

Canadian XBRL Perspectives

Advanced Data Management - From XBRL Canada

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Up-to-date News and Information on XBRL as it affects Canada

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SECTION 1 EDITORIAL

New Mandatory disclosures for the Extractive Industry

Last year, Prime Minister Harper announced a new initiative involving mandatory reporting standards that will require extractive companies to report annually on payments to all levels of government, domestically and internationally, on a project-level basis.

This initiative is similar to those launched in the US and the EU. While the US initiative was held up by legal action, it is expected to be revived in due course. The background paper indicates that the reporting will be required to be in XBRL. XBRL Canada has made a submission to Natural Resources Canada supporting the use of XBRL for this and other government reporting purposes and also recommending that the data be made available to the public through the Open Data Website at data.gc.ca.

Natural Resources Canada is currently conducting a public consultation on the new reporting standards. The purpose is to obtain stakeholder feedback and to help develop new mandatory reporting standards that are effective and feasible for all relevant stakeholders. The consultations began in March 2014 and will conclude on May 9, 2014

For further information, please visit: <http://www.nrcan.gc.ca/publications/15750>.

There are numerous situations in which XBRL will be useful for reporting to governments, including the full adoption of Standard Business Reporting, which both XBRL Canada and CPA Canada have recommended to the government. The resultant simplification of the reporting process for filer companies will result in significant savings for the companies and for the public at large.

SECTION 2

Data Act passes the US Senate

On April 10, the Senate passed the Digital Accountability and Transparency Act, or DATA Act, legislation aimed at shedding light on government spending data. An earlier version of the legislation passed the House in November. It is expected by supporters on the Hill to easily pass again. The act addresses the issue that now it's difficult for the public to get a full look at government expenditures and make sure the government is being held accountable. The data that is available is often not available in formats that can be easily compared.

The DATA Act would fix that problem by establishing government-wide financial data standards for all federal funds spent by agencies or other entities receiving money. The measure would also centralize where most government financial data will be published online.

The version passed by the Senate doesn't set a specific format for the data standard but does require it to be "a widely-accepted, nonproprietary, searchable, platform-independent computer readable format" and "include unique identifiers for Federal awards and entities receiving Federal awards that can be consistently applied Government-wide."

XBRL fits perfectly this requirement and is being touted as the leading possible standard for the Data Act Implementation. The Government of Canada also has an Open Data Initiative, as does the EU.

SECTION 3

XBRL Canada Online Course useful for SEC Filers

There are over 300 Canadian companies filing in XBRL with the SEC at present. They are companies that are using US GAAP for their financial statements. Existing rules require that foreign filers that use US GAAP are required to file. So several large Canadian companies fell under that rule and have been filing for several years.

There is another group of companies that are filing with the SEC as domestic filers. These are companies that are essentially Canadian companies but that wanted to plug directly into the US capital markets and therefore established a US presence by incorporating in Nevada. Many, but not all, of them are in the extractive industries.

Although most of them have outsourced their filing activities, There are numerous practical issues that companies must address in such filings. It is helpful for them to at least have an awareness of these issues. Also, there is a large number of Canadian companies that soon will have to file with the SEC, once the IFRS Taxonomy is finally approved by it.

There is an online course on the XBRL Canada website that features the experience of a Canadian company that has been filing with the SEC . They found it to be a positive experience, but had to deal with several issues along the way. The course can be found at the following URL: <http://learn.vubiz.com/ChAccess/XBRL/> We recommend it for any companies that are filing or may have to file with the SEC.

SECTION 4 UPCOMING EVENTS

May 14 at 12 noon Eastern. A webinar on Standard Business Reporting hosted by CPA Canada. This webinar will be presented by Gianluca Carbellotto, who has had extensive experience with

SBR in other countries, including the massive implementation in Australia and who is working with the Ottawa working group of XBRL Canada on a Canadian feasibility study.

June 9 – 11, 2014 XBRL International Conference, Orlando, Florida. Better Data for Better Decisions. Register at: <http://conference.xbrl.org>.

October, 2014 (specific date to be determined) Seminar (or depending on demand regional seminars) on the steps that companies should take to ensure appropriate compliance with the SEC rules for XBRL filings by foreign direct filers.

Registration details will be provide on our website in due course. Any intermediate enquiries or expressions of interest should be directed to info@xbrl.ca.

ADDITIONAL INFORMATION

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