Understanding the Role of XBRL in IFRS

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IFRS Summit 2007 – 15th May

Transforming Business Reporting

Agenda

- **Thank you**
- What is XBRL?
- Benefits of XBRL
- XBRL and IFRS Working Together
- XBRL Adoption / Jurisdictions
- Electronic Business Reporting for the Future

XBRL
eXtensible Business Reporting Language

So, What is XBRL?

- e**X**tensible **B**usiness **R**eporting **L**anguage ("**XBRL**") means two things
  - A **technology standard** that specifies rules for the definition and composition of XML documents containing business and financial information;
  - A **not-for-profit consortium** (XBRL International, Inc.) formed to promote the adoption of the standard;

- XBRL is **NOT** a new accounting / reporting standard, but enhances the reporting and usability of business and financial information.

XBRL
eXtensible Business Reporting Language

XBRL International Consortium

- A worldwide consortium of participants in the business and financial information supply chain
- Oversees the creation, development, submission and maintenance of the XBRL specification and related taxonomies for business & financial reporting data
- Operates via Jurisdictions – XBRL South Africa is one of many
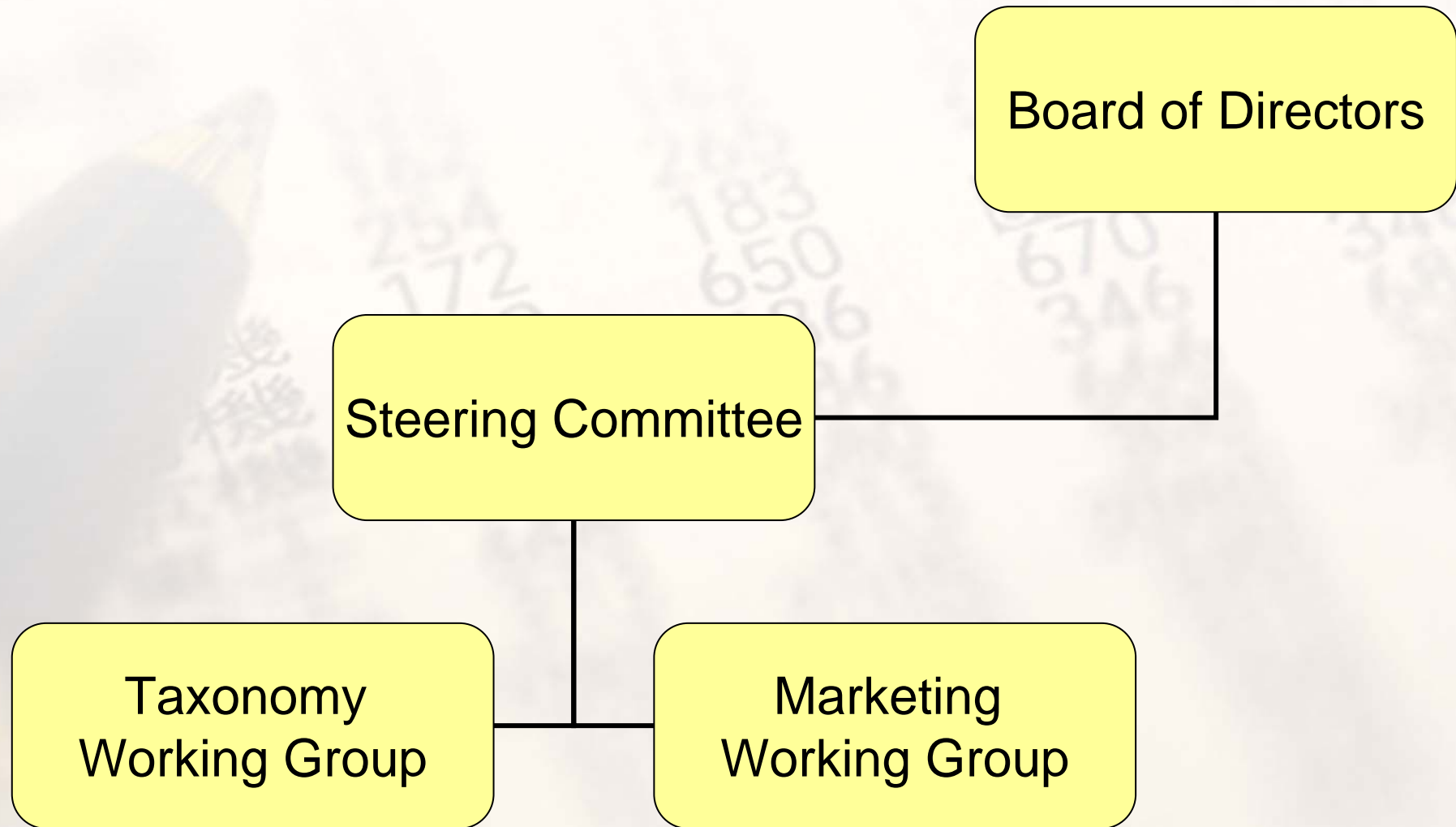
Overview of XBRL SA

- Name - Extensible Business Reporting Language South Africa

- Trading as - XBRL SA

- Entity Type - Section 21 Company

- Jurisdiction Established - 7 November 2005

- Managed by Steering Committee since 25 January 2005

- Independent facilitator - SAICA

- www.xbrl.org/za

Objectives of XBRL SA

- Promote XBRL
- Organise the creation of taxonomies
- Facilitate education and marketing
- Explain the benefits to government and private organisations
- Focus on progress of XBRL in the region
- Contribution to international development

XBRL
eXtensible Business Reporting Language

XBRL SA Structure

Board of Directors

Steering Committee

Taxonomy
Working Group

Marketing
Working Group

XBRL
eXtensible Business Reporting Language

Activities of XBRL SA

- Since January 2005 to Date
  - Membership - 4 interested parties, now 15 members
  - Taxonomy Working Group
    - Identified the different requirements for the XBRL IFRS GP Taxonomy to define the XBRL ZA Taxonomy
    - Published the specification for public comment
    - Issued RFT to build the taxonomies
    - SA taxonomies on website e.g. JSE Listings Requirements, Audit Report, Director Report, Company Secretary Statement, etc.

Activities of XBRL SA

- Since January 2005 to Date
  - Marketing and Communication
    - Marketing plans
    - Website
    - Creating awareness
      - Summit TV
      - Newspapers
      - Articles in focused publications
      - One-on-One
    - Member communication channel
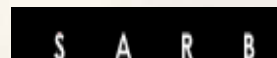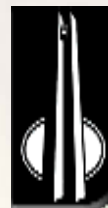   - Successful launch at the JSE (150 attendees)

Membership Types

- Consumer and Preparers (R20 000 per annum)
- Academic (Free - Universities and Business Schools)

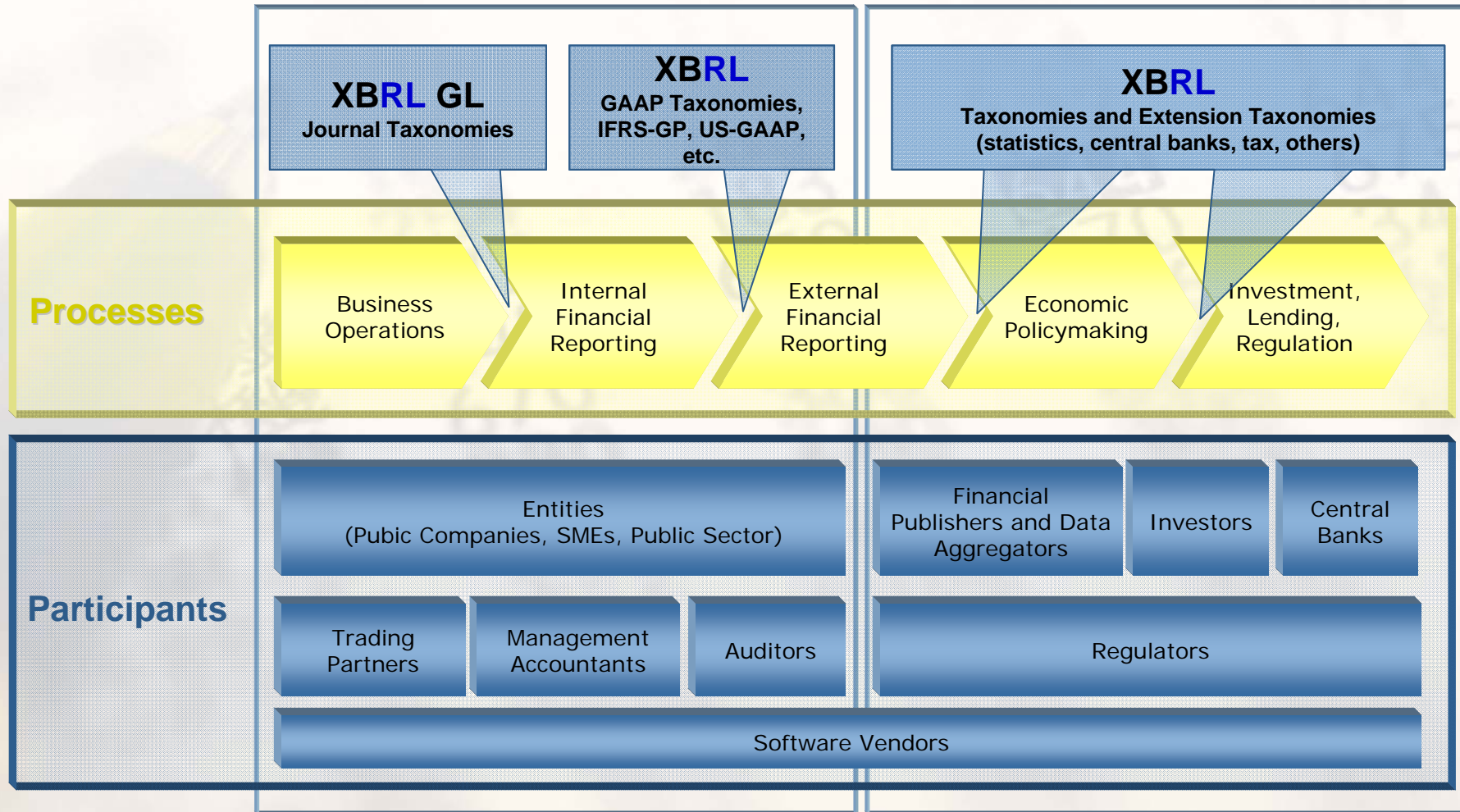- Includes membership of XBRL International consortium

Current Members

XBRL Technology Standard

- XBRL specification: defines XBRL dictionaries (taxonomies) and instances;
  - XBRL taxonomies: the descriptions that provide the "intelligence" about business and financial information;
    - E.g. IFRS-GP, Sustainability Reporting, US Gaap, UK Gaap, XBRL-GL, Chinese-Gaap, etc.
  - XBRL instances: the file containing business and financial information that you create and deliver to consumers
    - E.g. all listed entities in China, 8000 Banks in the US, etc.

Technology
Business Reporting Supply Chain

XBRL GL
Journal Taxonomies

XBRL
GAAP Taxonomies, IFRS-GP, US-GAAP, etc.

XBRL
Taxonomies and Extension Taxonomies (statistics, central banks, tax, others)

Processes

| Business Operations | Internal Financial Reporting | External Financial Reporting | Economic Policymaking | Investment, Lending, Regulation |

Participants

| Entities (Pubic Companies, SMEs, Public Sector) | Financial Publishers and Data Aggregators | Investors | Central Banks |

| Trading Partners | Management Accountants | Auditors | Regulators |

| Software Vendors |

XBRL
eXtensible Business Reporting Language

In a "Nutshell"

- **XBRL is a barcode for business and financial facts;**
- **De facto electronic standard for preparation, exchange and consumption of business and financial information**

Benefits of Standards / XBRL

- Produce information once, re-use many times
- Lower cost of producing, using information
- Accuracy, timeliness, and other efficiencies from "straight-through" processing
- Tell your own story (precise & clear)
- Completeness and timeliness of financial information leads to enhanced analytical capabilities
- Accelerated adoption of reporting model changes
- Environment conducive to harmonisation (FASB & IFRS)

- *These benefits shared throughout the entire reporting supply chain*

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XBRL and IFRS Working Together

- The IASB is a Jurisdiction of XBRL International, Inc.

- The IASB has a dedicated team of XBRL and IFRS specialists interpreting the IFRS standards into an XBRL Dictionary

- 4 Dictionaries (Taxonomies) have been released and acknowledged by XBRL International and being used by various countries

- Latest dictionary - 4 500 financial reporting facts that could be reported according to the IFRS standards and translated into 6 languages

XBRL
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Search

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Important Projects

- Taxonomy Improvements
  - Maintenance
  - Enhancements
- ECCBSO
- FINREP

Upcoming Events

- IFRS-GP Presentations
- IASB IT Discussion Group
- 14th XBRL International Conference

IFRS-GP Online Tools

- IFRS -Taxonomy Modules Manager
- Online Taxonomy Viewer

Links to Key Sites

- IFRS Jurisdictions
- XBRL International

XBRL News

RSS

Summary of the week

7 July 2006

It has been two weeks since our last summary posting. The IASC Foundation XBRL Team focused on completion of its IFRS taxonomy and carrying out liaison activities with IFRS jurisdictions. The following provides a brief update. Activities included: ...

Read more >>

New Volunteer XBRL Team Member

29 June 2006

The IASC Foundation XBRL Team would like to welcome Piotr Stefaniak as its newest member. Piotr Stefaniak is a student at the Poznan University of Economics, Poland, with majors in Corporate Finance and Accountancy.

Read more >>

XBRL Convergence Project: First Phase Available Online

27 June 2006

The IASC Foundation XBRL Team is pleased to announce the online release of the first phase of its XBRL convergence work. This first phase is intended to introduce the idea of taxonomy convergence in so far as it relates to XBRL taxonomies. A small fragment of the IFRS and US GAAP taxonomies convergence was chosen to illustrate the idea.

IFRS-GP Taxonomy Links

- IFRS-GP (2005) Final
- IFRS-GP (2006) Draft
- Translations
- Extensions
- All IFRS-GP

- Improvements Roadmap
  - Maintenance
  - Enhancements

Taxonomy Draft

- IFRS-GP (2006)

To comment on this draft subscribe to our taxonomy issues management system

XBRL Lab

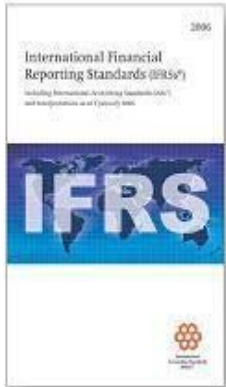Centre for XBRL Research + Development
- Learn more
- Current Projects
- Proposed Projects
- Past Projects

IFRS and XBRL – the World is getting smaller

Legend:
- Established Jurisdictions
- Provisional Jurisdictions
- in Construction & in Project

- Countries that require or permit IFRSs
- Countries seeking convergence with the IASB on pursuing adoption of IFRSs

XBRL eXtensible Business Reporting Language

Financial Reporting & Digital Reporting Standard Setting

Taxonomy, Data & Instances

Context

Unit
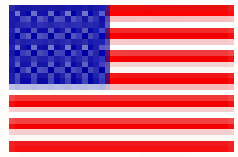
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XBRL Adoption

- Significant adoption of the XBRL Standard in the last two years
  - Regulators, and
  - Preparers

- International Adoption
- South African Adoption

XBRL
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XBRL United States

- XBRL usage - U.S. Federal Government Agencies
- Federal Deposit Insurance Corporation (FDIC) – mandatory Call Report Filings of 8 000 Banks every Quarter
- US Internal Revenue Service
- SEC – started with voluntary filing program, $54m upgrade to Edgar filings completed, regulations are being changed to make filings mandatory using the XBRL standard

XBRL Australia

- Australian Prudential Regulatory Agency (APRA) – 11000 super funds, insurers and banks required to report using XBRL

- APRA reports to Australian Bureau of Statistics and Reserve Bank using XBRL

- Australian Tax Office – September 2003 – incorporated XBRL into their electronic Activity Statements

XBRL Canada

- Statistics Canada – Companies uses XBRL forms to submit information with fewer errors
- TSX publishes own financial statements in XBRL 2004
- Canadian Securities Administrators (CSA) have launched an XBRL voluntary filing program
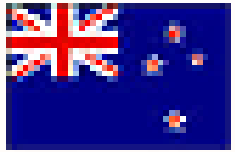
XBRL New Zealand

- XBRL included in the Governments e-gif platform
- New Zealand Stock Exchange
- New Zealand Statistics Bureau
- New Zealand Companies Office
- Inland Revenue Department
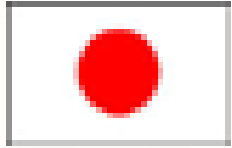
XBRL Japan

- National Tax Agency accepting XBRL tax filings since 2004

- The Tokyo Stock Exchange - full XBRL reporting by all companies in 2008

- Financial services entities - reporting monthly data in XBRL to the Bank of Japan (BoJ) since February 2006.

- Financial Services Agency – adopts XBRL for financial disclosure

XBRL South Korea

- Korea Stock Exchange and KOSDAQ modified their disclosure information systems to receive XBRL formatted financial information from listed companies

XBRL in Europe

- European Commission grants 1 Million Euros to XBRL in Europe to develop and adopt XBRL throughout the European community

- Committee of European Banking Supervisors (CEBS) – adopts XBRL for EU regulatory reporting of central and commercial banks (Basel II)

- The following members states are preparing to join:

Italy	Poland
Austria	Slovenia
Finland	Switzerland
Hungary	Portugal
Luxembourg	Greece

XBRL Spain

- Spanish Stock Exchange – receiving and analysing 3000 listed companies periodic information
- More than 400 banks are filing monthly financial statements in XBRL to the Bank of Spain. The introduction of XBRL for this reporting has enabled automatic data validation, achieved better quality of data and reducing manual effort. The Bank of Spain is now pushing ahead plans for expanded use of XBRL
- Spanish Senate – process of legislating XBRL as mandatory use throughout the reporting supply chain

XBRL
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XBRL United Kingdom

- Office of the e-Envoy recommends XBRL as a standard for Government Interoperability Framework
- Inland Revenue –collect all UK Corporation Tax Returns (direct and indirect)
- Companies House – collects financial information
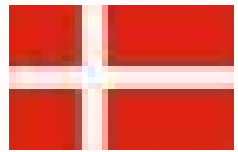 - April 2006 – 10 000,
  - End 2006 – 50 000

XBRL Belgium

- Filing of accounts by 295,000 Belgian companies to the National Bank of Belgium, which is responsible for collecting financial statements from the nation's firms, has switch to XBRL from April 2007.
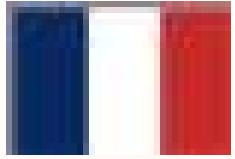
XBRL France

- Banque de France – mandatory XBRL filings required

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XBRL Denmark

- Danish Commerce & Companies House – 2001 – digital company registration system, April 2003 improved to include financial information affecting 100 000 companies

- Danish Bankers Association – use of XBRL to regulate financial information

XBRL Netherlands

- Dutch Water Boards – report to Statistics Netherlands, which reports to EU Commission and the European Central Bank
- Dutch Tax Authority
- 800 De-centralised Government Institutions (municipalities and provinces) on a mandatory basis reporting to CBS
- Government legislated use from 1 January 2007

XBRL Ireland

- Revenue Commissioners (tax agency)
- Central Statistics Office – implemented XBRL to receive information

XBRL Germany

- German Tax Authority uses XBRL for Tax filings
- Corporate Rating portal established using XBRL for the automated delivery of financial information
- Deutsche Börse AG and Frankfurt Stock Exchange implement an XBRL based reporting chain

Other Countries

- China – all listed companies financial information available in XBRL

- Singapore – mandatory filings of financial information to regulator from 1 November 2007

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XBRL South Africa

- JSE Limited – Annual / Interim Financial Statements published in XBRL since 2002, using XBRL as investor relations tool, management reporting and evaluation of Central Hub for Listed Company Info

- Alexander Forbes – Retirement Fund Reporting to FSB (Financials) and Quarterly Asset Allocation to SARB

- Various other preparers and consumers in evaluation phase

Tomorrow's Financial and Business Reporting Supply Chain
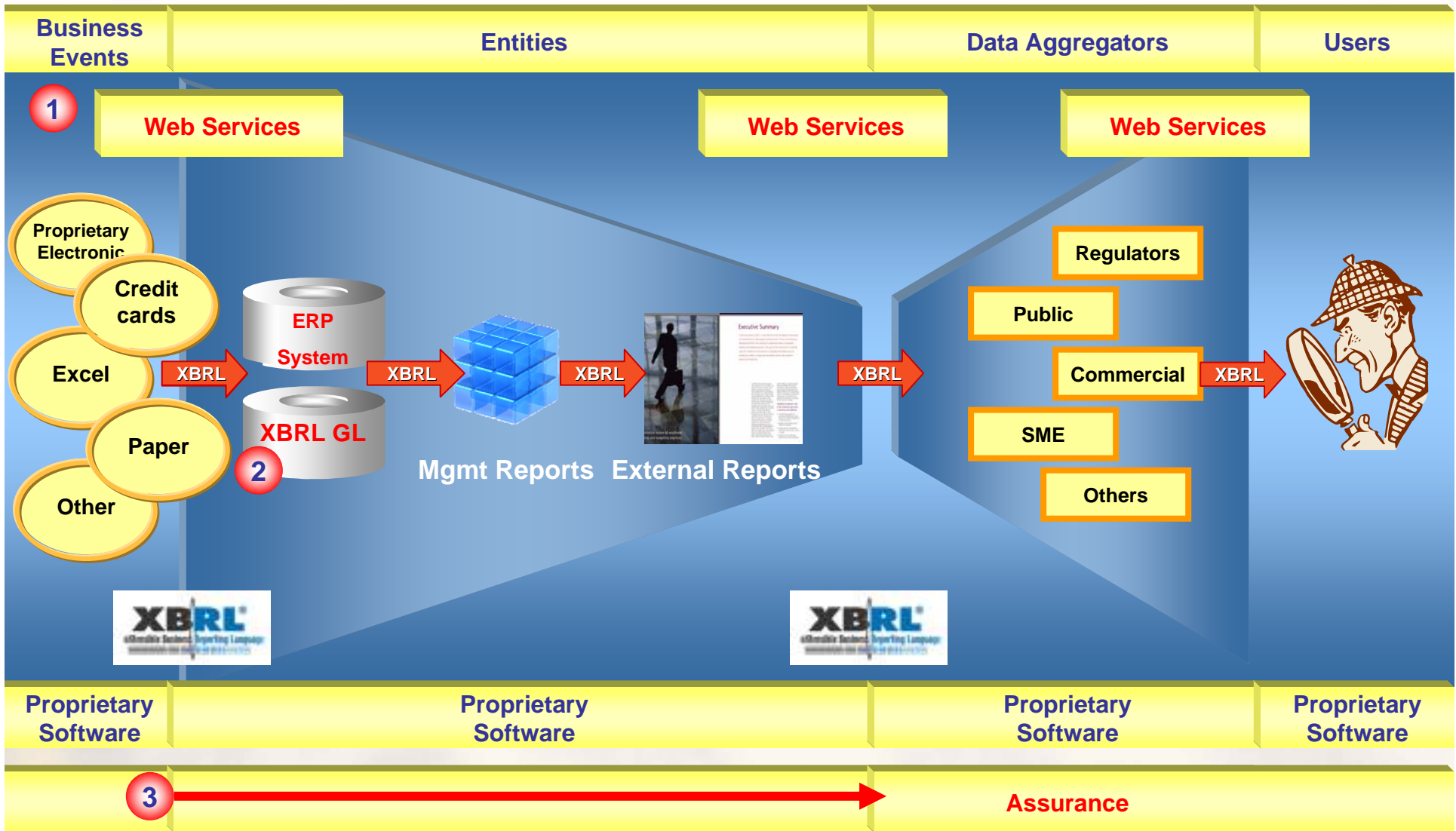
Contacts and Acknowledgements

- Websites
  - www.xbrl.org
  - www.xbrl.org/za
  - www.iasb.org/xbrl
- Gavin Marais – eX-IT Software (Pty) Ltd
  - 083 964 9982
  - 011 682 3424
- Acknowledgements
  - XBRL International, Inc.
  - International Accounting Standards Board (IASB)
  - Kurt Ramin - Chairman, XBRL International Steering Committee

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IFRS Summit 2007 – 15th May

www.XBRL.org

Transforming Business Reporting

XBRL Taxonomy

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<element id="ifrs-gp_PropertyPlantEquipmentNet" name="PropertyPlantEquipmentNet"
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Sample Financial Statements

Sample Company, Inc.
Consolidated Balance Sheets
(in Euros)

	As of December 31,	
	2003	2002
ASSETS		
Non Current Assets		
Property, plant and equipment	540,000	400,000
Investment property	150,000	150,000
Intangible assets	140,000	150,000
Investments in joint ventures	60,000	60,000
Total Non Current Assets	890,000	760,000

XBRL Instance Document

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