placed on late posted entries, unique etitive combinations that can be organized to identify accounting patterns.

inusual activity in any financial data file by analyzing the sed in the associated amounts. Also analyzing the words – in the letters – used; search for key words, related or any notable phrase of interest using fuzzy matching les.