

Disclosure Management: Streamlining the Last Mile

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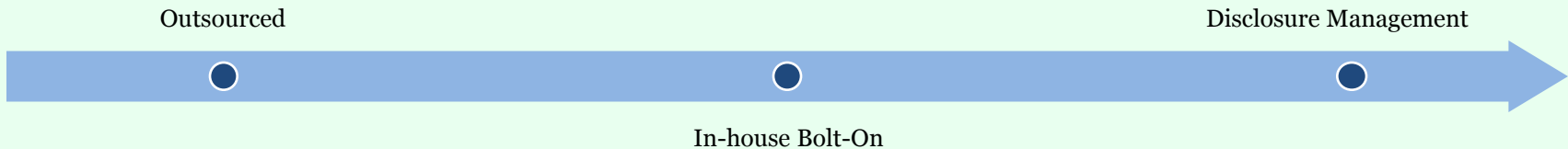
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XBRL solution options



Outsourced Model

• *Benefits*

- Faster roll-out due to outsourced model
- Lower cost of implementation
- Allows teams to build their XBRL expertise

• *Challenges*

- Capacity during peak filing periods given scale of market requirements
- Pencils down period
- Turnaround times (Normally from 48 to 72+ hours)
- Service level agreements
- Confidentiality of data
- Timing of late changes may lead to delays in filing
- Internal processes still require sufficient level of XBRL knowledge
- Vendor provided tools often are insufficient for adequate quality processes

Disclosure Management

• *Benefits*

- Control over XBRL preparation process
- Potential for significant efficiency and quality improvements in “last mile” of financial reporting through automation
- Greater reliance on automated controls in the period-end financial reporting process

• *Challenges*

- Technical knowledge and skill set
- IT requirements
- User education and training
- Cost and risk associated with implementation

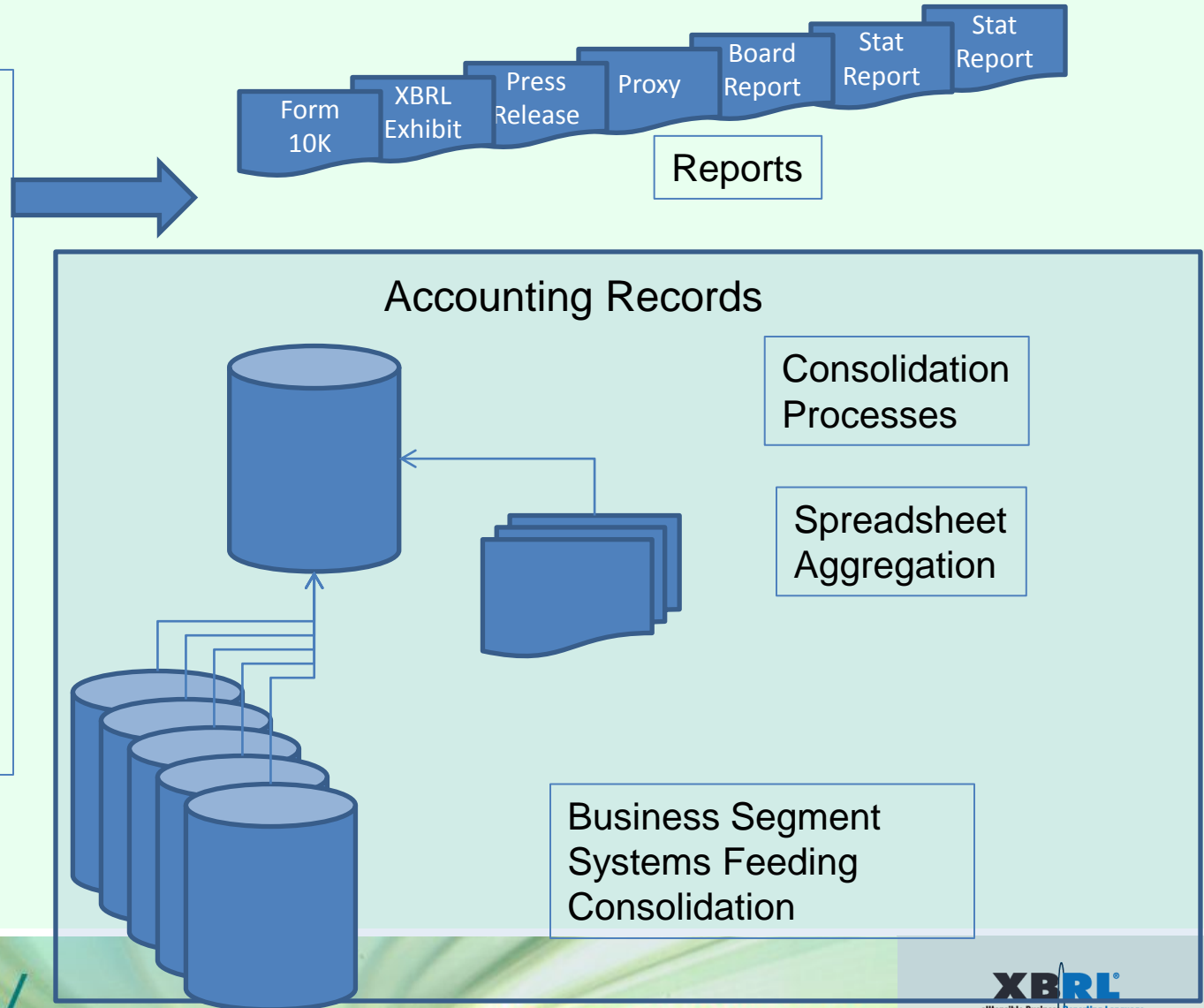
XBRL Transitions

- **Info Access** manual/opaque → automated/transparent
- **Assembly process** manual → automated
centralized → decentralized
- **Review process** linear → contextual
distributed → collaborative
- **Controls** manual → streamlined/automated
Siloed → collaborative/social

Typical Manual Assembly / Review Processes

Reports are created via a series of access and rekeying efforts manually replicating information contained in the company accounting records.

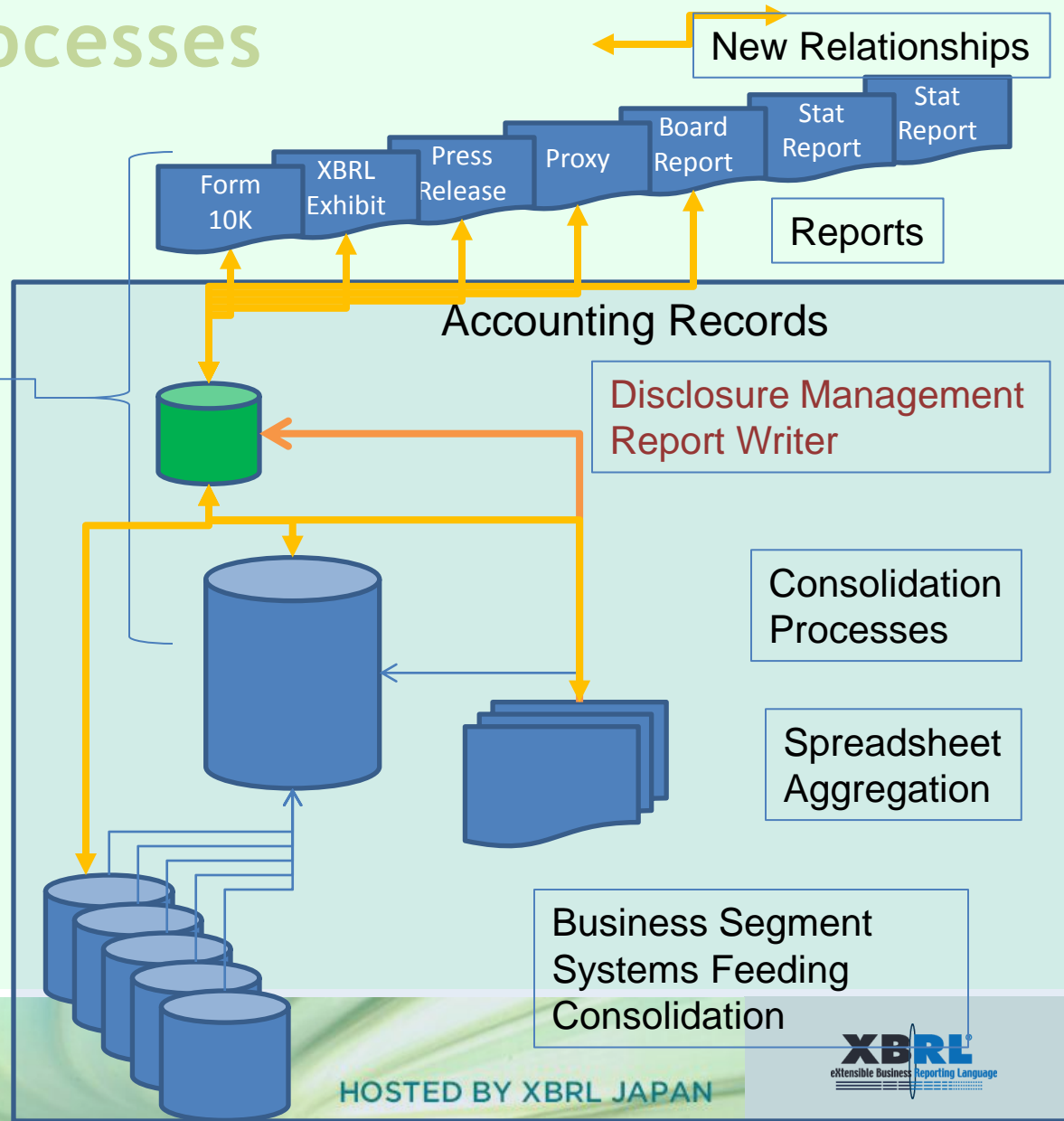
In a typical company process, there are 'no' to 'very limited' explicit connections between reported disclosures and company accounting records.



Disclosure Management Enables Enhanced Processes

Mapping relationships between company report writer systems and the company report are explicit and access, reuse and some validation processes are automated within the built-in application. These explicit relationships exist between source system accounting records and company report.

Report Writer process controls are critical and may include: application access controls; control over mappings (both incoming and outgoing); log of changes; report versioning controls and audit trail; others?



Disclosure Management Common Process & Control Enhancements

- Automated Spreadsheet Assembly
 - Automated Report Assembly
 - Automated Report Validation
 - Automated Narrative Text Generation
 - Contextual Review Process
 - Automated XBRL Reports
 - Automated Benchmarking
 - Explicit References
 - Collaborative Review Processes
 - Virtual Service Center
- 25% to 50% cost and time enhancements
 - Control

[Disclosure Management: Streamlining the Last Mile](#)

Some Relevant Vendors and Tools

Disclosure Management

- [IBM Cognos FSR](#)
- [Webfilings](#)
- [Rivet Crossfire](#)
- [Altova MapForce](#)
- [Corefilings Seahorse](#)
- [Oracle Disclosure Manager](#)
- [SAP Disclosure Management](#)
- [Tagetik](#)
- [Trintech Cadency Complete](#)

Analytical

- [Arelle](#)
- [Corefiling Magnify](#)
- [Fujitsu Interstage XWand](#)
- [XBRLCloud](#)

Implementation Considerations

- Social process vs. ‘webmaster’
- Assembly automation enabling ‘flow through’ of source content updates
- Automation of analysis and validation rules
- Automation of content development
- Contextual review of disclosures
- Collaborative review of draft reports
- Multiple report presentation alternatives
- Transparency of supporting transaction level information
- Comparative analysis of peer disclosures
- Automated reference links
- Range of reports and professionals impacted

Differentiating Features

- Nature (client server vs. SAAS)
- Connectivity with full range of information sources (interoperability / consumption)
- Rules management (validation and analytical risk assessments)
- Collaborative workflows and controls (Administration across broadest range of professionals)
- Presentation management (disclosures reusable across broad range of reports)
- Reference management (disclosure relationships w/ policies, models, risks)
- Report Analytical assessments (collaborative nature of risk assessment rules management)
- Support (timely international support and range of languages)
- Technical compliance (with broadest range of technical standards)
- Taxonomy management (automated vs. manual; multiple vs. single)
 - Mapping (wizards that support peer benchmarking / company specific extensions)
 - Taxonomy support (timely support for range of taxonomies – e.g. Solvency II)

Development Priorities

- Query / Analytical Assessments
- Rules Management – collaboration, reporting
- Collaborative Workflow and Controls – across broad range of domains
- Publishing – templates, RSS management
- Registry Access (units)
- Interoperability – broad range of sources; XBRL Consumption
- Taxonomy Mapping – range of taxonomies, benchmarking
- Taxonomy Management – unused extension suppression, extension collaboration, languages
- Technical Compliance - Inline Specification (iXBRL), calculation support for reporting, relationship management (references)
- Legal Entity support – LEI standard

ROI Considerations

- + License cost of software, dependent on factors including vendor, nature of implementation and number of seats.
 - + Implementation costs, using software license cost as an estimate
 - + Training time/costs, dependent on implementation approach
 - Outsourcing costs for XBRL tagging and related time for "pencils-down" allotments
 - Final format document costs including Regulator formatting fees/ typesetting fees/other printer costs (hard dollar costs for current expenses that could be removed)
 - Process enhancement costs (see listing of process enhancements areas)
 - Time/cost reduction multiplied by the number of reports assembled manually
 - Estimate a time line for increase in the number of reports processed through the Disclosure Management application (not just relevant to quarterly/annual reports)
- = Net Benefit/Cost (ROI)

Other Resources & Articles

- [Disclosure Management: Streamlining the Last Mile](#)
- [‘Making Sense of XBRL in the US and the UK’](#)
- [FEI Magazine Article: “The Time is Right for Standard Business Reporting”](#)
- [FEI Magazine Article: “Benefits of Comprehensive Integrated Reporting”](#)
- [Breathing New Life into Old Systems with XBRL GL - Wacoal Case Study](#)
- [MACPA XBRL Global Ledger Case Study](#)
- [XBRL: Finding a better way forward - webcast archive](#)

Thank you

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