



Data Assurance

The Synchronized Accounting Protocol

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This paper provides an overview of data assurance in the Sweetbridge Synchronized Accounting platform. For information on the tokenization of assets see our paper on Trusted Tokenized Assets.

Validating data

Many areas of business need data validation that prove to another party that information is correct. This is particularly important when dealing with financial information that will drive billing in cost plus, gainshare, and other situations where one party manages expense for another. Lots of time and energy can be spent validating information or proving the charges are correct to another party. In these situations, audits and reviews of information are time-consuming, costly, and disputes can be frustrating.

The Sweetbridge Synchronized Accounting platform is designed to enable audit and verification of data in real-time or flag data that can't be audited for further review. It can tag data that might be questioned or identify data that represents a high degree of risk.

You should consider using continuous data assurance whenever:

- You don't trust information without checking it to verify its validity
- Another party does not trust information without audits, questions, or the request for proof
- The risk of the information being incorrect represents a significant financial or reputational risk

The platform enables external auditors and verifiers to strengthen the claims that data is valid or to identify instances of data that can't be verified. These verifications can happen using controls or instance-level verifications.

How continuous data assurance works

Sweetbridge continuous data assurance verifies the integrity of data flowing through an organization's systems. It does this by creating trusted workflows, known as templates, that automatically perform cross verifications that would be done in a normal audit. Then, as transactions flow through these templates, they are tagged with any evidence that the transaction or information is real. This means that no one has to manually cross-reference information to reconcile or prove the information is correct.

The items that can't be cross-referenced can have verifications or attestations by third parties that assert the transaction information is valid or correct. Controls can be added that require approvals or sign-offs at any point in the workflow. These approvals track the identity of the parties that authorize and approve transactions.

Sweetbridge continuous data assurance is designed to enable your auditors or any third party validators to verify information is valid and correct. They do this in two ways:

- Auditing the controls to verify that the data can't be altered or manipulated
- Random auditing of transactions to verify the data is correct when controls can't be automated or are too costly to automate

All of this can be done without replacing the systems that are used today as these validations can be done in parallel. Over time, if the new process and systems prove to provide higher quality information, the existing legacy systems can be slowly replaced or modified to fully integrate with the Sweetbridge platform. Best of all, the systems can be fully audited and data can actually be digitally signed by major audit firms.

Benefits

Sweetbridge continuous data assurance is designed to create trust with your trading partners and confidence internally. This results in fewer disputes and a reduction of time spent verifying and auditing information to ensure it is correct. Higher trust and confidence allows deeper integration with trading partners without fear of deception and fraud. You don't have to say, "trust me," you can say, "a Big 4 auditor or other highly trusted source has validated and audited everything we provide."