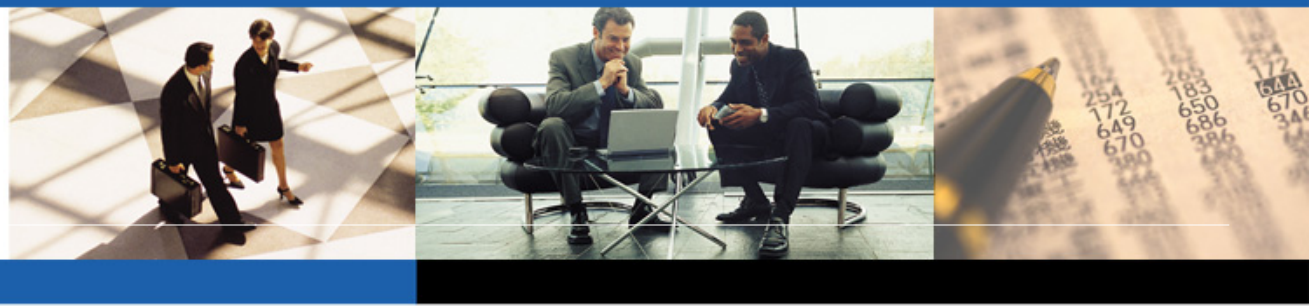


XBRL from Internal control perspective

Paul Snijders
CEO Semansys Technologies
Board member XBRL Nederland
Founding member XBRL in Europe
Project manager Architecture NTP

Agenda

- The landscape of reporting
- Enterprise configuration
- Reporting for subsidiaries
- Compliance monitoring

Regulatory view

- Regulators require more, more detailed and better quality data
- Globally XBRL is the electronic reporting standard
- Companies are confronted with many taxonomies from many countries and many regulators

- It is a long way to (international) harmonisation of reporting rules for accounting, government and industry specific reporting

Corporate challenges

- Comply to regulatory demands
- Match with internal systems
- Harmonise with internal reporting where possible
- Reduce high reporting costs
- Prevent disparate solutions
- Increase audit and control
- Comply locally and at corporate level

Corporate reporting today

- Local reporting is a local task
- Individual spreadsheets are the main reporting tool
- Legacy system are not ready corporate reporting demands
- Few applications understand XBRL
- Many local charts of accounts exists
- Implementation of corporate reporting demands are expensive and labour intensive
- Corporate audit and control is difficult to achieve with current distributed processes

Current reporting

- **70 %** of reporting in corps. is manual
- A large EU Bank processes **200.000** statements a year **Manually**
- A US Bank can use only **15** data items for risk assessment
- A Dutch major bank can save **30-40M** Euro by preventing rekeying SME's financial statements
- Organizations have over **30** reporting duties (Waterboards NL have **99 !!**)
- The data filling processing of a regulator can save **50 percent** labor costs with XBRL based fillings
- **47%** of spreadsheets have significant errors, less than **10 %** have test procedures,
- A EU insurance company has **3.600** process steps for once a year filing, **60** employees, **4** months

Issues at the Enterprise

Compliance

Sarbannes Oxley
Section 302

Audit & Control

Enhanced audits
and controls

System Integration

Taxonomy based
Compliance reporting

Completeness Accuracy

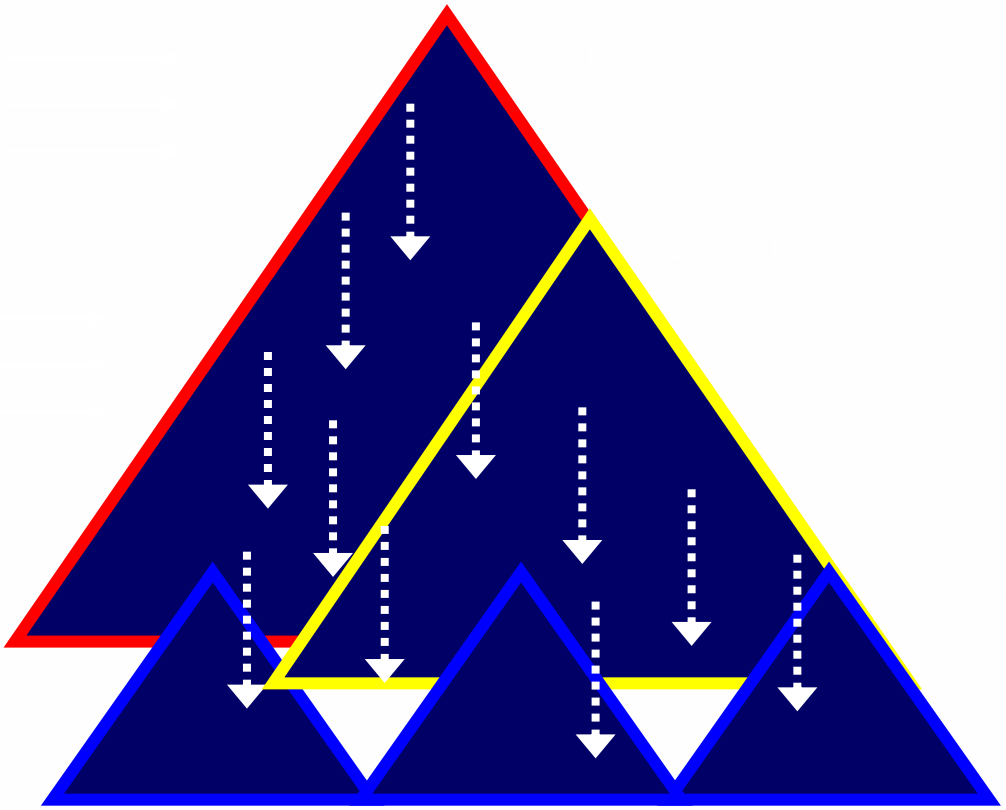
Reliability of
Internal reporting

Corporate taxonomy landscape

International US-GAAP
Basel II
IFRS

Specific Industry
Stock exchange
Sectors

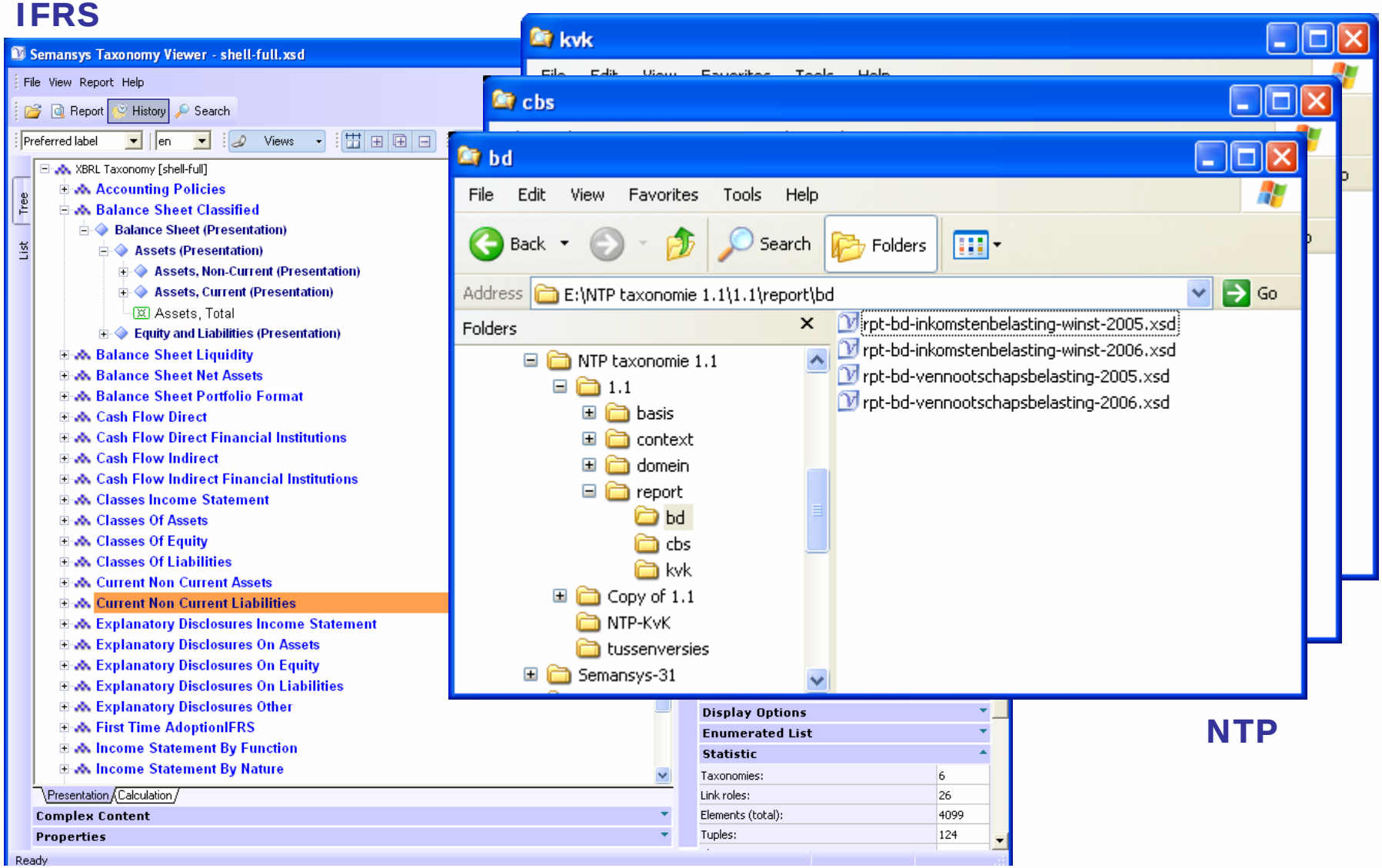
National Local GAAP
Tax Admin
Statistics



Many regulators confront businesses with many reporting requirements
Corporates will distribute requirements throughout the corporate structure

Taxonomies

IFRS



NTP

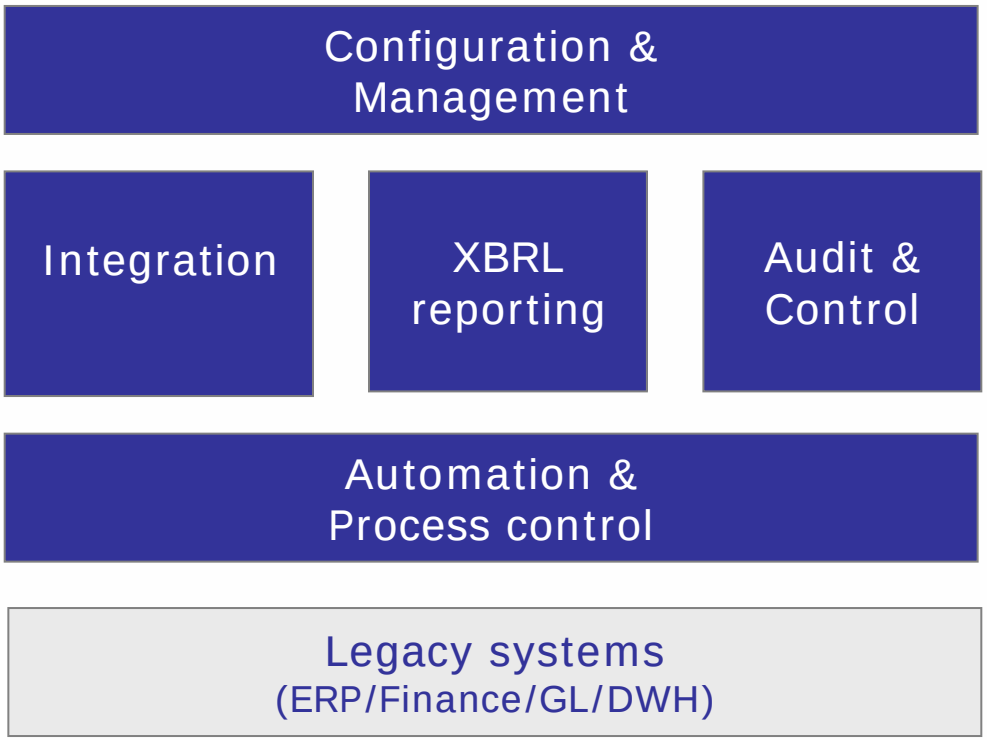
XBRL @ Enterprise Management

- Multiple reporting requirements
- Multiple entities
- Multiple charts of accounts
- Local and corporate reporting
- External and internal
- Multiple subjects
  - Finance, Sales, Productions, Regulatory

XBRL @ Enterprise Management

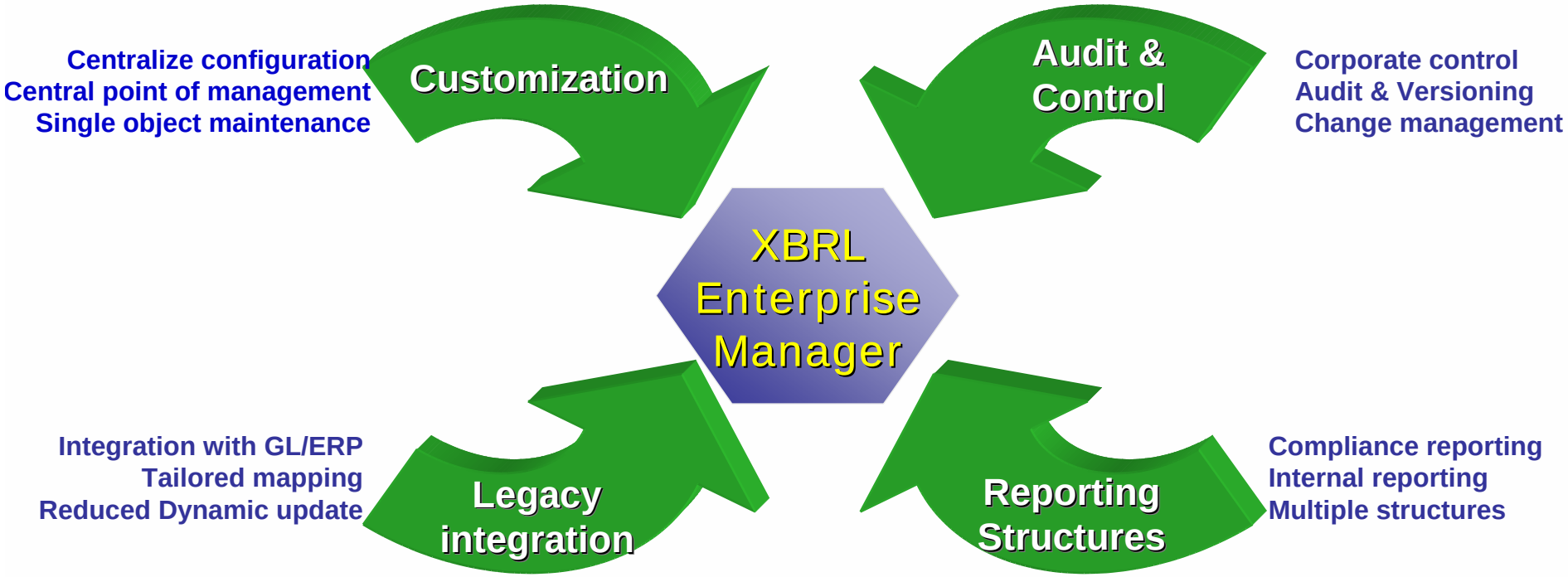
- Easy adoption of regulatory demands
- Embedding in internal processes
- Decentralised reporting definitions
- Corporate level Audit & Control
- Minimize effort at subsidiary level
- Single point of maintenance
- SISA: Single Information Single Audit
- Integrate with existing systems

Solution stack

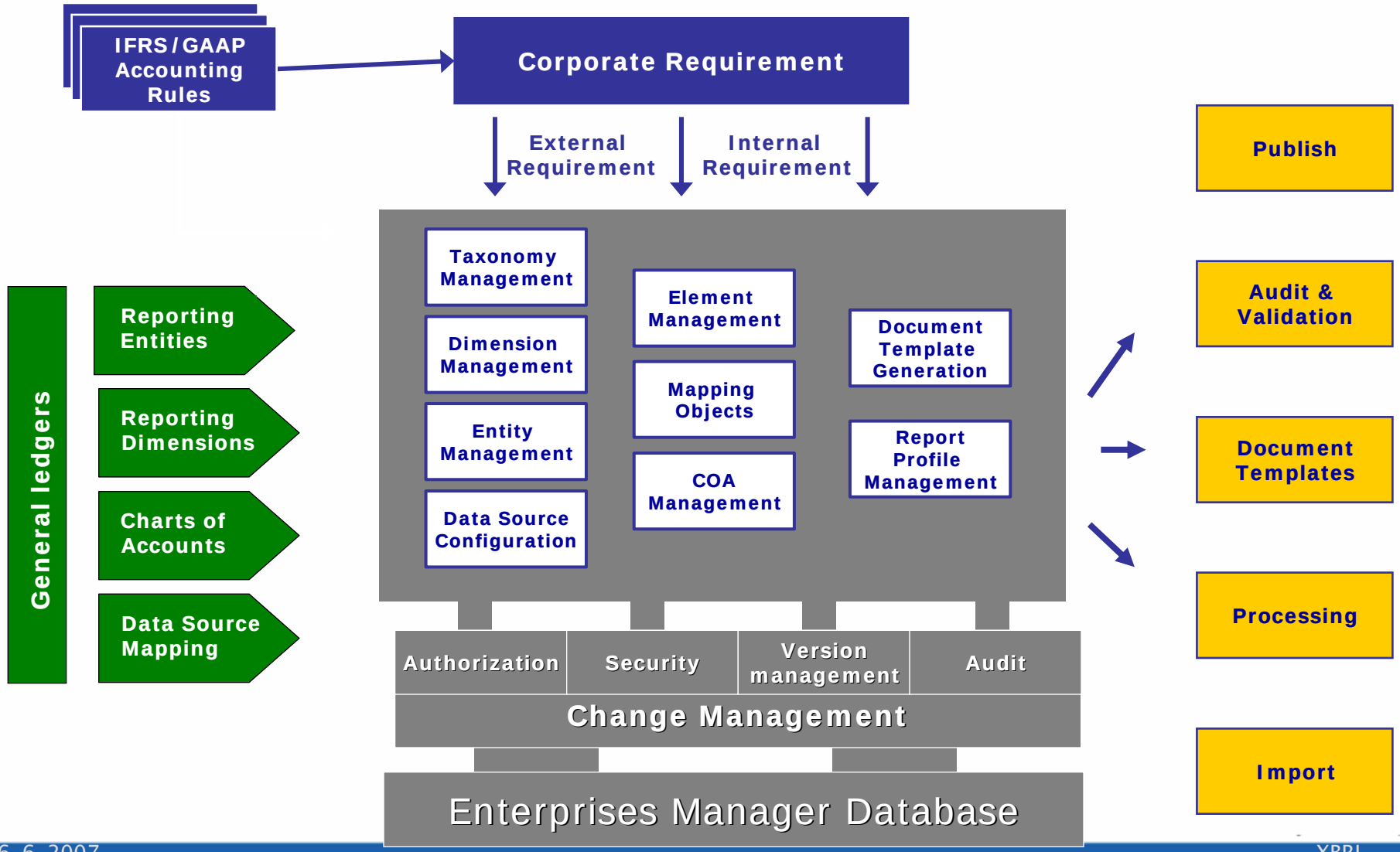


Enterprise Approach

XBRL for ENTERPRISE MANAGENT
need for a complete solution for any medium and large enterprise with complex (XBRL) reporting duties.

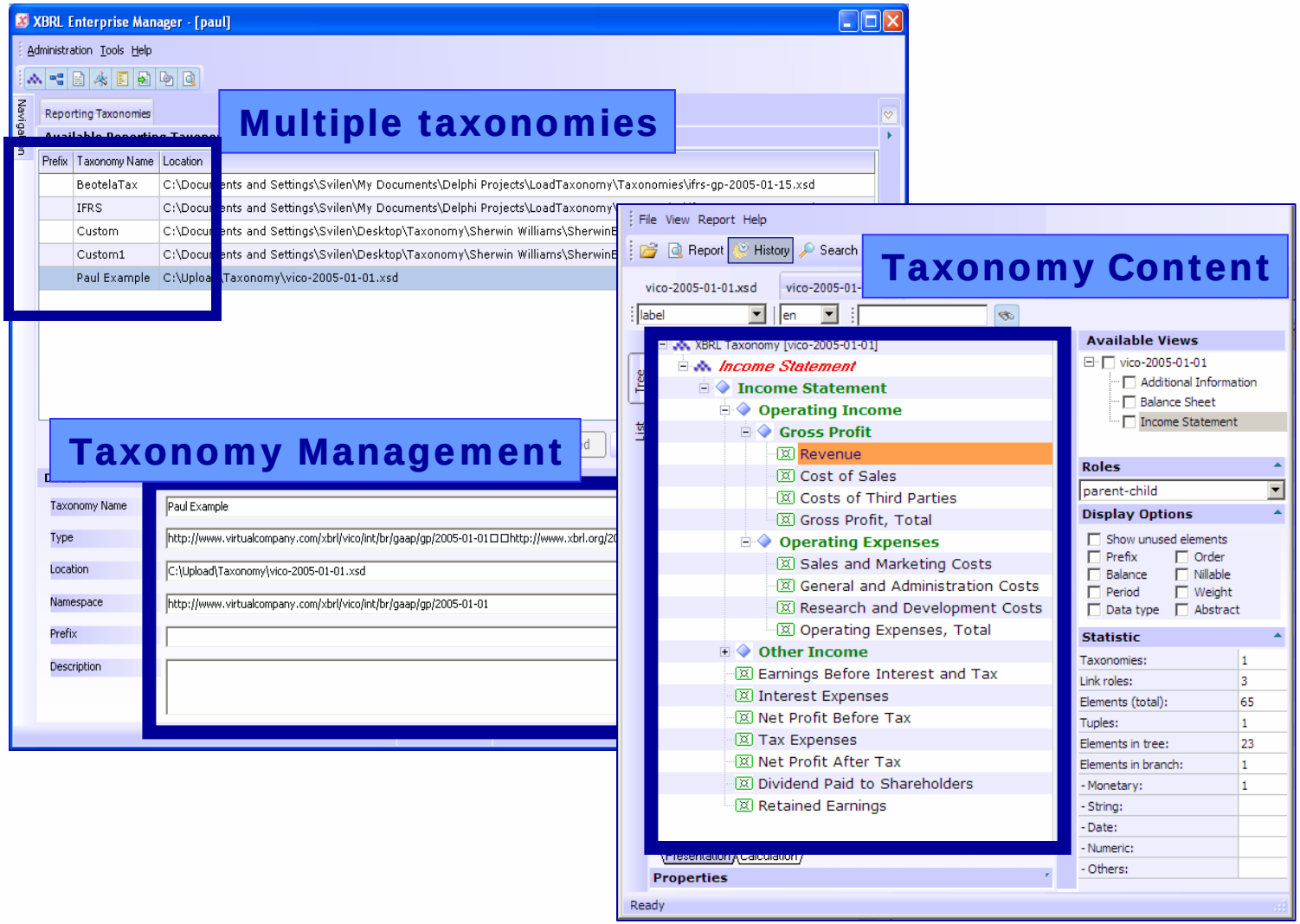


Enterprise Manager Architecture



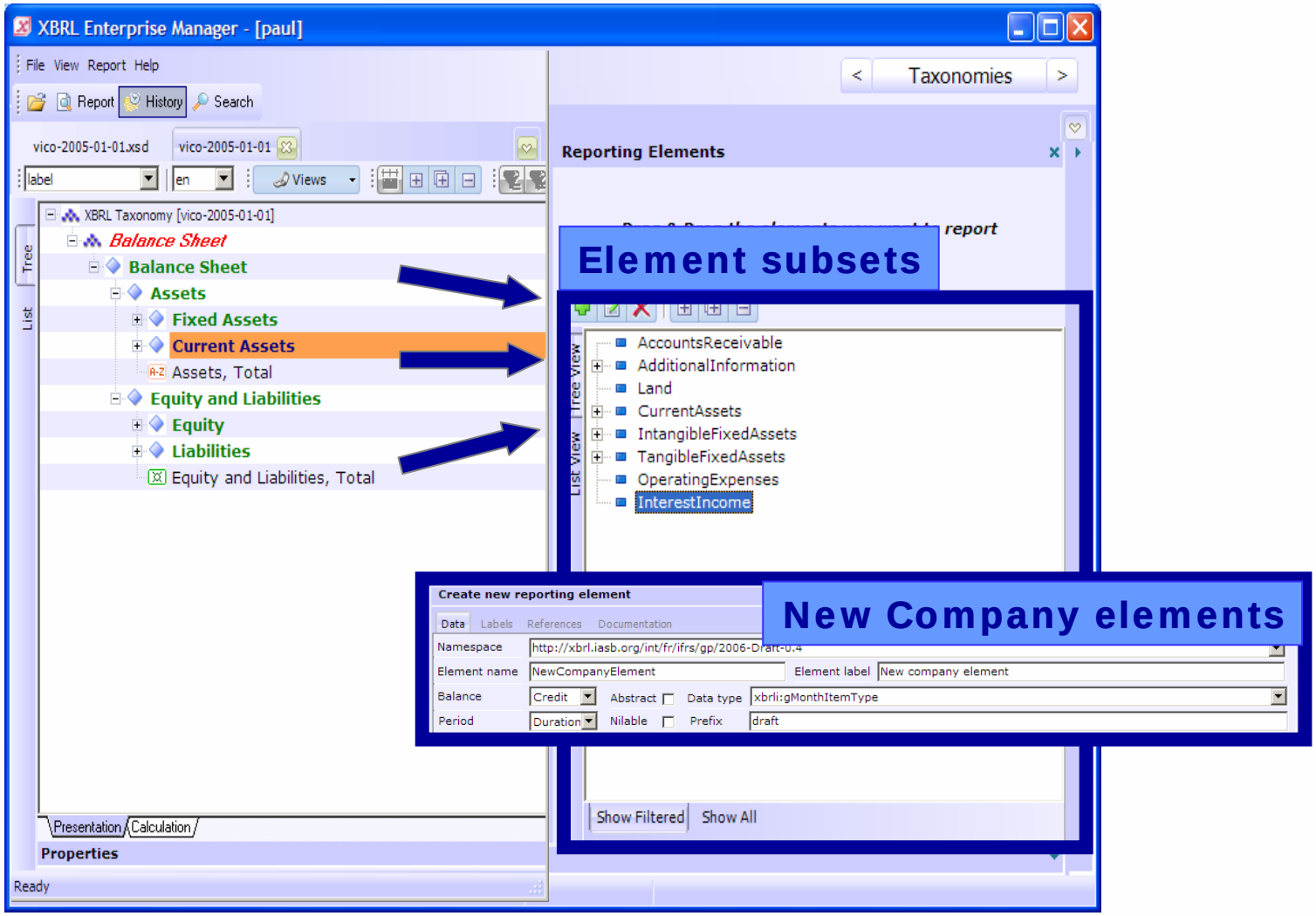
Step 1
Public Taxonomies

Allocate and add public taxonomies



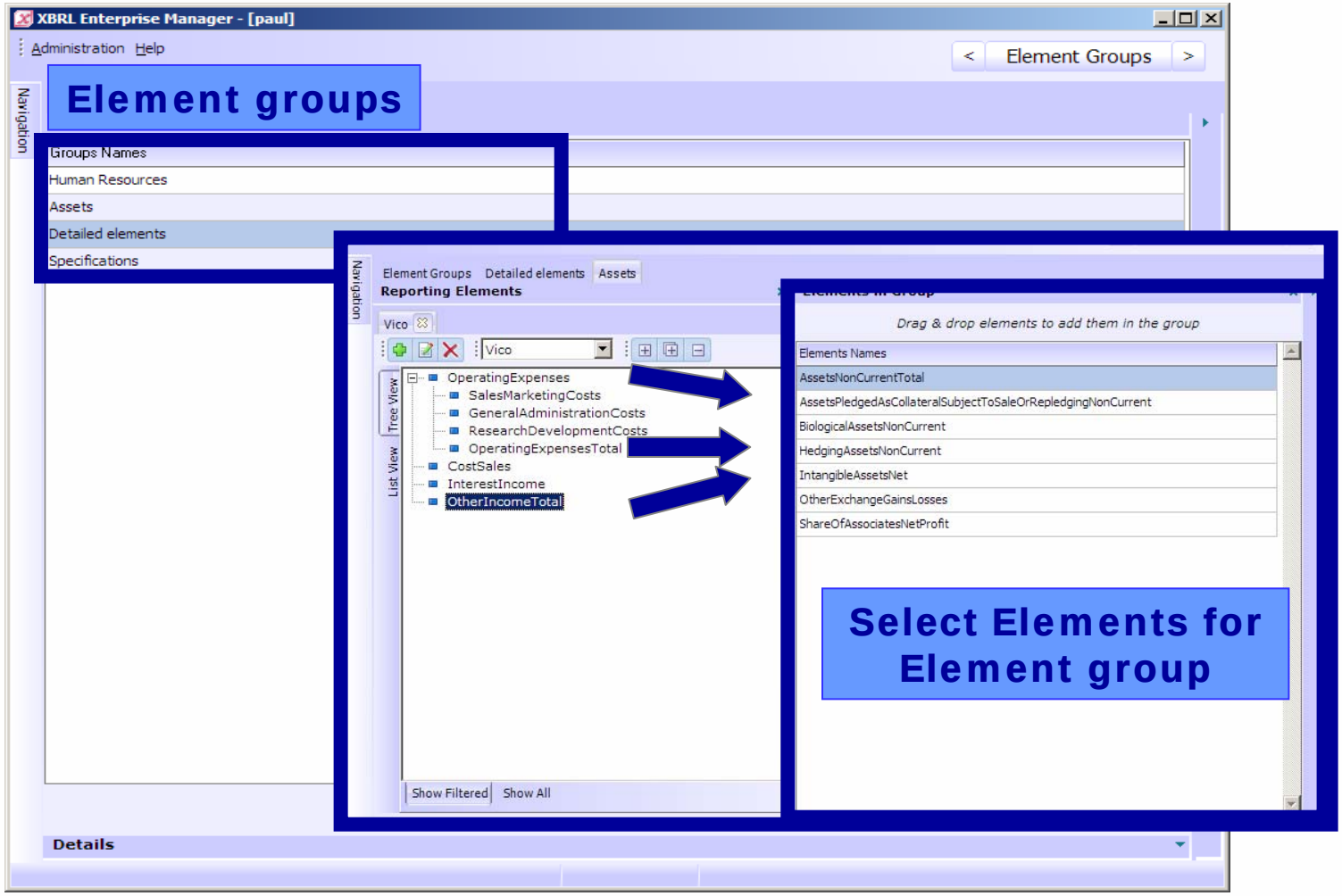
Step 2
Company Element Set

Define subset of company relevant elements



Step 3
Multi Purpose Groups

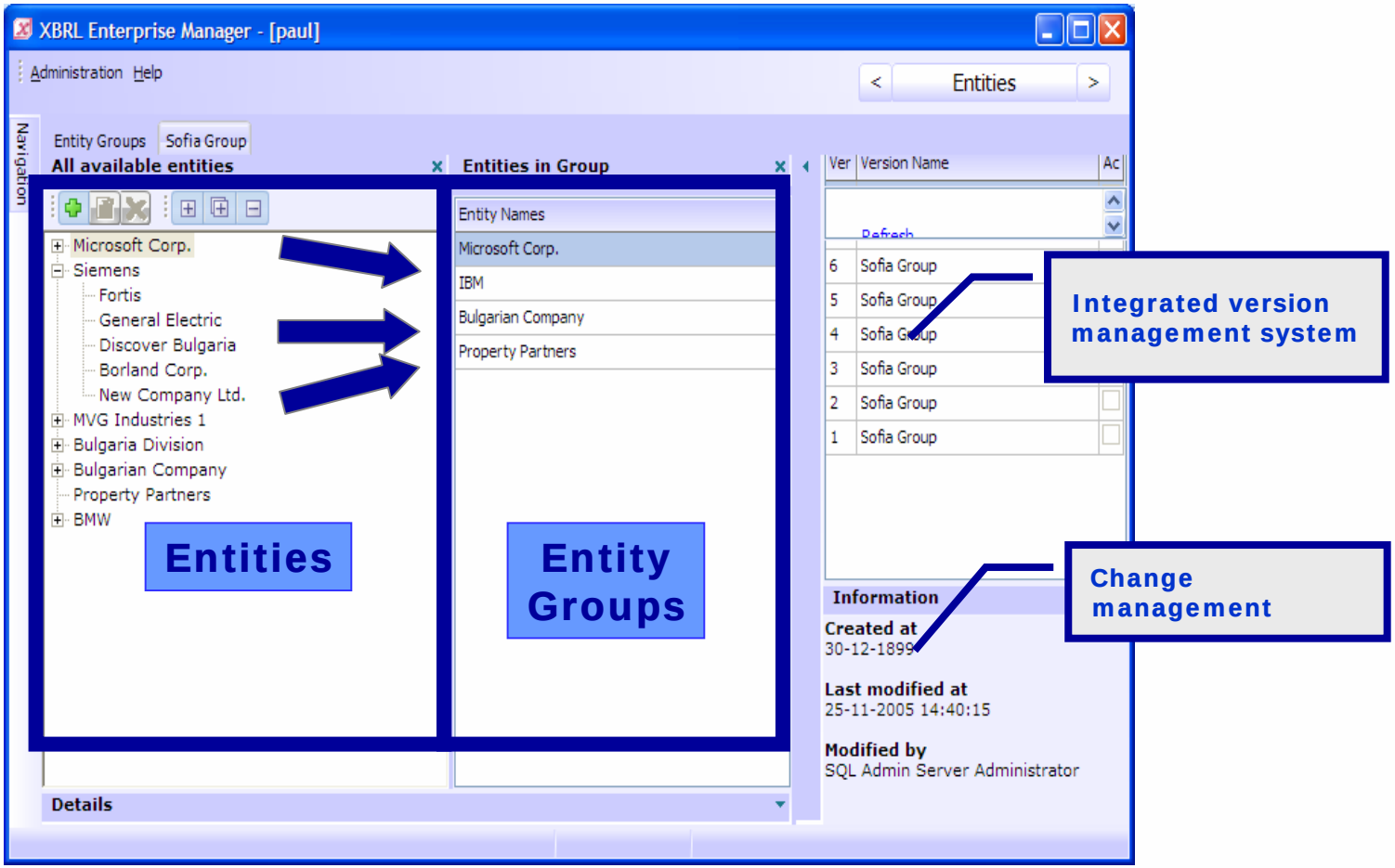
Create element groups for reporting



Step 4
Reporting Structures

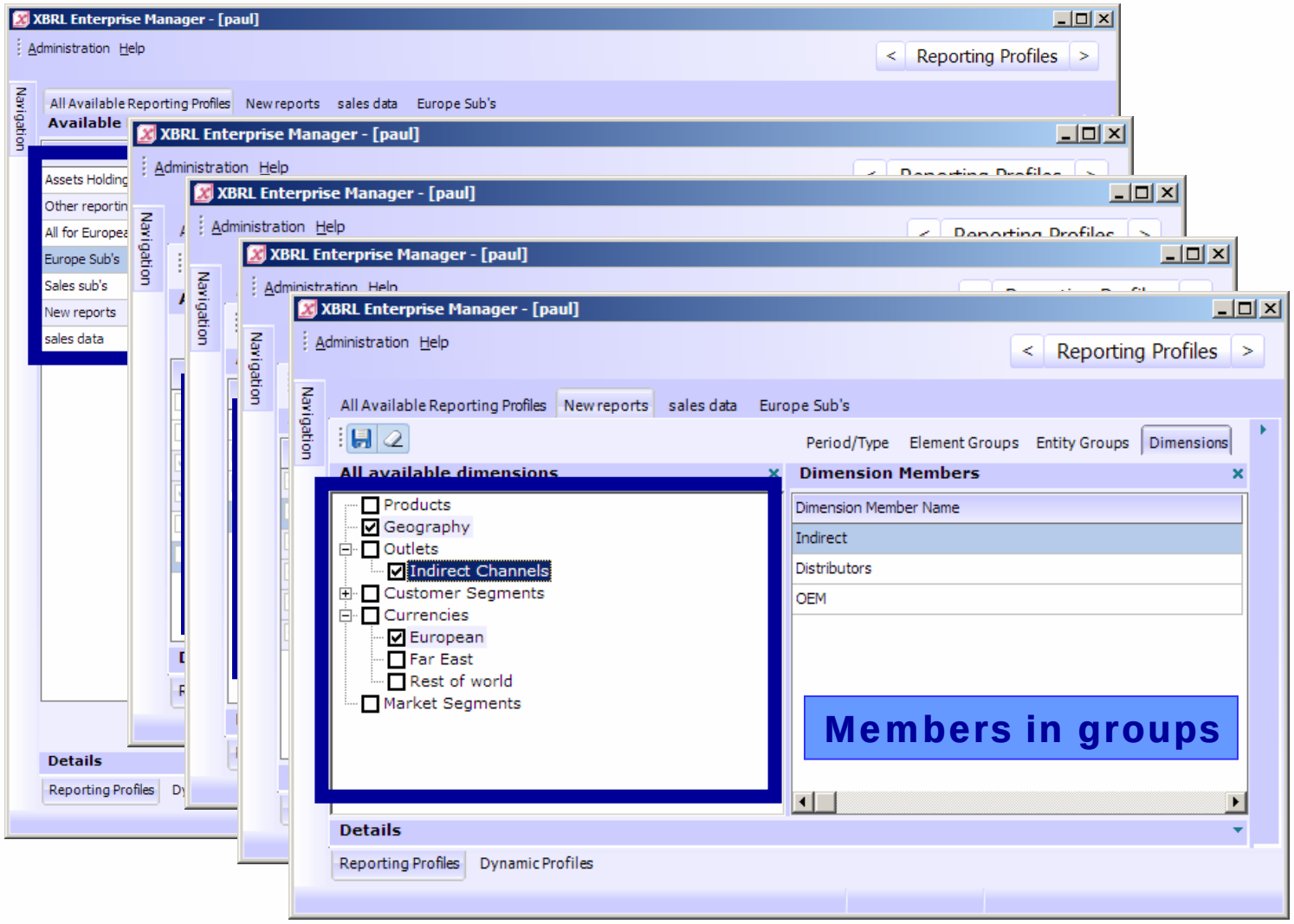
Create entity lists in any level organization structures

Put entities in one or more entity groups



Step 5
Reporting Profiles

- Create Reporting modules
- Set frequency and type
- Add element groups
- Define reporting entities

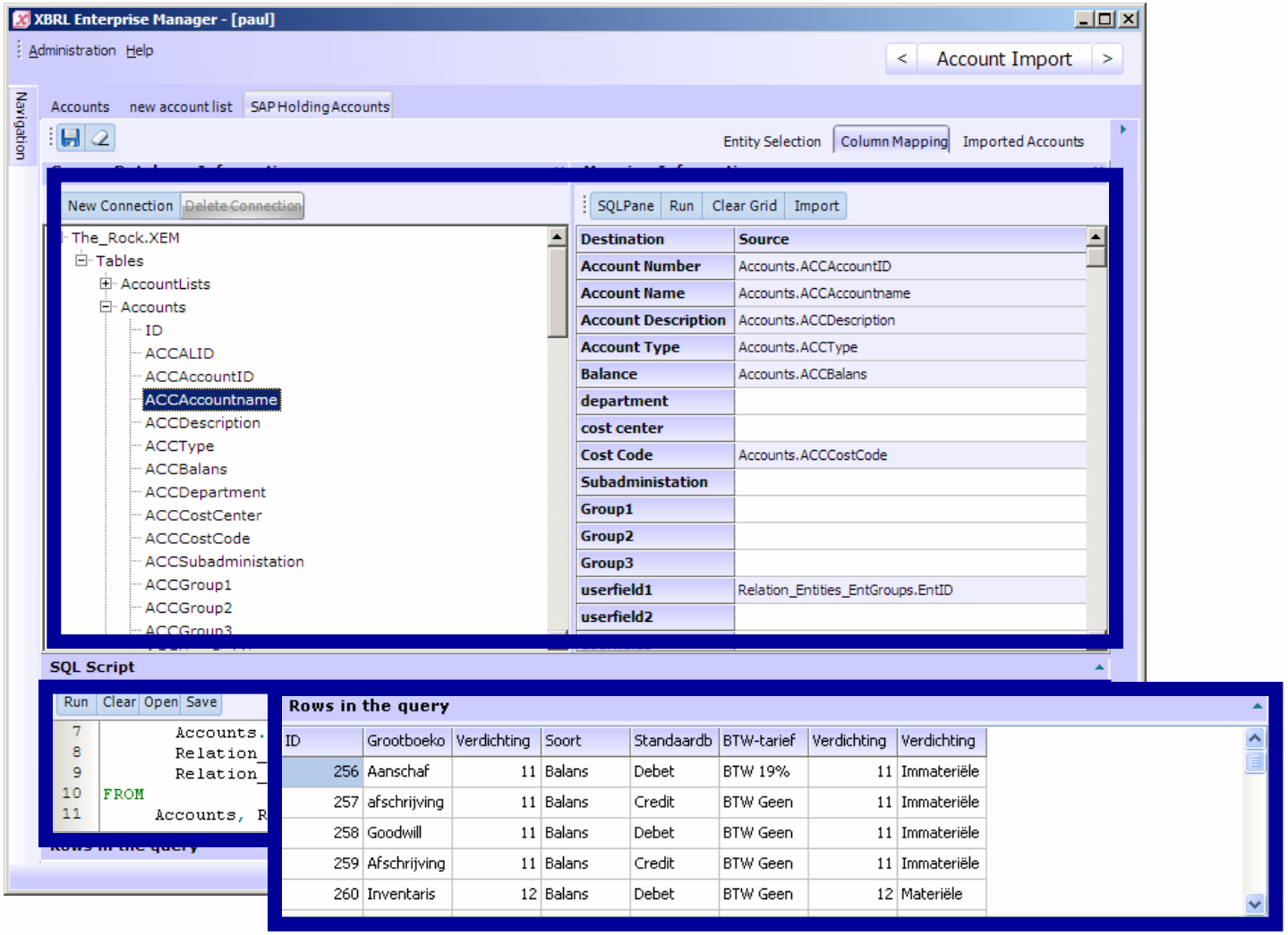


Step 6
Charts of Accounts

Import multiple charts of accounts

Data source mapping

Tailoring for data base



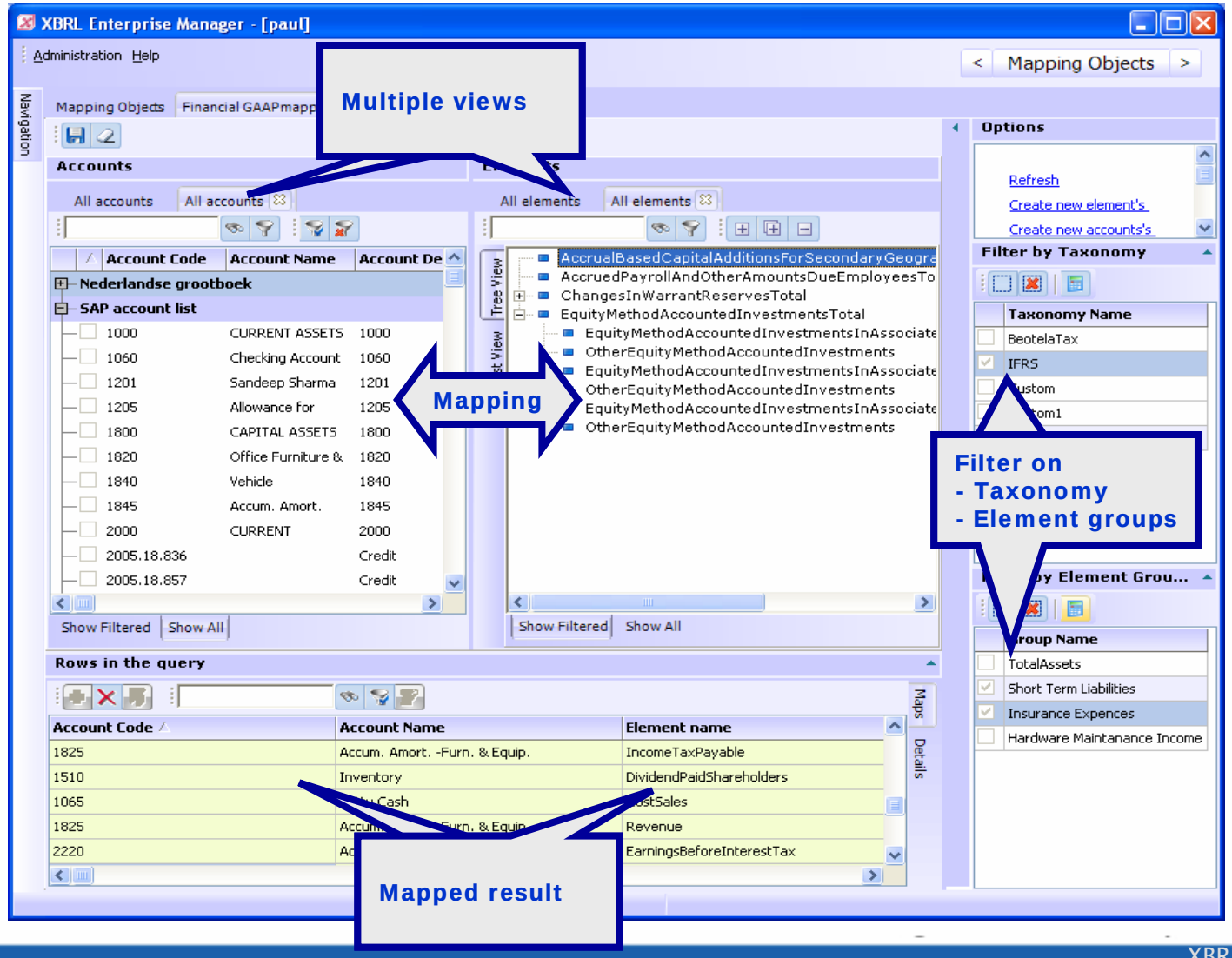
Step 7
Advanced Mapping

Mapping Accounts - elements

Multiple COA's

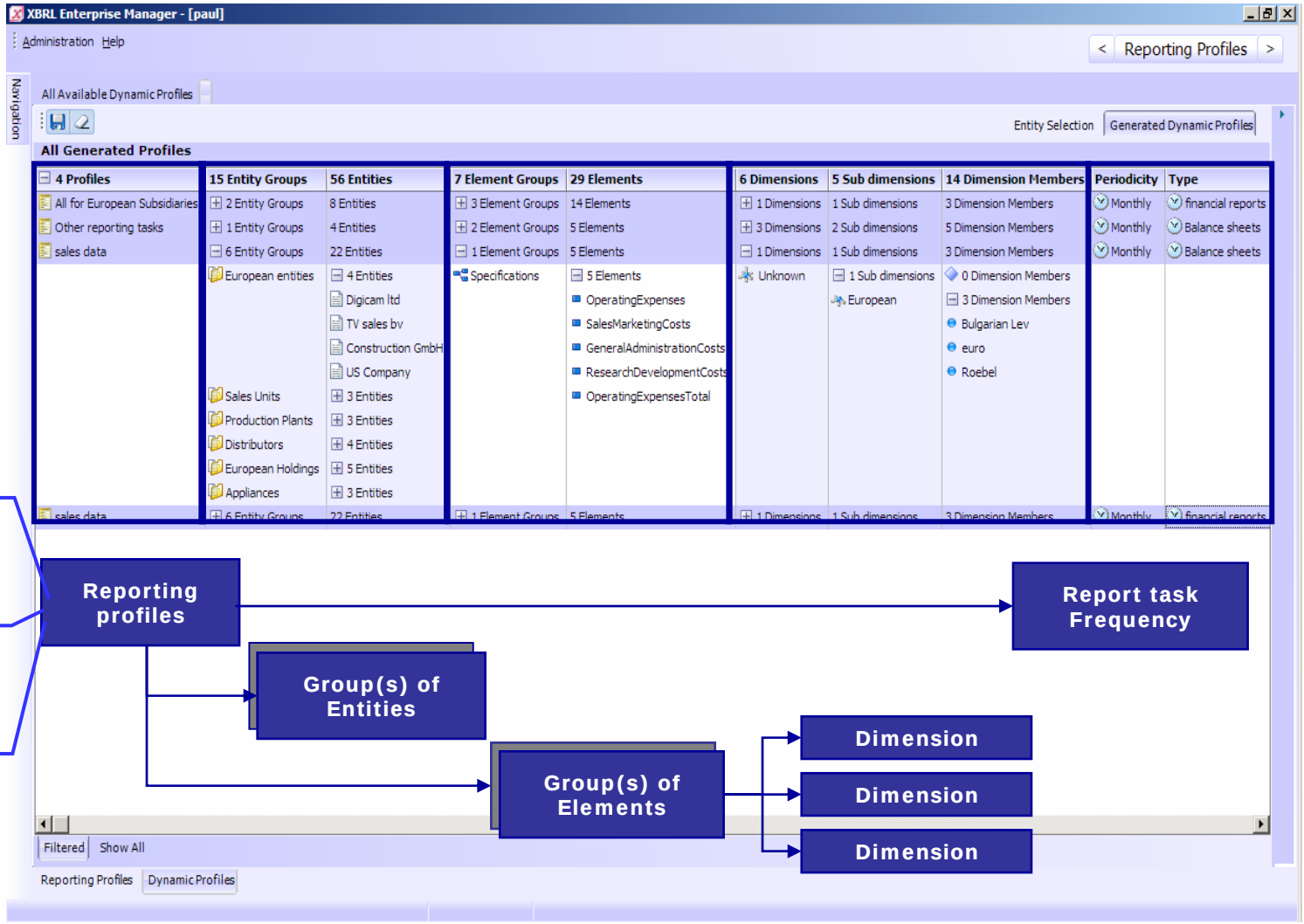
Handy filters

Mapping records



Step 8
Dynamic Reporting Objects

Multi level drill down to insight in specific reporting requirements



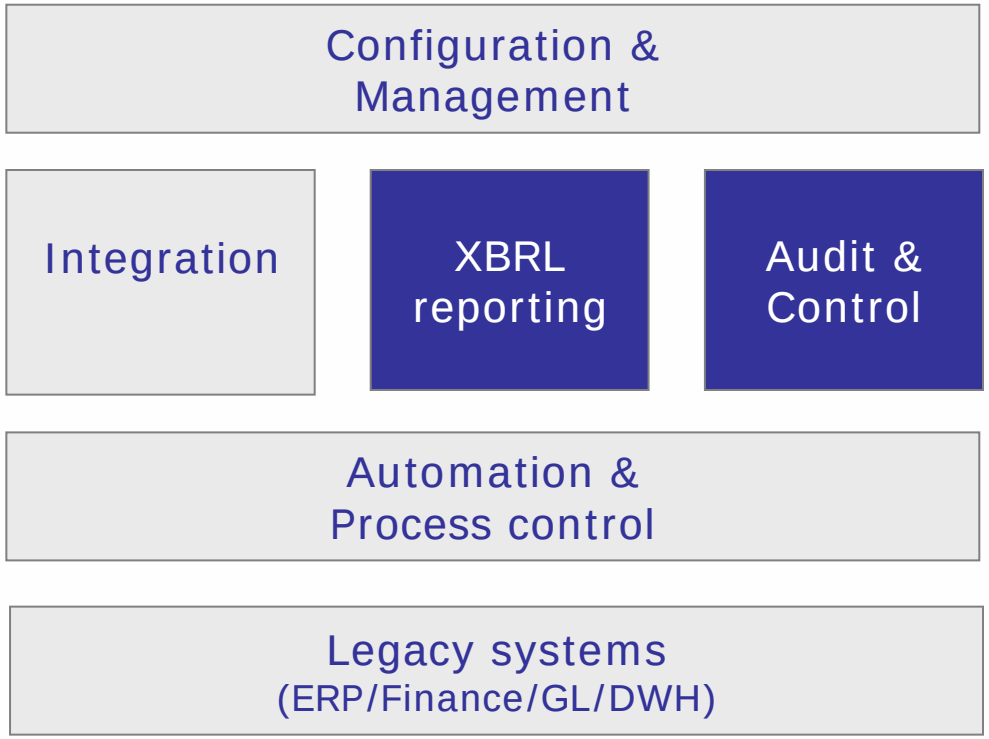
XBRL: Ready for corporate use

	Capability	Enterprise	Other processes
Control	Auditable processes	✓	?
	Compliance rules	✓	No
	Corporate control	✓	No
Manage	Single source maintenance	✓	No
	Automatic generation	✓	No/?
	Centralized configuration	✓	No
	Versioning	✓	No
	Change management	✓	No
Integrate	Integrate in Business Operations	✓	?
	Integrate Technology & Applications	✓	?

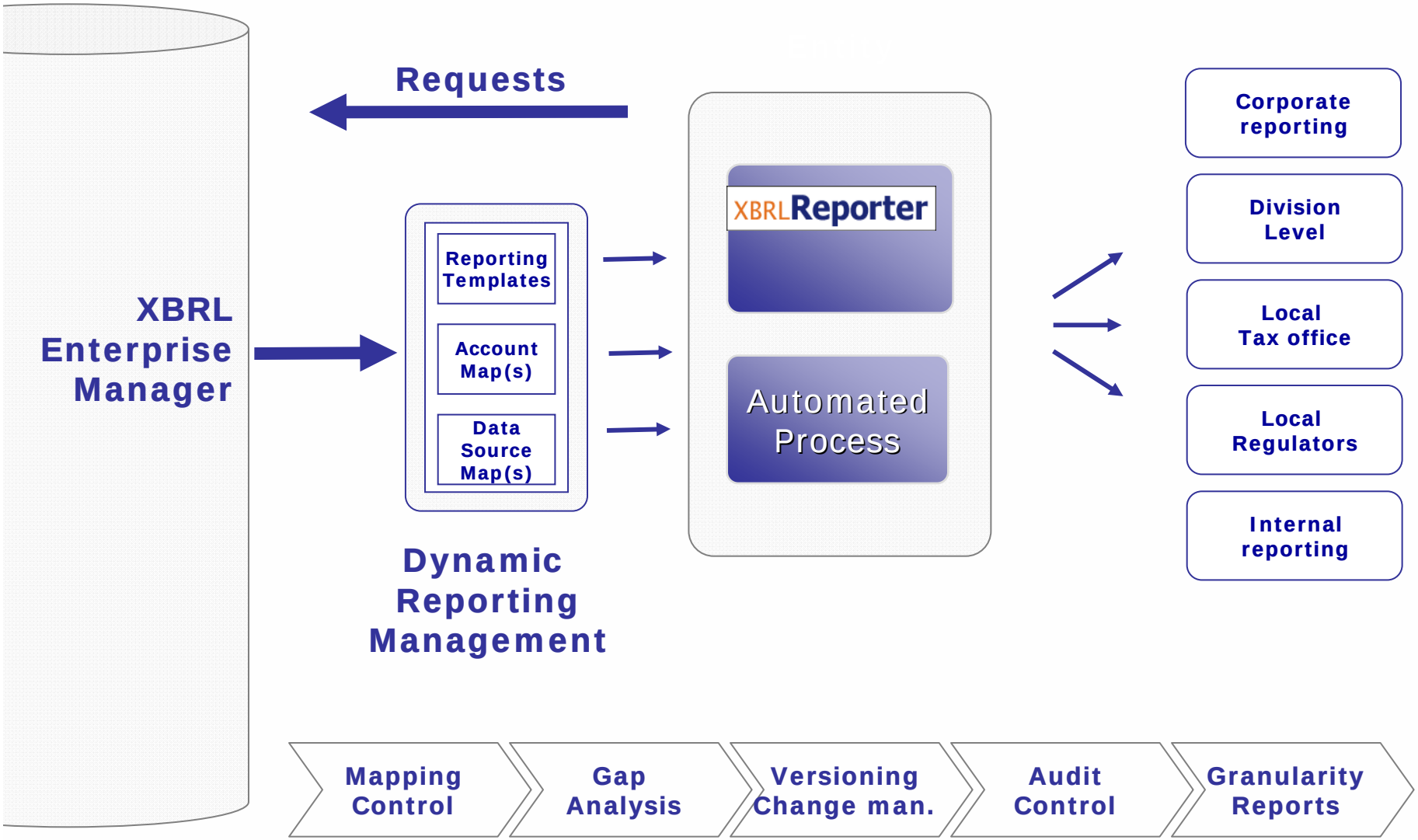
Agenda

- The landscape of reporting
- Complex configuration
- **Reporting for subsidiaries**
- **Compliance monitoring**

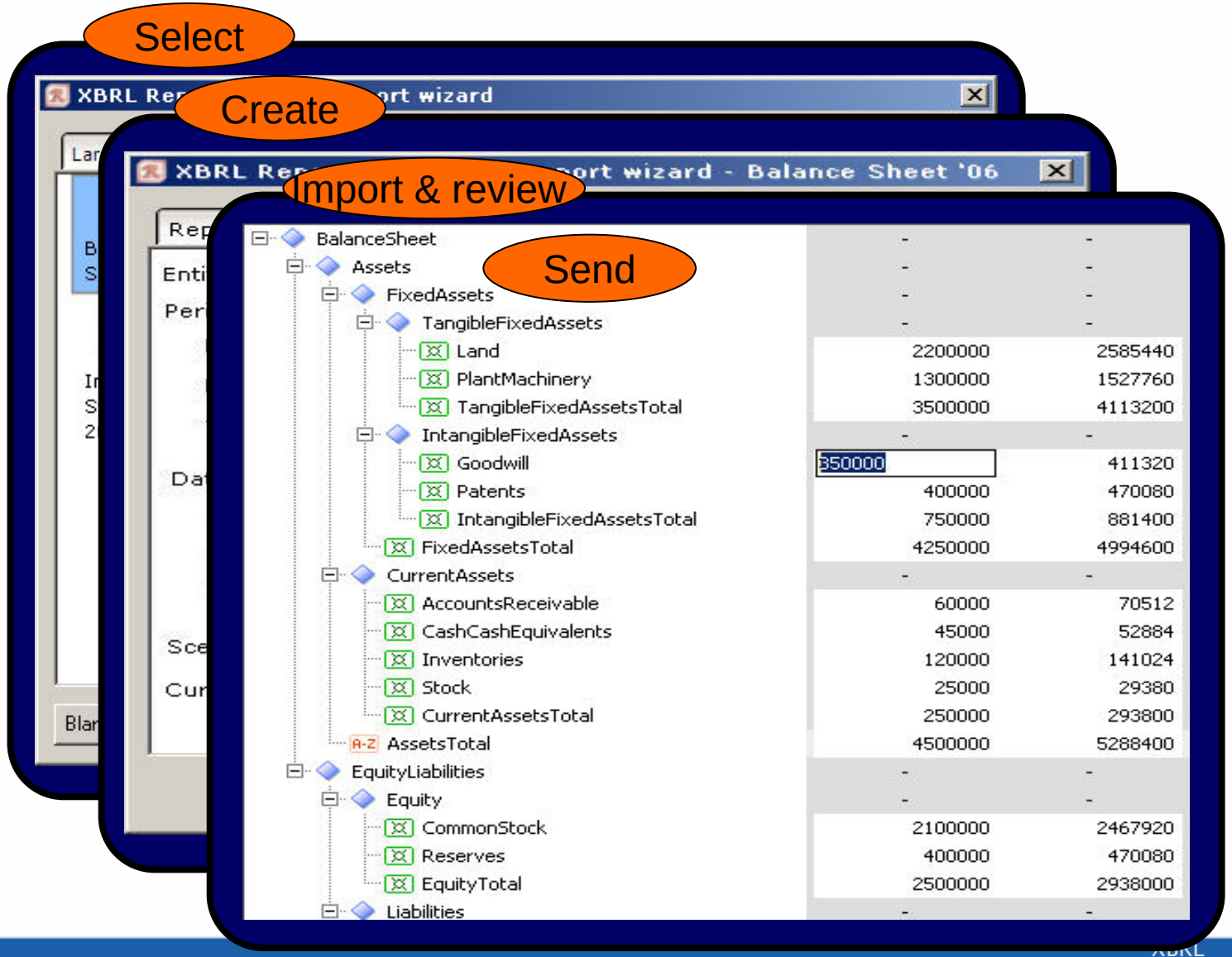
Solution stack



Integrated reporting options



Easy XBRL reporting locally

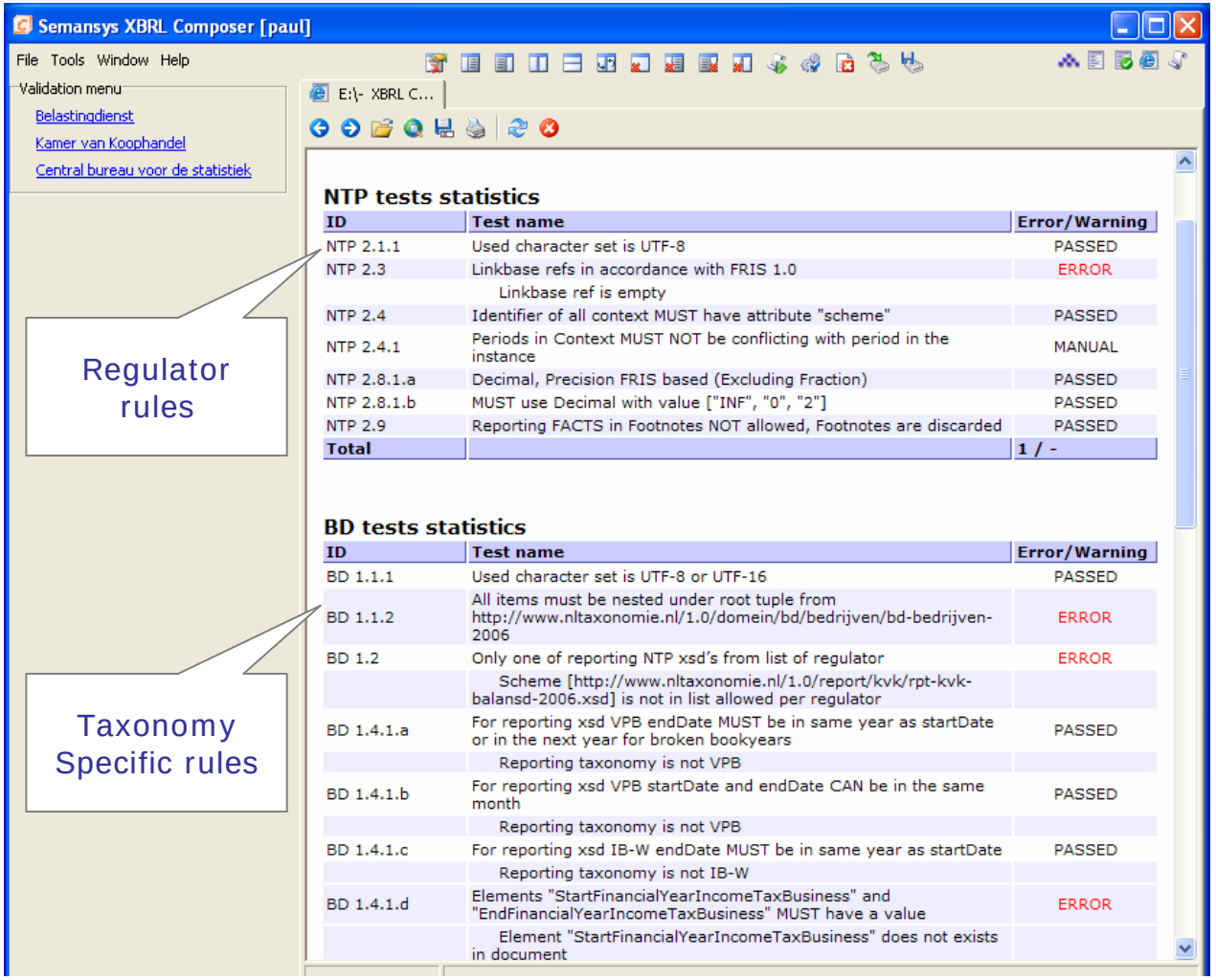


Regulatory & Custom complicance rules

Regulatory rules
Company rules
Report specific

For preparer
For corporate
For regulutor

Automated
Customized
Integrated



Corporate reporting today

- Companies have many complex reporting tasks
- XBRL standardizes reporting
- Corporate management reduces time and effort
- Enables easy reporting at subsidiary level
- Automated compliance enhances quality
- Corporate approach lowers costs

Thank you

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