

IASC Foundation

# 19<sup>th</sup> 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





# International Financial Reporting Standards (IFRSs) and XBRL

An ideal combination?

## IASC Foundation

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



# Track Agenda

---

- XBRL @ the IASB and IASC Foundation
- Practical cases for
  - Issuers / preparers / accountants
  - Regulators / supervisors / stock exchanges
  - Analysts / investors / data providers
- Session wrap-up

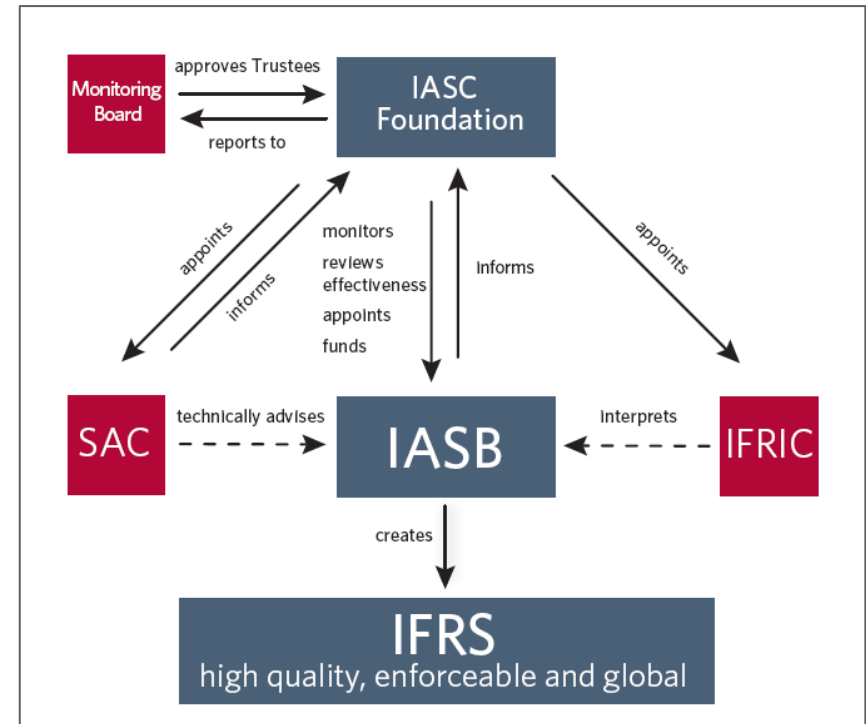
# XBRL at the IASC Foundation

- Trustees' decision in 2001
- Part of the adoption and implementation of IFRSs
- Quality-assurance of the IFRS Taxonomy
- Maintenance and coordination

The Mission of the IASC Foundation XBRL team: to provide users with an IFRS XBRL taxonomy with the same quality, in the same languages and at the same time as the IFRSs

# IASB and IASC Foundation

- The IASC Foundation is the oversight body of the IASB and promotes activities in support of IFRS
- The IASB is made of 14 members with technical (accounting) expertise who create the International Financial Reporting Standards (IFRSs)



# Why XBRL at the IASB?

---

- XBRL is the *de facto* standard for electronic reporting
- Part of the development of IFRSs
  - IASB goal: to provide high quality standards (IAS 1 par 9)
  - Organising the presentation of financial statements (i.e. True and Fair view - Framework 46)
  - Codification of concepts (help in convergence)
- Improved access for users to financial information
- Could increase the range of users (i.e. translation)
- Could ease IFRS conversion, understanding and implementation

# What do we provide

- **A licence-free IFRS Taxonomy\*** consistent with the Bound Volume of IFRSs and follows a similar due process to the IASB
- **Translations of the Taxonomy** (priority for Arabic, Chinese, Dutch, French, German, Italian, Japanese and Spanish)
- **The IFRS Taxonomy Guide**, for issuers and preparers, analysts, accountants, regulators, software vendors and service providers
- **The IFRS Taxonomy Modules Manager**, an online tool which helps users to navigate and customise the Taxonomy according to their requirements
- **The IFRS Taxonomy Illustrated**, presents a simplified view of the Taxonomy in an easy to read, visual format, with non-technical language

\* *the IFRS for SMEs Taxonomy will be released by Q3-2009*

# Organisation

---

## IASCF XBRL Team

Olivier Servais - Director of XBRL Activities  
Maciej Piechocki - Project Manager Technology  
Holger Obst - Project Manager Accounting  
Danielle Pham - Executive Assistant  
Kurt Ramin – Advisor

## XBRL Advisory Council

13 members + 5 appointed observers with global representativeness  
Strategic advice  
Meetings - twice a year (F2F) and quarterly CC

## XBRL Quality Review Team

18 members + 5 appointed observers with global representativeness  
Review taxonomies; strategic advice; practical recommendations on taxonomy quality  
Meetings – twice a year (F2F) and monthly CC

## XBRL Board Advisors

Four Board members + COO + Director of Technical Activities + XBRL Team  
Monthly discussions - vision & strategy; the role of XBRL in IASB developments

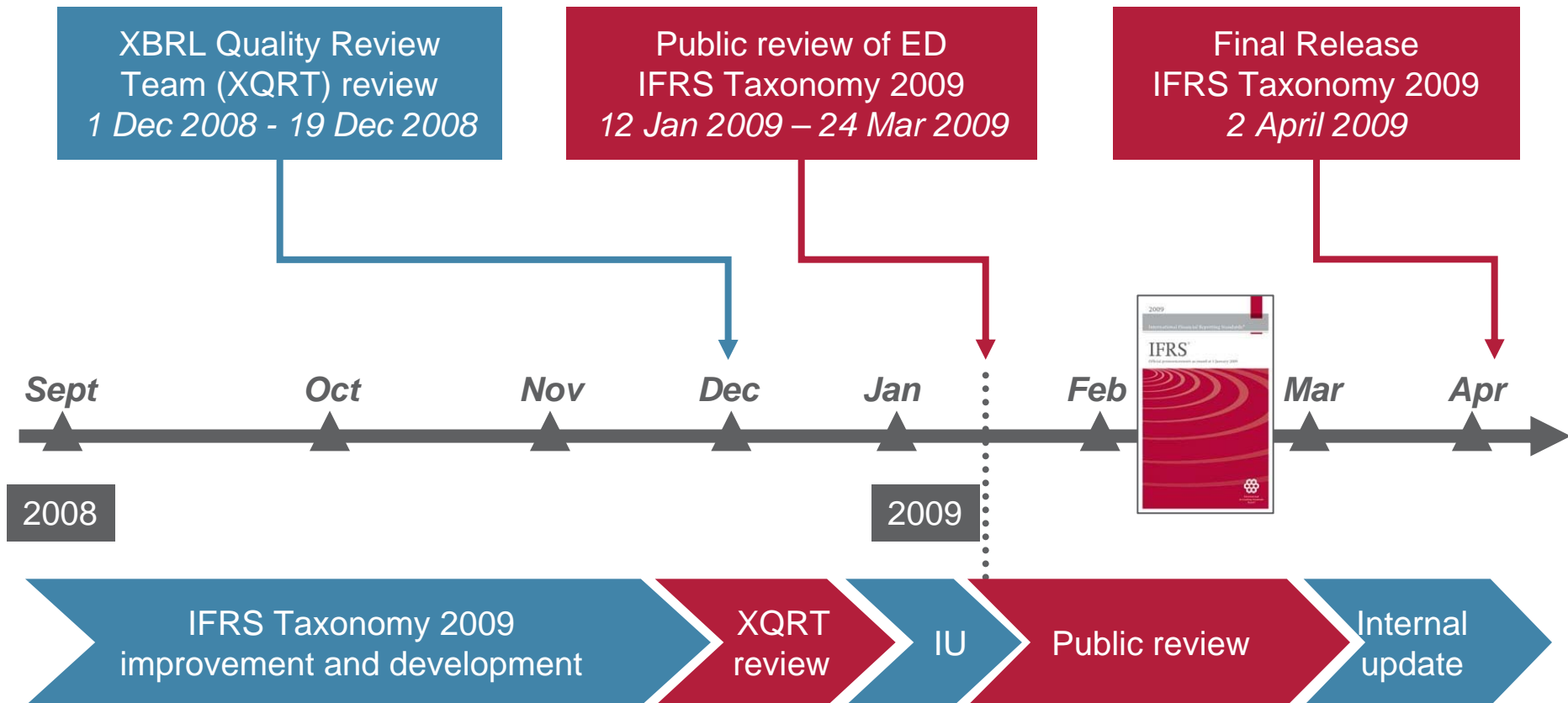
## IASCF Trustees

Quarterly update  
Review on all XBRL activities



# IFRS Taxonomy 2009

## Development and release timeline



# XBRL Activities

## Due Process

---

- Fully documented in the Due Process Handbook
- Principal requirements: interoperability, usability, extensibility, stability & comparability
- Five stages
  - Planning and analysis
  - Technology evaluation
  - Taxonomy alignment with underlying IFRSs
  - Taxonomy building
  - Review of Taxonomy drafts
  - Taxonomy publication and maintenance
- Parties involved: IASB, XAC, XQRT, Trustees & public
- Field visits, tests, cost/benefit analysis, support materials

# IFRS Taxonomy Architecture

## Major Requirements

### Business requirements:

- **Timeline** - alignment between the IFRS Taxonomy development time line and the IASB delivery timetable (i.e. the publication time line of the yearly Bound Volume of IFRSs).
- **Consistency** - the IFRS taxonomy must reflect and be consistent with the IFRSs.

### Functional requirements:

- **Interoperability** - the IFRS taxonomy should ensure interoperability between different software systems.
- **Flexibility** - the IFRS taxonomy should be usable throughout the financial reporting supply chain where IFRSs are implemented (increasing market transparency, supporting better analysis, reducing reporting burden, enhancing regulation & supervision) & geographic regions.
- **Extensibility** - the IFRS Taxonomy (like the IFRSs) aims to ensure comparability of financial information (not just uniformity). Users of the IFRS taxonomy can extend it for their specific needs.
- **Stability** - the IFRS Taxonomy is intended for use by all participants of the financial reporting supply chain; the technical and accounting design must ensure it is stable and sustainable; however alignment with the IFRSs will entail necessary adjustments to the taxonomy from an accounting perspective.

### Technical requirements:

- **Compliance** - the IFRS taxonomy must be compliant with XII specifications.
- **New XBRL technologies** - the impact of new technologies (specifications) developed by XII should be considered.

# National Law Extension of IFRS Taxonomy

National Law Extensions are needed because:

- Stock listed companies are subject to national laws
- National law requires stock listed companies to disclose additional information in annual reports and quarterly reports (compared to Bound Volume)
- If XBRL is going to replace traditional reporting mediums (paper, PDF etc), the IFRS XBRL Taxonomy Extensions must contain elements of national law

Examples:

- National Commercial Code,
- National Corporate Governance Codex
- National Stock Corporation Law
- National Securities Trading Act
- National Accounting Standards Boards

# National Law Extension of IFRS Taxonomy

## Challenges

- National Law Reporting Requirements overlap with IAS/IFRS
- National Law Reporting Requirements differ from Country to Country

## Risks:

- If Preparers extend IFRS Taxonomy themselves on National Law Reporting Requirements there will be a disorder of extensions.
- If National XBRL Jurisdictions extend IFRS Taxonomy on National Law but not harmonized between each other we also have a disorder of extensions

## Solution

- Aim: Harmonized National Law IFRS Taxonomy Extensions
- Guidelines by IASC Foundation
- XBRL Europe (IFRS Working Group) tasks:
  - ✓ searching for and evaluating practices for reporting harmonization based on the IFRS taxonomy in Europe
  - ✓ evaluating practices and making suggestions to the European XBRL Jurisdictions for national IFRS Taxonomy Extensions
  - ✓ evaluating a process to harmonize national IFRS Taxonomy Extensions
- Close Collaboration of IASC Foundation with IFRS Working Groups of XBRL Europe and of it's national XBRL Jurisdictions

# National Law Extension of IFRS Taxonomy – Call for Participation

Meet XBRL Europe's IFRS Working Group

at Friday, June 26, 10:30–12:30, Conference Location: open

XBRL Europe, IFRS Working Group, Chair

Bodo Kesselmeier [bodo.kesselmeier@xbrl-eu.org](mailto:bodo.kesselmeier@xbrl-eu.org)

Phone: +49 89 8563851-0

# Contact us

## Papers issued for comments

- Due Process for XBRL Activities – 26 June
- RfC – Dimensions in the IFRS Taxonomy
- RfC – Concept naming and Change Management


 [xbri@iasb.org](mailto:xbri@iasb.org)

 +44 (0)207 246 6410

 [www.iasb.org/xbri](http://www.iasb.org/xbri)

## XBRL Update

from the International Accounting Standards Committee Foundation



**Thursday 12 March**

Dear,

Welcome to the latest XBRL Update, the XBRL newsletter of the IASC Foundation. It's an exciting time for XBRL and IFRS: both are growing in adoption and implementation and there are very few countries around the world where neither are considered. The US has now mandated XBRL filing following a ruling by the SEC, joining Australia, China, India, Japan, South Africa, and numerous European and Latin American countries.

Long-standing readers will see that we have refreshed the format of this newsletter and, to serve its growing readership, it will now be released quarterly. The next releases are planned for 9 June (content to be provided by 22 May), 29 September (content to be provided by 18 September) and 15 December (content to be provided by 27 November).

We sincerely hope that you enjoy reading this update and look forward to receiving your comments and suggestions.

**Olivier Servale**  
Director – XBRL Activities  
IASC Foundation

---

**1. LATEST XBRL NEWS**

**US**

On 10 February 2009 the US Securities and Exchange Commission (SEC) issued [the final rule](#) mandating the 500 largest public companies to file their financial statements using interactive data (XBRL) this year. The ruling takes effect on 13 April, and means that the largest public companies must file their primary financial reports in XBRL for fiscal periods ending on or after 15 June 2009. Accelerated filers must comply with the new rule by 2010, with all remaining public companies and foreign companies filing in IFRSs required to comply by 2011. During their first year of filing companies are required to use XBRL for income statements, statements of cash flows and statements of financial position (balance sheets). From the second year, XBRL tags will also be required for note disclosures.

The ruling follows the SEC's consultation with prominent members of the XBRL community at its [International Roundtable on Interactive Data for Public Financial Reporting](#) on 10 June 2008. Panelists attended from Canada, China, India, Israel, Japan, the Netherlands, Spain, Switzerland and the IASC Foundation: [webcasts](#) of the round table are available.

**1. Latest XBRL news**

- US, Canada, Latin America
- Asia
- Middle East
- Europe
- Other international developments

**2. Latest IASC foundation news**

- Current XBRL projects
- IASB & IASC Foundation
- XBRL team update

**3. Coming events**

**4. Useful links**

**CONTACT US**

XBRL Team  
International Accounting Standards Committee Foundation

30 Cannon Street  
London EC4M 6XH  
United Kingdom

Tel: +44 (0)20 7246 6410  
Fax: +44 (0)20 7246 6411  
E-mail: [xbri@iasb.org](mailto:xbri@iasb.org)