

IASC Foundation

19th XBRL International Conference

Reducing reporting burden with XBRL:
a catalyst for better reporting

24 June 2009

IASC Foundation

The views expressed in this presentation are those of the presenter, not necessarily those of the IASC Foundation or the IASB





IFRSs in XBRL for receivers:

The value of IFRS reporting in XBRL for regulators, supervisors and stock exchanges

IASC Foundation

The views expressed in this presentation are those of the presenter, not necessarily those of the IASC Foundation or the IASB





19th XBRL International Conference

“Reducing regulatory burden with XBRL: a catalyst for better reporting”

June 22-25, 2009

Paris, France

Track 7: XBRL and International Financial Reporting Standards
SVS develop a taxonomy for listed corporations under IFRS - Chile,
Ana Cristina Sepúlveda
June 24, 2009



Table of contents

- ▶ I. General Considerations
- ▶ II. Taxonomy Framework
- ▶ III. XBRL Technology Used
- ▶ IV. XBRL Implementation
- ▶ V. Assessment and Conclusions



I. General Considerations

- ▶ This presentation will examine the project developed by the Superintendencia de Valores y Seguros (SVS) of Chile to present financial statements under IFRS
- ▶ The main task was to develop a taxonomy for listed corporations supervised by the SVS, extending it from the IFRS-GP 2006 taxonomy, which was available when this project started in January 2008.
- ▶ This month of June the taxonomy is being used for the first time. The Companies' deadline to send their financial statements in XBRL is June 20th.



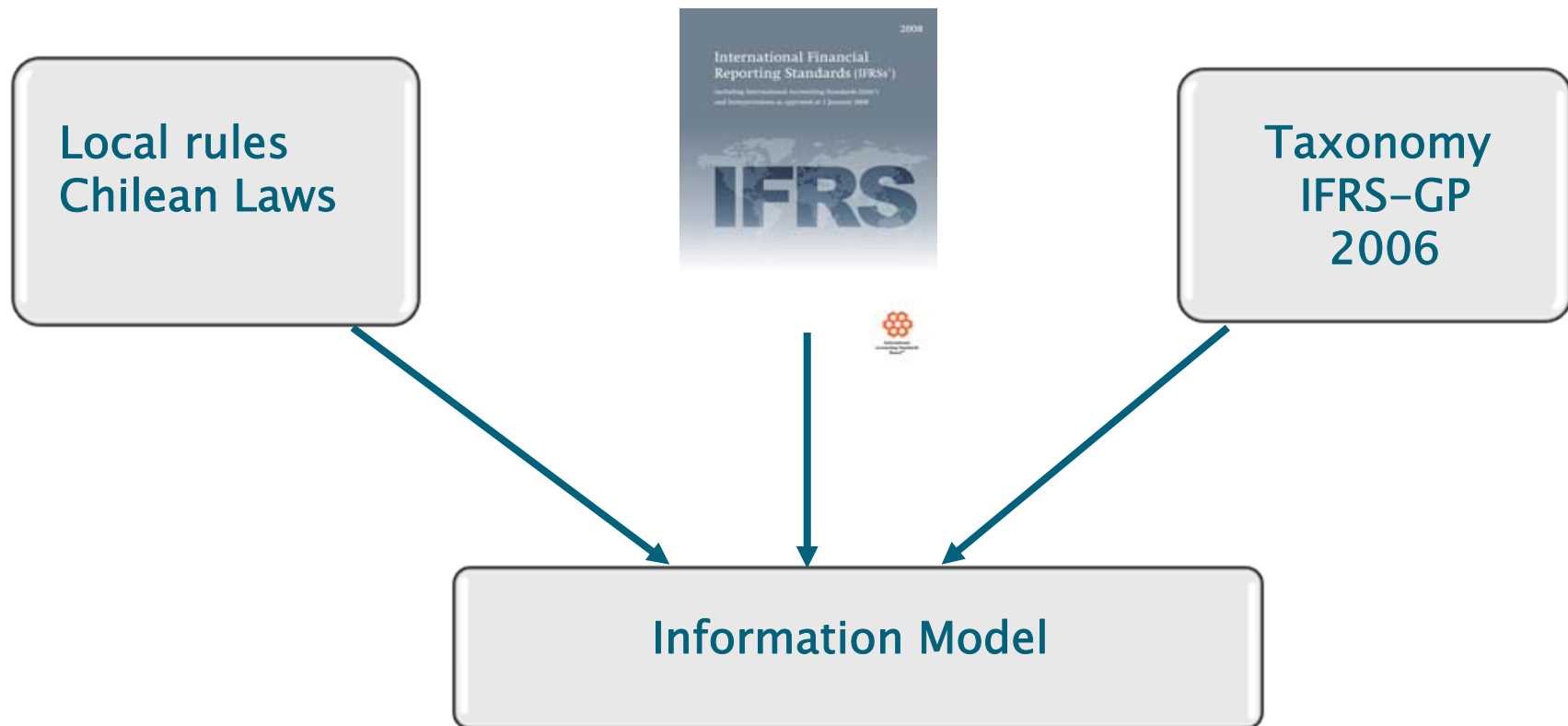
I. General Considerations

- ▶ The SVS CL–CI XBRL Taxonomy represents the legal regulations (IFRSs and Chilean GAAP) applicable at the moment of the taxonomy release.
- ▶ SVS CL–CI XBRL Taxonomy is an extension of the IFRS–GP Taxonomy (version 2006). It consists of a single schema file that imports IFRS–GP elements and defines additional concepts.



I. General Considerations

Define Information Model





I. General Considerations

- ▶ Although the SVS CL–CI Taxonomy is an extension of the IFRS–GP Taxonomy (version 2006), its architecture is based on the IFRS 2008 Taxonomy.
- ▶ Additionally, the taxonomy has been modularized standard by standard and regulation by regulation based on the International Financial Reporting Standards and the Chilean GAAP. Each standard has been organized in components of the report (statements, notes and disclosures).



I. General Considerations

Example IAS 2 – Inventories

Presentation Link	
Presentation Link	order
Presentation Link Definition Link Calculation Link Label Link Reference Link Content Model Role Type List Arcrole Type List Element Declaration Table Query Table	
XLink Role: All	
Arcrole: All	
Element	order
http://www.svs.cl/c/role/ias-2_2006-11-01_role-826300 ([826300] Clases de Inventarios)	
Classes of Inventories (Presentation)	
Inventories	2
Raw Materials	3
Merchandise	4
Production Supplies	5
Work in Progress	6
Finished Goods	7
Other Inventories	8
http://www.svs.cl/c/role/ias-2_2006-11-01_role-826310 ([826310] Políticas de Inventarios)	
cl-ci:PoliticaInventariosPresentacion	
Inventory Measurement Policy	2
Inventory Cost Formulas	3
http://www.svs.cl/c/role/ias-2_2006-11-01_role-826320 ([826320] Información a Revelar sobre Inventarios)	
cl-ci:InformacionRevelarInventariosPresentacion	
Inventories at Fair Value Less Costs to Sell	2
Amount of Inventory Write-Down	3
Amount of Reversal of Inventory Write-Down	4
Circumstances Leading to Reversals of Inventory Write-Down	5
Cost of Inventories Recognised as Expense During Period	6
Explanation of Inventories Pledged as Security for Liabilities	7
http://www.svs.cl/c/role/ias-31_2004-03-31_role-825510 ([825510] Política de Participaciones en Negocios Conjuntos)	
http://www.svs.cl/c/role/ias-31_2004-03-31_role-825520 ([825520] Información a Revelar sobre Participaciones en Negocios Conjuntos)	



II. Taxonomy Framework

Relation to IFRS–GP Taxonomy version 2006

- ▶ At the moment of beginning the development of the SVS CL–CI XBRL Taxonomy, the IFRS–GP Taxonomy (version 2006) was the most recently available in a final version.
- ▶ The SVS CL–CI XBRL Taxonomy is an extension of the IFRS–GP Taxonomy (version 2006). It uses 2636 IFRS–GP concepts of which around 2490 are non–abstract items. It does not use the presentation and calculation relationship defined in the IFRS–GP.
- ▶ In total, the SVS CL–CI XBRL Taxonomy uses– in its relationships– 3724 concepts of which around 3360 are non–abstract items



II. Taxonomy Framework

Relation to IFRS–GP Taxonomy version 2006

- ▶ The IFRS–GP element definition schema file (ifrs-gp-2006-08-15.xsd) is imported. This last one in turn imports the IFRS specific data type definition schema file (ifrs-gp-typ-2006-08-15.xsd). The basic IFRS–GP schema automatically incorporates the IFRS–GP English labels (ifrs-gp-2006-08-15-lab.xml) and the references to IFRS' bound volume (ifrs-gp-2006-08-15-ref.xml).
- ▶ Additionally, the official translation of the label linkbase to Spanish (ifrs-gp-2006-08-15-lab-es.xml) is referred to and modified by adding contextual labels to a number of the IFRS–GP concepts (ifrs-gp-2006-08-15-lab-es_cl-ci_2008-06-30.xml) and correcting inadequate or wrong translations (ifrs-gp-2006-08-15-lab-es_patch_cl-ci_2008-10-31.xml).
- ▶ All IFRS–GP Taxonomy references has been prohibited in file ifrs-gp-2006-08-15-ref_remove_cl-ci_2008-06-30.xml due to application of standards based on IFRS bound volume 2008.



III. XBRL Technology Used

- ▶ The SVS XBRL Taxonomy is built using hierarchies, intersection tables and tuples. It is important to indicate that the taxonomy does not use dimensions as a result of being an extension of IFRS–GP Taxonomy version 2006 which is also not dimensional in that sense.
- ▶ Hierarchical modeling applies to the majority of the taxonomy linkbases and presents tree–like structures of elements’ dependencies.



III. XBRL Technology Used

Example: Statement of financial position, current/non-current classification

The screenshot displays the 'Presentation Link' window of an XBRL viewer. The interface includes a menu bar with options like 'Presentation Link', 'Definition Link', 'Calculation Link', 'Label Link', 'Reference Link', 'Content Model', 'Role Type List', 'Arcrole Type List', 'Element Declaration Table', and 'Query Table'. Below the menu, there are dropdown menus for 'XLink Role' and 'Arcrole', both set to 'All'. The main area shows a tree-like structure of elements for the document 'http://www.svs.cl/d/fr/ci/role/ias-1_2007-09_role-210000 ([210000] Estado de Situación Financiera Clasificado)'. The tree starts with 'cl-ci:EstadoSituaciónFinancieraClasificadoPresentacion', which branches into 'Assets (Presentation)'. Under 'Assets (Presentation)', there are 'Assets, Current (Presentation)' and 'Assets, Non-Current (Presentation)'. 'Assets, Current (Presentation)' further branches into 'cl-ci:ActivosCorrientesEnOperacionCorrientePresentacion', which lists various asset categories such as 'Cash and Cash Equivalents', 'Available-for-Sale Financial Assets, Current', 'Trade and Other Receivables, Net, Current', 'Inventories', and 'Other Assets, Current'. The tree continues with 'Non-Current Assets and Disposal Groups Held for Sale' and 'Assets, Total'. The bottom of the window shows other document links for 'Estado de Situación Financiera por Liquidez' and 'Estado de Resultados Por Función'. A table on the right side of the window lists the element names and their corresponding line numbers, ranging from 11 to 41.

Element Name	Line Number
cl-ci:ActivosCorrientesEnOperacionCorrientePresentacion	11
Cash and Cash Equivalents	12
cl-ci:ActivosFinancierosValorRazonableCambiosEnResultados	13
Available-for-Sale Financial Assets, Current	14
cl-ci:ActivoFinancieroOtrosCorriente	15
Trade and Other Receivables, Net, Current	16
cl-ci:CuentasCobrarEntidadesRelacionadasCorrientes	17
Inventories	18
Biological Assets, Current	19
Hedging Assets, Current	20
Assets Pledged as Collateral Subject to Sale or Repledging, Current	21
Prepayments, Current	22
Current Tax Receivables	23
Other Assets, Current	24
cl-ci:ActivosCorrientesEnOperacionCorrienteTotal	25
Non-Current Assets and Disposal Groups Held for Sale	26
Assets, Current, Total	27
Assets, Non-Current (Presentation)	28
Assets, Total	29
Equity and Liabilities (Presentation)	30

This is a tree-like structures of elements' dependencies



III. XBRL Technology Used

- ▶ Modeling of tabular information was conducted using intersection tables and tuples
- ▶ An Intersection table is a table, where reportable concepts are identified as intersections of headers of rows and headers of columns
- ▶ Tuples represent tables with unknown or unlimited number of rows (with known headers of columns) or columns (with known headers of rows)



III. XBRL Technology Used

An Intersection table is a table, where reportable concepts are identified as intersections of headers of rows and headers of columns

Statement of Changes in Equity

Página 8/8

Entidad: COMPA#IAS CIC S.A. (93.830.000-3)

Período: 2009 / 03

Tipo de Balance: INDIVIDUAL

	Cambios en Acciones Propias en Cartera	Cambios en Resultados Retenidos (Pérdidas Acumuladas)	Cambios en Patrimonio Neto Atribuible a los Tenedores de Instrumentos de Patrimonio Neto de Controladora, Total	Cambios en Participaciones Minoritarias	Cambios en Patrimonio Neto, Total
Saldo Inicial Periodo Anterior al 01/01/2008		485721	893688	5189	898877
Ajustes de Periodos Anteriores (Presentación)					
Errores en Periodo Anterior que Afectan al Patrimonio Neto			0		0
Cambio en Política Contable que Afecta al Patrimonio Neto			0		0
Ajustes de Periodos Anteriores	0	0	0	0	0
Saldo Inicial Reexpresado	0	485721	893688	5189	898877
Cambios (Presentación)					
Incremento (Decremento) en Patrimonio Neto Resultante de Combinaciones de Negocios			0		0
Emisión de Acciones Ordinarias			0		0
Emisión de Acciones Preferentes			0		0
Emisión de Certificados de Opciones para Compra de Acciones (Warrants) como Contraprestación			190		190
Ejercicio de Opciones, Derechos o Certificados de Opciones para Compra de Acciones (Warrants)			0		0
Expiración de Opciones o Certificados de Opciones para Compra de Acciones (Warrants)			0		0
Resultado de Ingresos y Gastos Integrales		99629	82279	3285	85564
Adquisición de Acciones Propias			0		0
Venta de Acciones Propias en Cartera			0		0
Cancelación de Acciones Propias en Cartera			0		0
Conversión de Deuda en Patrimonio Neto			0		0
Dividendos en Efectivo Declarados		27327	27327		27327
Emisión de Acciones Liberadas de Pago			0		0



Tuples represent tables with unknown or unlimited number of rows (with known headers of columns) or columns (with known headers of rows)

Presentation Link	
Presentation Link	order
Definition Link	
Calculation Link	
Label Link	
Reference Link	
Content Model	
Role Type List	
Arcrole Type List	
Element Declaration Table	
Query Table	
XLink Role: All	
Arcrole: All	
Element	order
http://www.svs.cl/cl/fr/ci/role/ifrs-7_2005-08-01_role-880020 ([880020] Informaciones a Revelar sobre Instrumentos Financieros)	
Financial Instruments Disclosures	
Categories of Financial Assets Disclosures	2
Categories of Financial Liabilities Disclosures	9
cl-ci:InformacionesRevelarSobreRiesgosPresentacion	14
cl-ci:DetalleClasesActivosFinancierosConDeterioro	123
cl-ci:ActivosFinancierosOPasivosFinancierosAValorRazonableConCambiosEnResultadosPresentacion	130
Hedging Disclosures	199
General Information Relating to Hedging Instruments	200
Detail of Hedging Instruments	201
cl-ci:InstrumentoCobertura	202
Description of Hedging Instrument	203
Description of Instruments Hedged Against	204
Fair Value of Instruments Hedged Against	205
Nature of Risks Being Hedged	206
Additional Disclosures for Cash Flow Hedges	207
cl-ci:DetalleCoberturasFlujoEfectivoReconocidasGananciaPerdidaNeta	214
cl-ci:InformacionAdicionalRevelarSobreCoberturasValorRazonablePresentacion	219
cl-ci:InformacionAdicionalRevelarSobreCoberturasInversionesNetasNegociosEnExtranjeroPresentacion	222
cl-ci:DetalleReclasificacionActivosFinancierosMedidosValorRazonableCostoOCostoAmortizado	224
Detail of Transfers of Financial Assets Which Do Not Qualify for Derecognition by Class	230
Defaults and Breaches Disclosures	251



IV. XBRL Implementation

- ▶ We prepared information about XBRL Project for the website and published Taxonomy. The companies can download Taxonomy from there, get documentation about XBRL and an example of financial statement prepared with the taxonomy
- ▶ We developed two tools to help Companies get to know and work with the Taxonomy.
 - One is a Taxonomy Explorer: It is useful in reviewing the taxonomy
 - Another is Module Manager: It generates a shell file containing the financial statements and notes which the company wants to submit



IV. XBRL Implementation

- ▶ Our IT Department program online interactive form to enter the financial information and generate the XBRL file
- ▶ For the presentation of their financial statements, the companies can either use the interactive form developed by SVS to enter the information, or generate the XBRL file from their own systems
- ▶ The Companies can also submit the file for a validation process.
- ▶ Once validated, the final version of the file can be sent to SVS.



V. Assessment and Conclusions

Supervised companies

- ▶ Our first experience with the system has yet to finish so we cannot draw definitive conclusions, however 33 out of 86 Companies have chosen to generate their own XBRL files.
- ▶ We acknowledge that we made a wrong decision regarding the online interactive form. We intended to offer a tool which would enable companies to enter the info and generate their XBRL files. For this, we had our IT Department program the forms. This proved to be a mistake, as we have had many problems with their performance. We should have purchased software that could read the taxonomy and automatically generate the form.
- ▶ Our biggest concern is that some Companies have attributed these form problems to the XBRL taxonomy, but the latter has not shown any problems to this date.



V. Assessment and Conclusions

External Auditors and SVS Analysts

- ▶ We have had resistance to change inside the financial department. It has been hard for our analysts to accept this information model. They did not like the presentation for disclosures ordered by IAS or IFRS, for this was not the usual way they were presented in a real-life financial statement in Chile
- ▶ With the Information Model it becomes easier to prepare financial statements because it contains every disclosure required by the IFRS rules and there are clear references to where to go and what to do in case of doubt
- ▶ On the other side, it is more complex. We have gotten criticism in the sense that too much detail is asked for, considering that Chilean Companies many times don't have that information readily available



V. Assessment and Conclusions

XBRL Knowledge

- ▶ The biggest amount of questions submitted by users have been about the context definition, understanding the concept of tuples and entering the info in the tuples.
- ▶ Conceptually it has been hard for the Companies to understand the function of the shell file, and the overall modularity of the taxonomy. Some thought that the instance to be sent should enclose the taxonomy itself.
- ▶ But each time that new software has been implemented it has been difficult. Startup is always hard. At the beginning there is lack of knowledge and resistance to change, but as people learn, they embrace the new standard.
- ▶ When we first started there were no experts in XBRL, but with the current demand to present financial statements many software companies have set to develop tools to make possible the generation of XBRL files from within the Companies' own systems.
- ▶ We have also seen auditing companies working towards technological solutions for their clients.



V. Assessment and Conclusions

Overall Project Assessment

- ▶ Beyond the difficulties and the mistake made in the implementation, we are sure that XBRL is the technological solution for financial statement reporting.
- ▶ We were able to quickly detect inconsistencies in the submitted financial information due to the validation process implicit in the taxonomy
- ▶ We hope that with the companies' increased familiarity to XBRL they will improve the quality of the information they prepare
- ▶ This learning process should also help the companies automate their systems and directly generate the XBRL files
- ▶ Among the companies supervised there are many matrices which have to consolidate with their subsidiaries, some who have to report to their parent abroad and others that have ADR in the United States. We hope they all perceive the benefits of XBRL in the presentation of their financial statements.



“The management of change has not been easy but as a team we are proud to have made XBRL a reality in Chile”

The End