

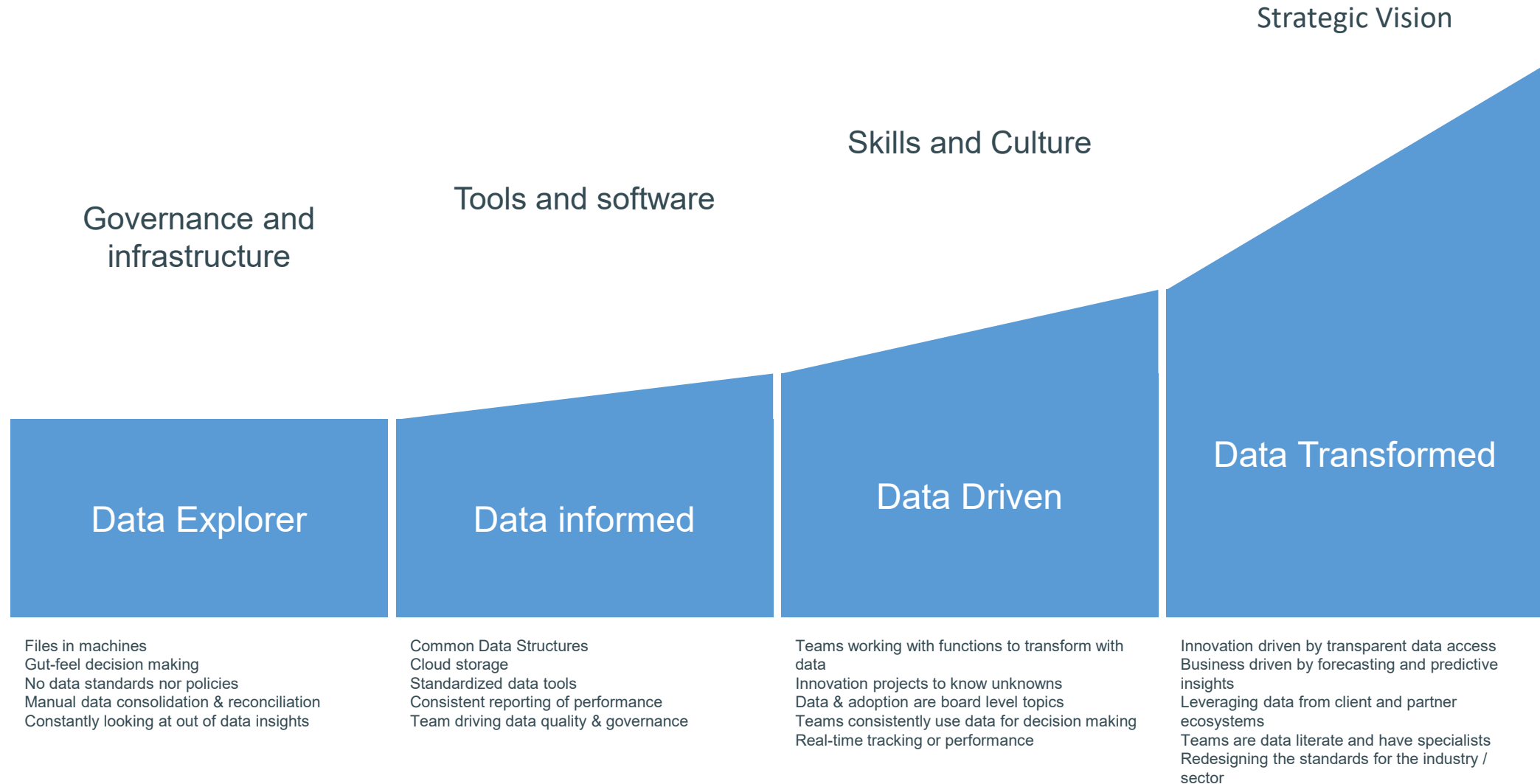


About Generative AI & LLM's





Where are we now?

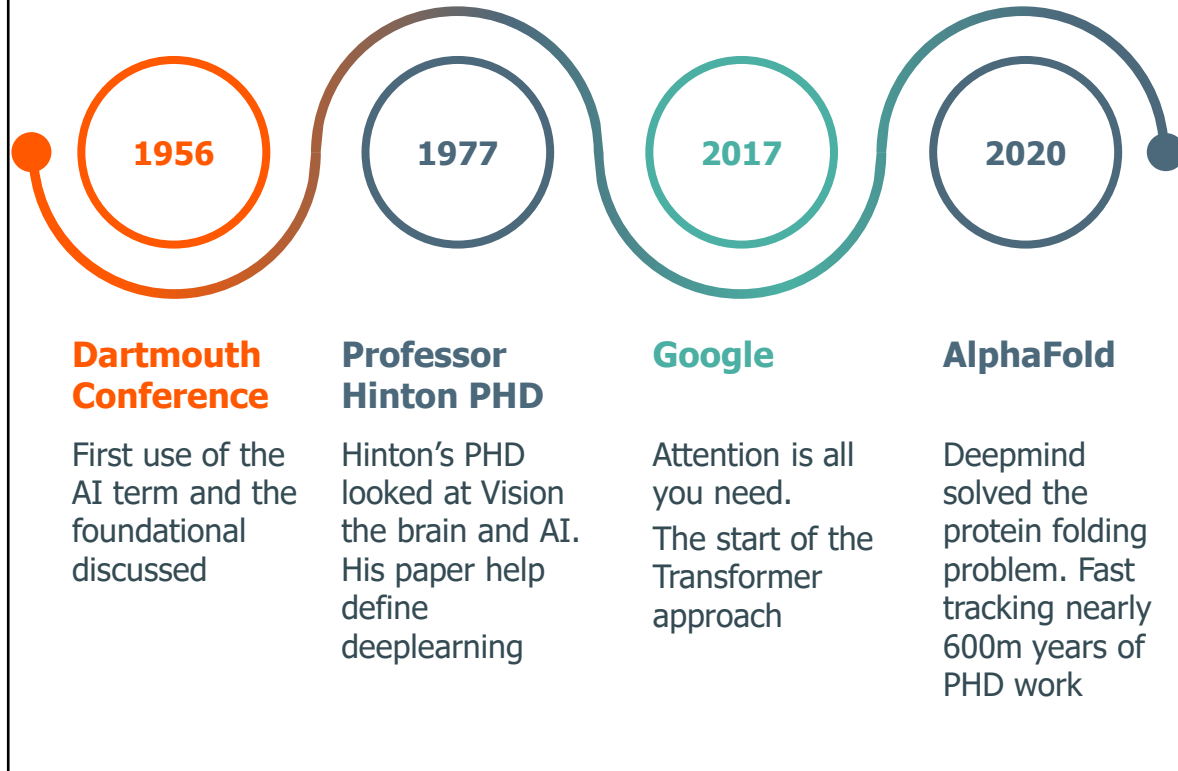


The pace of change has accelerated rapidly

GPT-4/ LLMs have unlocked a broader proposition for audit and tax



1955 to 2022



2022 - 2024





How can LLMs become enterprise ready?

To be enterprise ready, the application of LLMs and Generative AI requires quite a few modules and capabilities to complement the gaps between the performance of the technology, and the quality and risk standards of the audit industry. The ability to be right most of the time, explainability and traceability, and dealing with the hallucinations are all critical and require a reinforcement.

	GPT 3.5	GPT 4	GPT 4 Turbo	GPT 5	
Facts	Very Poor	Poor	Poor	Synthetic training data so TBD	Add more contextual information <ul style="list-style-type: none">- Input data- Methodology- General Ledger- Trial Balance- Chart of Accounts
Planning	Poor	Average	Average	Apparently better	Continuously improve planning <ul style="list-style-type: none">- Plan, prioritize and iterate 3 times- Increase quality of outputs- Increase quality of inputs (Healing module)
Reasoning	Average	Average	Good	Good	
Execution	Very Poor	Poor	Poor	Average – apparently maths improved	Maths & Hallucinations <ul style="list-style-type: none">- Function calls for Maths- Function calls for External APIs- Function calls for DNA- Fact Checker- Adversarial LLMs

Three types of Copilot



Chat to PDF

Most professional services Copilots have been designed in a very simple way allowing the user to “chat” to a regulation, contract or other document.

The main drawback to these is that they are only accessing one data source but can be useful for asking questions of a firm’s methodology, help desk support etc.

Team Member

Team Member Copilots undertake most of a task that would normally be fully undertaken by a member of staff. This type will undertake an accounting task like Revenue Recognition, Lease Accounting, Going Concern, Audit Planning etc.

The main advantage is that it is taking on a complete task across multiple data sources.

Agents

Consider Agents as groups of Team Member Copilots working together to complete a task. At a simple level you can leverage two Agents to take different sides to an opinion (like defining how a Lease should be classified) and arguing it out to a conclusion. In a complex task you could have teams of Agents specialised in tax in different countries working together on a Transfer Pricing task.

Accuracy and Quality

Copilots will be more than 90% accurate, thanks to...



Variety of data sources: client data (financial and non-financial), firm data, external data



Flexible methodology enabling each Copilot to work in various jurisdictions and scenarios



Fine tuning data set leveraged from the relevant association's knowledge base (e.g. ICAEW)



Fact checker that prevents hallucinations and provides references to the user



Evidence PDF containing the LLM seed, data versions, methodology, fine tuning data set version etc.



100% reproducible results for queries and calculations

Always on audit

Group of copilots and agents to support the full lifecycle



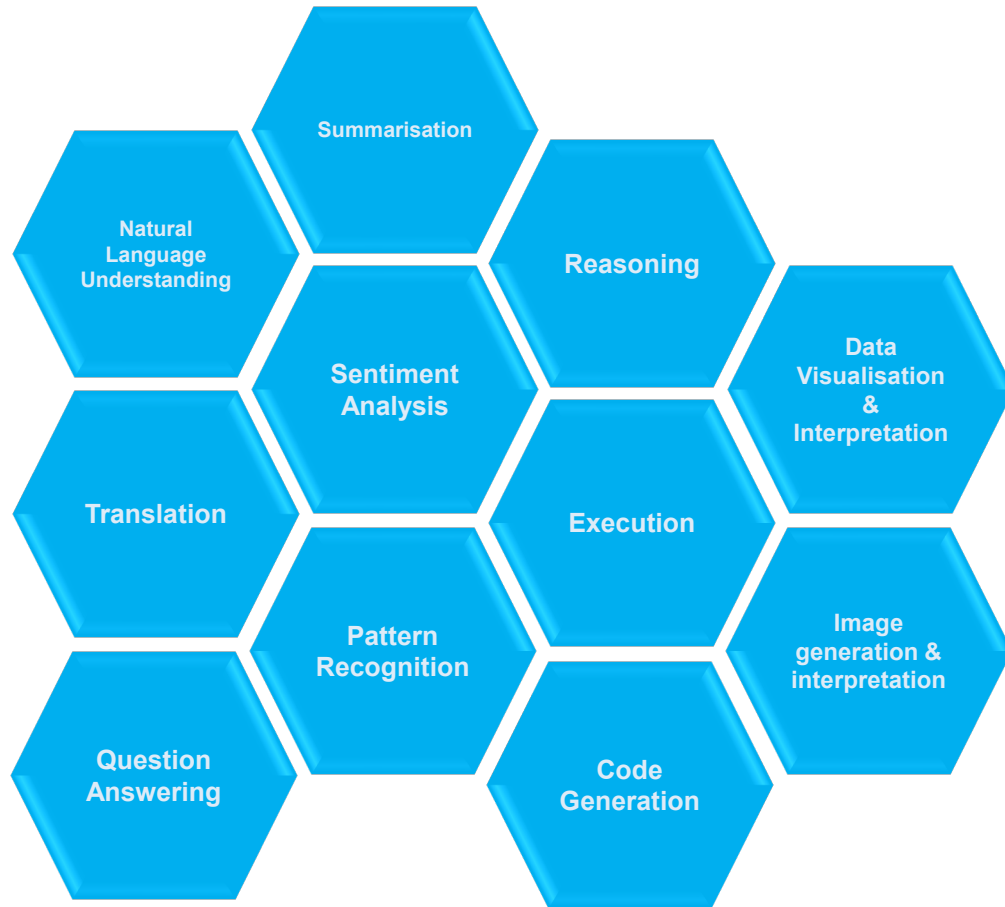
Agent	Role	Function	Level of Complexity
Data Integration	Automates data extraction/integration	Interfaces with Engine B's Integration Engine	Moderate
Compliance and Regulation	Tracks audit standards and regulations	Updates agents on new regulations for compliance	Moderate
Transaction Testing	Performs transaction testing/analysis	Analyses transactions for irregularities	High
Risk Assessment	Identifies and assesses risk areas	Predicts high-risk areas, suggests deeper examination	High
Internal Controls Evaluation	Evaluates internal control effectiveness	Tests control mechanisms, reports weaknesses	High
Financial Statement Analysis	Analyses financial statements	Reviews balance sheets, income statements, etc.	High
Industry-Specific Analysis	Provides industry-specific insights	Compares client data to industry benchmarks	Moderate
Fraud Detection	Detects signs of fraudulent activity	Uses predictive modelling to identify potential fraud	High
Reporting and Visualization	Generates reports and visualizations	Compiles data into understandable reports	Moderate
Quality Assurance and Review	Ensures audit process quality	Reviews outputs, checks for inconsistencies	High
Client Communication and Advisory	Manages client communication	Provides updates, explanations, and recommendations	Moderate
Continuous Learning and Improvement	Enhances audit system over time	Analyses past audits, refines process	High
Orchestrator	Coordinates activities of all agents	Ensures communication and task prioritization	High
IFRS 15/ASC 606 Revenue Recognition	Assesses compliance	Evaluates revenue policies, contract terms	High
IFRS 16/ASC 842 Leases	Specialises in lease accounting	Identifies lease contracts, assesses liabilities and assets	High
IFRS 9/ASC 320, 321, 325 & 815. Financial Instruments	Specialises in auditing financial instruments as per IFRS 9.	Reviews and tests for impairment of assets, including goodwill; assesses whether carrying amounts can be recovered.	High
IFRS 36/ASC 360, 350 Impairment of Assets	Specialises in impairment of assets	Reviews and tests for impairment of assets, including goodwill; assesses whether carrying amounts can be recovered.	High
IFRS 13/ ASC 820 Fair value Measurement	Specialises in fair value and disclosures	Ensures the accurate valuation of assets and liabilities at fair value, checks for appropriate disclosure and measurement techniques.	High



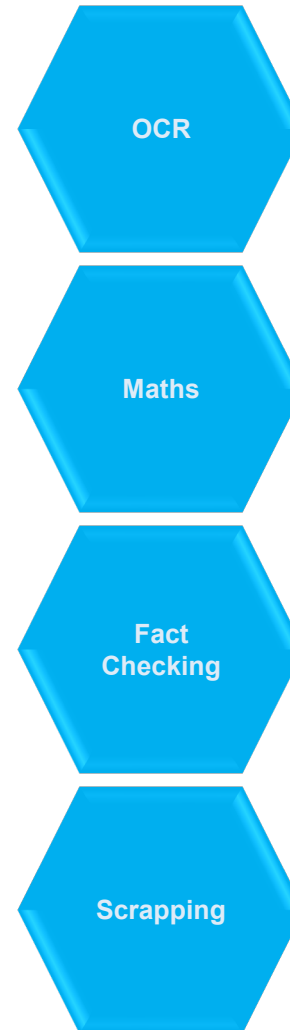


Generative AI Superpowers

Capabilities



Agents



Data





Video Demo

<https://youtu.be/DRd02ObLc1A?si=pSwKCinoTnHq7Aa7>



Thank You

