A proposal for a new field of technical activity shall be submitted to the ISO Central Secretariat, which will assign it a reference number and process the proposal in accordance with the ISO/IEC Directives Part 1, Clause 1.5. The proposer may be a member body of ISO, a technical committee, subcommittee or project committee, the Technical Management Board or a General Assembly committee, the Secretary-General, a body responsible for managing a certification system operating under the auspices of ISO, or another international organization with national body membership. Guidelines for proposing and justifying a new field of technical activity are given in the ISO/IEC Directives Part 1, Annex C.

**Proposal** (to be completed by the proposer)

<table>
<thead>
<tr>
<th>Title of the proposed new committee (The title shall indicate clearly yet concisely the new field of technical activity which the proposal is intended to cover).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Data Services</td>
</tr>
</tbody>
</table>
Scope statement of the proposed new committee (The scope shall precisely define the limits of the field of activity. Scopes shall not repeat general aims and principles governing the work of the organization but shall indicate the specific area concerned).

Standardization in the field of audit data services covers the content specification as well as the collection, pre-processing, management and analysis techniques for the identification, communication, receipt, preparation and use of audit data.

Note:

1. Audit: an official examination of an entity’s financial and financial related records in order to check that they are correct. (Source: Longman Dictionary of Contemporary English 4th Edition, modified: company has been replaced by entity to cover government auditees and financial related records has been added.)

2. The audit data includes data of different areas including public sector budget, financial report, non-financial enterprises, tax and social insurance, for the purpose of government audit, external independent audit, internal audit and other regulators.

Excluded:

1. Information system security audit covered by ISO/IEC/JTC 1.
2. Security evaluation criteria and methodology, techniques and guidelines to address both security and privacy aspects covered by ISO/IEC/JTC 1/SC 27.

☑ The proposer has checked whether the proposed scope of the new committee overlaps with the scope of any existing ISO committee

☐ If an overlap or the potential for overlap is identified, the affected committee has been informed and consultation has taken place between proposer and committee on
   i. modification/restriction of the scope of the proposal to eliminate the overlap,
   ii. potential modification/restriction of the scope of the existing committee to eliminate the overlap.

☐ If agreement with the existing committee has not been reached, arguments are presented in this proposal (under question 7) as to why it should be approved.
Proposed initial programme of work. (The proposed programme of work shall correspond to and clearly reflect the aims of the standardization activities and shall, therefore, show the relationship between the subject proposed. Each item on the programme of work shall be defined by both the subject aspect(s) to be standardized (for products, for example, the items would be the types of products, characteristics, other requirements, data to be supplied, test methods, etc.). Supplementary justification may be combined with particular items in the programme of work. The proposed programme of work shall also suggest priorities and target dates.)

The initial program proposed is based on the consensus of the proposer and other members of ISO/PC 295 Audit Data Collection. The output ISO 21378 of PC 295 specifies the data content and file format when collecting audit data from various accounting and ERP systems, but PC 295 members believe that the public sector budget, financial report, tax audit, social insurance are also significant areas for audit. Moreover, besides data collection, the needs for standards in the areas of audit data pre-processing, management and analysis techniques are as well documented. (See the Resolutions and Acclamations of ISO/PC 295 Plenary Meetings in Bangkok, Thailand and Hangzhou, China)

Therefore, the initial program of TC covers the standards of audit data services for the following topics:

1. Standards of audit data services of public sector budget, including revenues (except tax) and expenditures.
2. Standards of audit data services of financial reports, including balance sheets, income statements, statements of cash flows, statements of equity and related notes.
3. Standards of audit data services of non-financial enterprises, including ERP information and customs, tax payment, internal control information; the specifications on implementation in different file formats and for ERP vendors.
4. Standards of audit data services of tax, including taxpayer’s basic and transaction information.
5. Standards of audit data services of social insurance, including pension and health insurance.

The plans for the above listed standards specify the data content, pre-processing and validation procedures, data management and analysis techniques.

Once the TC is approved, the proposer would like to hold the first TC meeting in the first half of 2020 and set the target dates of the NPs by the end of 2020.
Indication(s) of the preferred type or types of deliverable(s) to be produced under the proposal (This may be combined with the "Proposed initial programme of work" if more convenient).

Deliverables preferred are ISO International Standards (ISs), Technical Specifications (TSs) and Technical Reports (TRs):

1. ISO IS of data collection for auditing public sector budget revenues and expenditures.

2. ISO IS, TRs and TSs related with non-financial enterprises audit are as follow:
   (1) ISO IS as the extension of ISO 21378 (under development by PC 295) by adding payroll, customs, tax payment and internal control information.
   (2) ISO TS for the implementation of ISO 21378 for different ERP vendors.
   (3) ISO TRs for the mapping of ISO 21378 with related international/national standards including the standards/documents released by UNECE, OECD, AICPA and China, etc.
   (4) ISO TS for the implementation of ISO 21378 in XML.
   (5) ISO TS for the implementation of ISO 21378 in XBRL/GL.

3. ISO IS of data collection for tax audit.

4. ISO TSs for audit data extraction validation logs, completeness testing, encryption, and data ingestion and staging.
A listing of relevant existing documents at the international, regional and national levels. (Any known relevant document (such as standards and regulations) shall be listed, regardless of their source and should be accompanied by an indication of their significance.)

The proposed TC will take into account relevant existing ISO and other standards as follow. These standards would be referred as normative references to further develop international standards in the new TC:

1. ISO 7372:2005 Trade data interchange -- Trade data elements directory
3. ISO/TS 20625:2002 Electronic data interchange for administration, commerce and transport (EDIFACT) -- Rules for generation of XML scheme files (XSD) on the basis of EDI(FACT) implementation guidelines
4. ISO/IEC TR 20943 Information technology -- Procedures for achieving metadata registry content consistency
5. ISO/IEC 19503:2005 Information technology -- XML Metadata Interchange (XMI)
7. ISO/IEC TR 9789:1994 Information technology -- Guidelines for the organization and representation of data elements for data interchange -- Coding methods and principles
8. ISO/IEC 15408 Information technology -- Security techniques -- Evaluation criteria for IT security
11. EU General Data Protection Regulation, 679/2016, GDPR
12. UNECE Recommendation 3 ISO COUNTRY CODE for Representation of Names of Countries
13. UNECE Recommendation No. 5: Abbreviations of Incoterms - Alphabetic Code for Incoterms 2010
14. UNECE Recommendation No. 20 Codes for Units of Measure Used in International Trade
17. OECD Guidance for the Standard Audit File – Payroll Version 1.0
18. ISSAI 1500 – Audit Evidence
19. IPPF 1220 – Due Professional Care
20. ISA 520 – Analytical Procedures

The identification of the following standards was based on the word *audit* appearing in the names or the scope statements. In these cases, the word *audit* may mean a detailed examination of something in order to check if it is good enough, which is a different definition than the one for the proposed TC. As such, this list may be a super set of related standards.

1. ISO 19011: 2018 Guidelines for auditing management systems
2. ISO/IEC 17021 Conformity assessment -- Requirements for bodies providing audit and certification of management systems
A statement from the proposer as to how the proposed work may relate to or impact on existing work, especially existing ISO and IEC deliverables. (The proposer should explain how the work differs from apparently similar work, or explain how duplication and conflict will be minimized. If seemingly similar or related work is already in the scope of other committees of the organization or in other organizations, the proposed scope shall distinguish between the proposed work and the other work. The proposer shall indicate whether his or her proposal could be dealt with by widening the scope of an existing committee or by establishing a new committee.)

The proposal can only be dealt with by establishing a new TC.

The proposed TC requires a specific set of skills and experiences, which the proposer and other PC 295 members believe could not be identified or leveraged in the existing committees. Over the course of ISO/PC 295 meetings, we have had numerous discussions on the best ways to continue the standardization process to cover other pertinent areas. We realized that a single project cannot cover all audit areas such as public sector budget, tax audit, or other audit data services techniques such as management and analysis. Therefore, PC 295 members first proposed for a new TC in its 3rd Bangkok plenary meeting in Jan, 2018. This consensus was confirmed and refined, and SAC was agreed to be the proposer in the 4th Hangzhou plenary meeting in Oct, 2018. (See the Resolutions and Acclamations of ISO/PC 295 Plenary Meetings in Bangkok, Thailand and Hangzhou, China)

At present, no existing ISO committee is specialized in audit data content or data services techniques for audit purposes. The committees such as ISO/IEC/JTC 1/SC 27, ISO/IEC/JTC 1/SC 32 and ISO/TC 154 made fruitful progresses in standardizing the security and privacy protection, E-business, data interchange and data analysis, etc. The TC will look to leverage appropriate IT and modelling expertise from other committees in order to align with current available standards and future standards being contemplated.

Though other international audit organizations including INTOSAI, IFAC and IIA have realized the significance of audit information utilization, they do not specify the information content or data services techniques at present. The deliverables of the proposed TC will strongly support the efforts of those organizations in a coordinative and coherent way.

A listing of relevant countries where the subject of the proposal is important to their national commercial interests.

The countries who are PC 295 members and those that showed their support for the existing PC are listed as follow: Austria, Canada, China, Finland, France, Germany, Indonesia, Japan, Kuwait, Malaysia, Mongolia, Netherlands, Romania, Russian Federation, South Africa, Thailand, United States and other countries.

However, since major audit stakeholders perform activities in more than 150 countries or jurisdictions, we believe that the relevance goes far beyond the countries currently involved in the effort.
A listing of relevant external international organizations or internal parties (other ISO and/or IEC committees) to be engaged as liaisons in the development of the deliverable(s). (In order to avoid conflict with, or duplication of efforts of, other bodies, it is important to indicate all points of possible conflict or overlap. The result of any communication with other interested bodies shall also be included.)

1. ISO and/or IEC committees:
   (1) ISO/IEC JTC 1/SC 32 Data management and interchange
   (2) ISO/IEC JTC 1/SC 27 IT Security techniques
   (3) ISO/TC 46 Information and documentation
   (4) ISO/TC 68 Financial services
   (5) ISO/TC 69 Applications of statistical methods
   (6) ISO/TC 171 Document management applications
   (7) ISO/TC 154 Processes, data elements and documents in commerce, industry and administration
   (8) ISO/TC 176 Quality management and quality assurance
   (9) ISO/TC 307 Blockchain and distributed ledger technologies
   (10) ISO/TC 322 Sustainable finance

2. International audit organizations:
   (1) INTOSAI International Organization of Supreme Audit Institutions
   (2) IFAC International Federation of Accountants
   (3) IIA Institute of Internal Auditors
   (4) IAASB International Auditing and Assurance Standards Board
   (5) AICPA American Institute of Certified Public Accountants

3. Other international organizations:
   (1) UNECE United Nations Economic Commission for Europe
   (2) OECD The Organization for Economic Co-operation and Development
   (3) COSO The Committee of Sponsoring Organizations of the Treadway Commission
A simple and concise statement identifying and describing relevant affected stakeholder categories (including small and medium sized enterprises) and how they will each benefit from or be impacted by the proposed deliverable(s).

The proposed TC is an opportunity to promote and enhance the compliance, efficiency and effectiveness of financial and economic activities in many countries. It can also be a critical input for global concerns surrounding international trade, cross-border supervision of inventory movements and tax payment. The outputs of the TC will also be valuable for requirements of future technology standards and developments such as blockchain. Overall, the efforts in this area will play an important role in globally enhancing business and commerce governance.

The relevant stakeholders can be categorized into three groups:

1. Auditors: government, external independent, internal and other regulatory.

   The deliverables of the proposed TC improve the accessibility and transparency of audit data. The standardization of audit data pre-processing, management and analysis enhances the efficiency and quality of audit.

2. Auditees: government institutions, enterprises and individuals.

   The deliverables of the proposed TC are unified standards. They will reduce the duplicate efforts of auditees to meet different audit requirements. It is particularly important for small and medium-sized enterprises.

3. Vendors: ERP, accounting packages, audit tools and other information systems that support business processes and controls.

   The deliverables of the proposed TC connect these audit data standards for collection, management and analysis. They will help vendors provide audit data services in a consistent way, and reduce associated cost.

An expression of commitment from the proposer to provide the committee secretariat if the proposal succeeds.

If the proposal is approved, SAC would like to undertake the TC secretariat.
Purpose and justification for the proposal. (The purpose and justification for the creation of a new technical committee shall be made clear and the need for standardization in this field shall be justified. Clause C.4.13.3 of Annex C of the ISO/IEC Directives, Part 1 contains a menu of suggestions or ideas for possible documentation to support and purpose and justification of proposals. Proposers should consider these suggestions, but they are not limited to them, nor are they required to comply strictly with them. What is most important is that proposers develop and provide purpose and justification information that is most relevant to their proposals and that makes a substantial business case for the market relevance and the need for their proposals. Thorough, well-developed and robust purpose and justification documentation will lead to more informed consideration of proposals and ultimately their possible success in the ISO IEC system.)

The proposed TC will be foundational for creating the data enabled audit of the future, which will support auditors with the knowledge and structures to perform their audit procedures in a more efficient and effective way. Additionally, auditees will see benefits in the areas of E-accounting and E-business. Audit results are critical to ascertain the reliability and accuracy of financial statements as well as non-financial disclosures for use by the financial markets, public administration and all categories of investors. Audit also helps to promote good governance, improve the effectiveness of risk control and management.

Although audit procedures and audit scope vary greatly by industry and purpose, one global challenge auditors face is requesting and processing representative data from information systems. There is currently great diversity in the types and sophistication of systems used by enterprises. For instance, in some countries, enterprises are using more than 300 different versions of ERP systems and accounting packages. Difficulties in collecting, pre-processing, managing and analysing data from various systems are well known to auditors. These challenges have led to duplicate efforts and waste for both businesses and auditors. It is reported that the time spending on data collection and pre-processing has increased in recent years, with estimates as high as 60-70% of the entire period for some audit projects.

Standardization is an effective way to level set efforts to easily access and integrate data from different sources. In the last decade, some countries and organizations made achievements in specific audit areas. Both China and AICPA released audit data standards for enterprise audit. OECD also made progress on tax audit. However, these efforts lack true global coordination and the standards differ even in similar business areas. To begin the journey toward better global coordination, SAC proposed PC 295 Audit Data Collection in 2015. With the support of 36 countries and experts from around the world, the output ISO 21378 of PC 295 will specify the data content and file format when collecting data from various accounting and ERP systems.

The proposer and other PC 295 members believe that a TC is necessary to complete the journey and is the logical extension of the strides made toward standardization for audit data extraction. Therefore, the proposer would like to request to establish the Audit Data Services technical committee to enhance the effectiveness and efficiency of government, internal, external independent audit and other regulators.

Signature of the proposer
SAC

Further information to assist with understanding the requirements for the items above can be found in the Directives, Part 1, Annex C.
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.

Who will use this standard?
- Auditors
- Accountants
- Financial analysts
- Data scientists
- IT report developers
- Compliance personnel
- Risk managers
- Data analysts

Who are involved?

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

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 (SAIs) worldwide, and finally strengthening accountability, promoting good governance.

Deputy Auditor General of SAO Thailand
Srin 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
ISO/PC 295
Audit data collection

Email of secretary: lujingcnao@163.com
Secretariat: SAC (China)

Resolutions from the 3rd PC 295 Meeting 20180119

Document type: Resolution
Date of document: 2018-01-22
Expected action: INFO

Background:
Committee URL: https://isotc.iso.org/livelink/livelink/open/pc295
Resolutions and Acclamations of
ISO/PC 295 3rd Plenary Meeting
January 19, 2018, Bangkok, Thailand

Resolutions:

Resolution 01-2018 Adoption of the agenda
PC 295 confirms the agenda N86 (N383 in the WG) as presented at the PC meeting.

Resolution 02-2018 WG 1 Meeting results
PC 295 accepts the WG 1 meeting results N94 (N392 in the WG) as presented at the PC meeting.

Resolution 03-2018 ISO 21378 track
PC 295 agrees to change the default track of three (3) years and extend it to four (4) years in order to be able to produce a CD2 and to allow for the incorporation of the changes identified during the CD1 review.

Resolution 04-2018 ISO 21378 schedule
PC 295 agrees with the proposed schedule of PC 295 CD2 N95 (N393 in the WG) as discussed during the PC meeting.

Resolution 05-2018 New TC proposal
PC 295 agrees to apply for a new technical committee and asks for participants, including the secretariat, the technical team, and the ERP vendors to help prepare the proposal. Once completed, the secretariat shall circulate the proposal to all PC members during a period of 8 weeks in order to obtain comments from these members.

Resolution 06-2018 Presentations for value of TC
PC 295 agrees to prepare a set of presentation materials to assist committee members and ISO representatives in explaining the value proposition of broadening the scope from a PC to a TC. This presentation will describe the vision and proposed journey to complete the work. This will help the TC proposal to be understood and accepted by the broader ISO membership and will show the links to other ISO standards as well as other standard bodies.

Resolution 07-TC participation
PC 295 agrees to involve technical experts, such as, but not limited to, ERP vendors, accounting firms, technology experts, business users, auditing software companies, database developers, government auditors, and government representatives to the TC proposal process.

**Resolution 08-2018 Prioritized areas of New TC proposal**

PC 295 acknowledges the prioritized areas to work on as a TC as discussed and agreed during the PC meeting. They are as following:

a) Public Sector Budget

b) Tax Audit

c) Payroll

d) Regulated financial report

e) Reconciliation/further convergence to China standards, AICPA, SAF-T, Dutch tax audit standard.

**Acclamations:**

**Acclamation 01-2018 Host**

PC 295 expresses its sincere thanks to the SAI of Thailand for hosting the PC 295 and WG 1 meetings, and to Ms. Sirin Phankasem, Ms. Siritorn Akaphant, Ms. Narunat Inkonglad and Ms. Lapisra Tontrakool for their hospitality.

**Acclamation 02-2018 PC 295 members**

PC 295 expresses its sincere thanks to WG1 experts and participating delegates for their dedicated efforts and contributions.

**Acclamation 03-2018 ERP vendors**

PC 295 expresses its sincere thanks to the all ERP vendors for their contribution on the testing work and participation in PC 295.

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1 Detailed mapping for the re-performance of entity level reporting, such as financial reports, for multiple purposes. This is not meant as a replacement for financial reporting standards, but as a way to audit the extraction results and compare the transactional information to what has been reported to government agencies and in internal reports.
Acclamation 04-2018 PC 295 leadership

PC 295 expresses its sincere thanks to Mr. Yang Yunyi, Project Leader, Mr. Zhou Weipei, PC 295 chairman and Ms. Wang Wenyu, WG 1 convenor, for their dedication and leadership at the PC 295 and WG 1 meetings.
ISO/PC 295
Audit data collection

Email of secretary: wsr0919@163.com
Secretariat: SAC (China)

Resolutions from the 4th PC 295 Hangzhou Meeting

Document type: Other meeting document
Date of document: 2018-11-05
Expected action: INFO

Background:

Committee URL: https://isotc.iso.org/livelink/livelink/open/pc295
Resolutions and Acclamations of
ISO/PC 295 4th Plenary Meeting
October 27, 2018, Hangzhou, China

Resolutions:

Resolution 01/2018 Adoption of the agenda
PC 295 confirms the agenda N131 (N455 in the WG online) as presented at the PC meeting.

Resolution 02/2018 Form the resolution team
The resolution team is built, including Mr. Joel Pinkus, Mr. Patrice Malboeuf, Ms. Elina Koskentalo, Mr. Robert Stamsnijder, Dr. Lyu Tianyang, Ms. Wang Wenyu and Ms. Wang Shurong.

Resolution 03-2018 WG 1 Meeting results
PC 295 accepts the WG 1 meeting results N134 (N457 in the WG online) as presented at the PC meeting.

Resolution 04-2018 ISO 21378 schedule
PC 295 agrees with the proposed schedule of PC 295 N132 (N458 in the WG online) as discussed during the PC meeting.

Resolution 05-2018 Re-appointment of the term of the convener
PC 295 agrees to extend the convener’s term.

Resolution 06-2018 New TC proposal
PC 295 agrees to begin the proposal process for the creation of a new TC. The discovery process for the TC will include:

- discussions with current members regarding the scope;
- identification of potential related standards to ensure that the work is appropriately scoped;
- the working group structures;
- potential additional members and roles;
- prioritization and initial timeline.

**Resolution 07-2018 Possible areas of New TC proposal**

PC 295 acknowledges that some of the areas of interest were proposed during the presentation “Changing the World Starting Today... while we wait” (see N135) as well as through discussion with the PC members. These areas included:

a) Public Sector Budget  
b) Tax Audit  
c) Payroll  
d) Regulated financial report  
e) Health Care  
f) Pension Plans  
g) Insurance  
h) Social Security  
i) Internal controls  
j) eXtensible Business Reporting Language Global Ledger (XBRL-GL)  
k) Universal Business Language 2.1 (UBL 2.1)  
l) Data mapping from IT systems to audit procedures requirements  
m) Post-mortem bankruptcy analysis

**Resolution 08-TC Proposer**

PC 295 agrees that China will be the TC proposer and will work with the other PC members in the preparation of the required submittals.
**Acclamations:**

**Acclamation 01-2018 Host**

PC 295 expresses its sincere thanks to the organizer China National Audit Office and the sponsor Zhejiang Provincial Audit Office for hosting the PC 295 and WG 1 meetings for their hospitality.

**Acclamation 02-2018 PC 295 members**

PC 295 expresses its sincere thanks to WG 1 experts and participating delegates for their dedicated efforts and contributions.

**Acclamation 03-2018 ERP vendors**

PC 295 expresses its sincere thanks to the all ERP vendors for their contribution and participation in PC 295.

**Acclamation 04-2018 PC 295 leadership**

PC 295 expresses its sincere thanks to Ms. Yang Li, Project Leader, Mr. Zhou Weipei, PC 295 chairman, Ms. Wang Wenyu, WG 1 convener and Ms. Wang Shurong, secretary, for their dedication and leadership at the PC 295 and WG 1 meetings.

**Acclamation 05-2018 PC 295 drafting team**

PC 295 expresses its sincere thanks to the drafting team, including Mr. Joel Pinkus, Dr. Lyu Tianyang, Ms. Wei Wei, Ms. Wang Hui, Mr. Feng Shuai, for their dedicated contributions.