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## Objectives of This Guide

1.01 This guide is intended to do the following:

- Assist auditors in applying audit data analytics (ADAs) in performing audit engagements.
  - ADAs are “the science and art of discovering and analyzing patterns, identifying anomalies, and extracting other useful information in data underlying or related to the subject matter of an audit through analysis, modeling, and visualization for the purpose of planning or performing the audit.”
  - For the purposes of this guide, “an ADA” or “ADAs” are data analytic techniques that can be used to perform risk assessment, tests of controls, substantive procedures (that is, tests of details or substantive analytical procedures), or continuing audit procedures.

The profession needs to transition to increased use of ADAs to provide an opportunity to enhance audit quality in particular to respond to a business environment characterized by pervasive use of IT, increased availability of large amounts of data, and increased use of IT-based data analytic tools and techniques by audited entities of all types and sizes.

1.02 Specific objectives of this guide include the following:

- Make auditors aware of how various ADAs may be efficiently and effectively used in each phase of a financial statement audit

<sup>1</sup> Sprague, Paul; Criss, Tom; Stewart, Trevor; and Vachani, Mihir. “Reimagining Auditing in a Wired World.” Accessed April 20, 2017, [www.aicpa.org/auddocs/research/research\\_advancing\\_audit\\_quality\\_in\\_a\\_wired\\_world.pdf](http://www.aicpa.org/auddocs/research/research_advancing_audit_quality_in_a_wired_world.pdf).