

## **Response to RFI on Dimensions – 14 August 2009**

### **General comments**

Each analysis mentions benefits and costs of a particular option. However, these are not classified in any way. Some options would be user cost v developer cost; one-off cost compared to an ongoing cost; small cost compared to significant cost. For example, some of the costs (eg., changing the taxonomy structure) may have relatively small development benefits but incur significant ongoing costs for preparers. Some costs might only be incurred in the short-term until software applications (tools) become more sophisticated.

When tuples were removed from the IFRS taxonomy they were not replaced by dimensions (explicit or typed) but by text blocks. One way to look at what dimensions may be required would be to look at the tuples that were removed and how they might be replaced by dimensions. However, as was mentioned at the Paris conference during an IFRS session, increased use of dimensions means that (possibly) preparers need to be educated in data modelling so that they can define the correct extensions needed to populate some domain-member lists.

I do not see any comments about the increase in the number of contexts that preparers will need to define/use by the introduction of more dimensions. To some this will be a complex task. Related to this overall is the lack of mention of the need for formulas even though there are few applications that make it easy to develop the necessary formulas. Fujitsu is the only one that I am aware of that has a formula editor. If extensions are required to be created by users then they may also need to develop additional formulas for the extensions they create.

There are a number of domain-default members. Until the Specification WG clearly specifies the new interpretation I would suggest that defaults be scrapped especially if the defaults are to be considered global to all elements where hypercubes have not been assigned.

### **Some general questions**

In deciding what dimensions should be added to the taxonomy perhaps some basic questions can be used:

1. Is the dimension reusable in various parts of the taxonomy to different groups of primary items?
2. Are the disclosures mentioned required by the standards (IFRS, IAS)?
3. How easy it is for users to obtain and/or map the information to the dimensions?
4. Are users required to create an extension and create formulas for some of the lists?

### **Clause 6 - Current dimensions**

5 dimensions are listed as being applied. However, basically only a domain-default member has been created. Operating segments, geographical areas, products and services and (possibly) business combinations require users to extend the taxonomy if they want to populate the domain-members for these dimensions. These would be common in some case but unique in others. The standards do not specify finite lists so users will need to develop them.

### **Option L1a Dimensions for lists-oriented disclosures**

Adding additional concepts is possibly a major one-off cost but then it becomes a natural part of the development of future versions.

The other XBRL-AU member suggested that the L1 options are repetitive as 'for each' class of the financial reporting will result in having so many concepts in the taxonomy. Again it creates redundancy on the taxonomy.

Clause 12 outline the costs (due to complexity and contexts) but does not mention the additional tagging costs, especially until software applications can better embed XBRL in them. The example in Clause 14 makes sense as long as the dimension is reusable.

### **Option L1b Dimensions for Intersection tables**

When I first started learning about dimensions I thought this was the most logical place for them to be used. The table on page 5 makes sense as long as the dimension is reused elsewhere in the taxonomy.

I do recall mentioning the movement table for classes of property, plant and equipment as a logical use of dimensions within the IFRS taxonomy and I was surprised to see that it was not used. However, I do recall being told that businesses did not keep the information that way and that mapping to such an approach would be difficult. In fact, I did build a 2-dimensional table; one dimension for the list of classes and another for the list of changes.

The structure of the taxonomy at the time was basically that the same changes were listed for all classes of PPE. This consistency seems to be missing from the latest version.

If such lists were created (either by the IASB or users) then applications will need to provide an easy mechanism to preview the dimension tables without any data or contexts being created. Such an approach would make it much easier to "see" the structure of the taxonomy.

In the costs clause the general comment about contexts, extensions and formulas apply.

### **Option L2 Dimensions distinctions for major statements**

Personally I do not like the examples provided. They get very complicated very quickly and I am not sure of the perceived benefits. The examples in clause 19 is a weird looking balance sheet and seems to try and combine two types of balance into a single balance sheet - current/noncurrent and order of liquidity.

For the income statement example I am not convinced that there is requirement to disclose information to that level of detail. Whilst it may have its benefits I am not sure that that level of detail is required by the standards. My understanding from the architecture document that there is supposed to be little deviation from what is contained in the standards.

This is hinted at when mention of this being "a novel approach and market acceptance cannot be foreseen." Until the latter is achieved I think this suggestion should be ignored.

The member who responded agreed with the approach and the comments made in the RFI. They suggested that creating more dimensions to express major statements like balance sheet and income statement will create more logical presentation based

on any context for the disclosure requirements and the reusability of the elements. Reusable code reduces the need for more concepts and improves the taxonomy tagging process. They also agreed that this option will facilitate better search and filter functionality for instance documents.

**Additional Member Comment received**

It may be that the bigger picture is all about converging IFRS with US GAAP and so arriving at a single standard. I will personally support whatever they do to achieve convergence. The rest can be sorted out with software, training and an approach such as XBRLS.

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