Dutch approach to SBR Assurance

Willem Geijtenbeek
XBRL Leader (PwC)

Huub Lucassen
Leader XBRL Assurance Services (Ernst & Young)
Agenda

1. Standard Business Reporting in the Netherlands
2. The need for Assurance
3. The Dutch approach to SBR Assurance
4. Next steps
1. Standard Business Reporting standardizes not only Data, but also Processes and Technology

2. Public/private sector program since 2008

3. Primary goal is administrative burden reduction

4. Strategic decisions made by SBR Counsel, tactical discussions in SBR Platform

5. Central govt. coordinates and monitors, execution mainly by govt. agencies but also private sector

6. SBR replaces all paper-based filings
1. The Dutch SBR Taxonomy Architecture
   a. Multi-domain, multi-party development
   b. Until now closed, semi-open in near future
   c. Limits the use of the XBRL specification, but does not depart from it

2. The Dutch SBR Taxonomy
   a. Existing domains: Financial statements, Tax filings, Economic statistics, Credit reports
   c. Collaborative development, central management
1. SBR offered voluntary filing since 2009
2. Central facility for deposit of reports now ready for large-scale validation and distribution
3. Mandatory filing starting 2013, gradual implementation towards 2016
4. Required changes in laws and regulations underway
5. Other preconditions now being implemented:
   a. Private sector software is ‘SBR-ready’
   b. Comprehensive approach toward assurance
The need for Assurance - 1

1. Mandatory filing of annual accounts as part of SBR requires a digitally readable version of the Auditor Report to be attached somehow.

2. Emerging ‘implicit assurance’ situations, where no proper assurance approach exists; Credit reports, tax assurance, etc.

3. New insights into future assurance requirements;
   a. Shift from report level -> data level assurance
   b. Hybrid forms of assurance over one report, prompted by trends like Integrated Reporting
The need for Assurance - 2

Conceptually, what do we actually expect from the auditor? A decomposition of the elements that auditors need to look at when working with SBR:

1 - Data/logic
2 - XBRL
3 - Presentation
4 - Opinion
The mandate and assurance

1. Characteristics of annual accounts
   a. Not only data, but also presentation of the data has to be adequate
   b. “True and fair view” versus data-level assurance

2. Does this represent a “true and fair view?”
Design principles

A. Integrated solution for creating, signing and publishing Auditor Reports and Annual Accounts

B. Separate XBRL instances for Auditor Reports and Annual Accounts, but able to create a solid link

C. Initially intended for report-level assurance but able to evolve towards supporting data-level

D. Flexible structure to support future modifications in the structure of Auditor Reports

E. Applicable for all types of reports, as well as use outside the Netherlands and SBR

F. Follow the Dutch Taxonomy Architecture as much as possible
The three Pillars

1-Normative presentation model
2-NBA assurance taxonomy
3-Signing and linking auditor report to annual accounts
Pillar 1: presentation model

Specifications for validation and rendering solutions to be supported:

- The validation of SBR Annual Accounts and SBR Auditor Reports in XBRL format
- The presentation of the SBR Annual Accounts in a consistent (human readable) manner in accordance with the Dutch Civil Code and commonly used reporting models
- The presentation of the SBR Auditor Reports in a consistent (human readable) manner
Using the presentation model

- **Companies**
  - Draft SBR annual accounts
  - Issue SBR annual accounts

- **Auditors**
  - Audit SBR annual accounts
  - Draft and Issue SBR auditor reports

- **Users**
  - Render SBR annual accounts
  - Render SBR auditor reports
Pillar 2: NBA assurance taxonomy

Phase 1
Supporting ISA 700 (audit), ISRE 2400, ISRE 2410 (review) and ISRS 4410 (compilation) engagements

Phase 2
Supporting differentiated levels of assurance

Phase 3
Supporting company specific taxonomy extensions
## Entry point assurance reports

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A hashing value calculated over the contents of the annual accounts instance to link the auditors report inextricably to the audited XBRL annual accounts

In our opinion, the financial statements in XBRL format, when presented using a rendering solution that is based upon the NBA presentation specifications, give a true and fair view of the financial position of ... (name of entity) as at June 30, 201X and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.
Pillar 3: signing and linking

- Annual Accounts in XBRL format
- Assurance report in XBRL format
- Digital signature of the Company
- Digital signature of the Auditor
- Tax Authority
- Chamber Commerce
- NBA
- Others
- Tax Assurance
- Actuarial
- Dutch Taxonomy

流程图说明：
1. 从左到右，首先需要准备Annual Accounts in XBRL format。
2. 然后进行Digital signature of the Company签名。
3. 接着需要Assurance report in XBRL format。
4. 然后进行Digital signature of the Auditor签名。
5. 最后，需要NBA和Tax Authority进行审核。
6. 最终完成Tax assurance和Actuarial的审核。

流程图展示了从数据准备到最终审核的整个过程。
Next steps

This approach has now been adopted by the SBR program and the next steps are:

• Completion of the NBA Assurance taxonomy
• Develop the NBA Assurance tool to provide a standard presentation model
• Establish guidance for auditors involved in SBR Assurance
• Initiate a limited pilot project to test SBR Assurance in practice and adapt it where needed
• Initiate a broad pilot project to help auditors work with SBR Assurance
Questions