

International Accounting Standards Committee Foundation XBRL team

Analyst Representative Group
Global Preparers Forum
10 November 2009

AGENDA PAPER 6

XBRL Update on ARG/GPF meeting

London, 10 November 2009

IASC Foundation

The views expressed in this presentation are those of the presenter,
not necessarily those of the IASC Foundation or the IASB



What do we provide

Main deliverables

- **A licence-free IFRS Taxonomy*** consistent with the IFRS Bound Volume and follows a due process similar to the IASB
- **Translations of the Taxonomy** (priority for Arabic, Chinese, Dutch, French, German, Italian, Japanese and Spanish)
- **The IFRS Taxonomy Guide**, for issuers and preparers, analysts, accountants, regulators, software vendors and service providers
- **The IFRS Taxonomy Module Manager**, an online tool which helps users to modularize the taxonomy according to their requirements
- **The IFRS Taxonomy Illustrated** provides a high-level overview of the content of the IFRS Taxonomy in a non-technical language

Other forms of support and cooperation

- **The Field Testing Initiative**
- **The Interoperable Taxonomy Architecture (ITA)**, initiative to align architectures of the IFRS, US GAAP and EDINET taxonomies conducted by IASC Foundation, US SEC, Japan FSA and EC as observer
- **XBRL Standards Board** and various XBRL International working groups and committees
- **FINREP** permanent observer, **ECCBSO** permanent observer, **Software Vendors** contact channel, XBRL International
- **Direct Contact** with major stakeholders

* *an ED of the IFRS for SMEs Taxonomy is released in Sept 2009*



Organisation



IASCF XBRL Team

Olivier Servais – Director of XBRL Activities
Maciej Piechocki – Project Manager Technology
Holger Obst – Project Manager Accounting
Haiko Philip – Project Assistant
Danielle Pham – Executive Assistant

XBRL Advisory Council

13 members + 5 appointed observers with global representativeness
Strategic advice
Meetings - twice a year (F2F) and quarterly CC

XBRL Quality Review Team

18 members + 5 appointed observers with global representativeness
Review taxonomies; strategic advice; practical recommendations on taxonomy quality
Meetings – twice a year (F2F) and monthly CC

XBRL Board Advisors

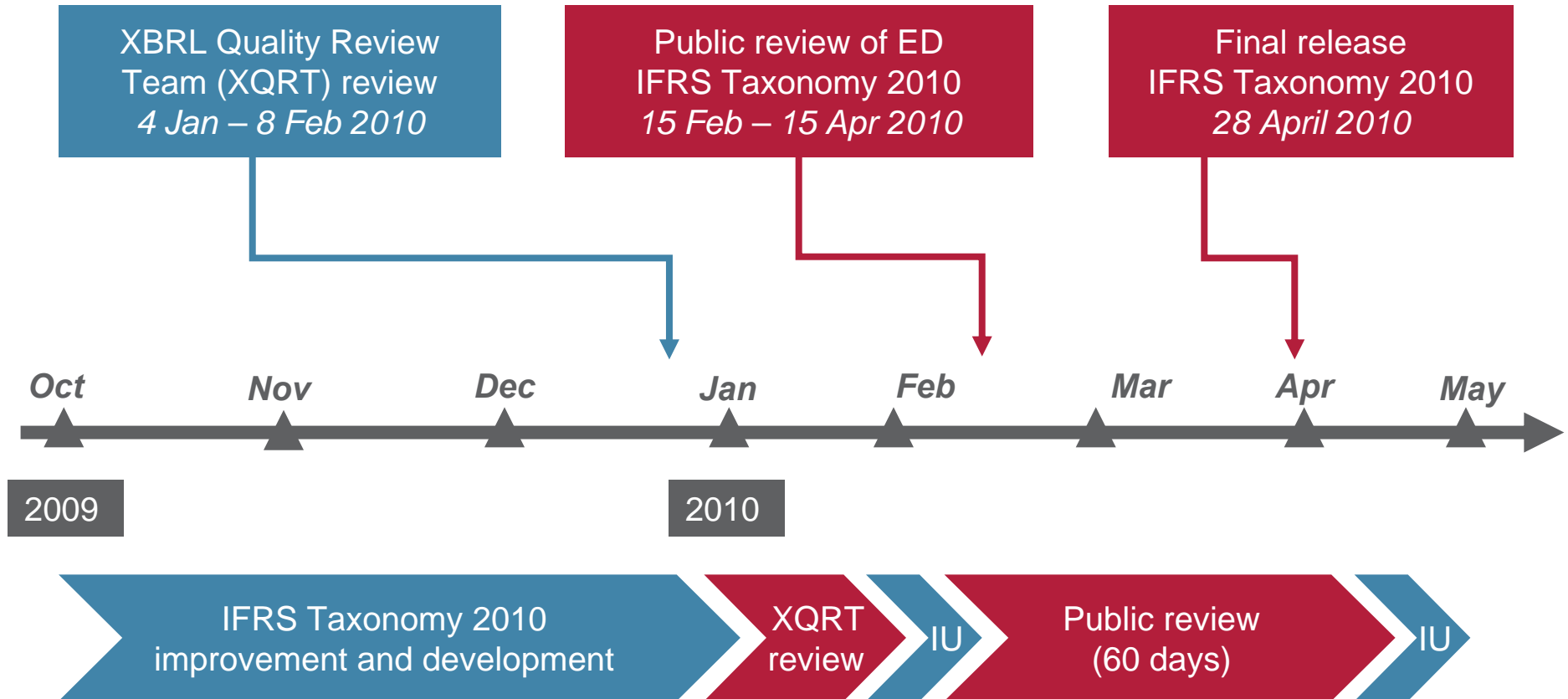
Six Board members + COO + Director of Technical Activities + XBRL Team
Monthly discussions - vision & strategy; the role of XBRL in IASB developments

IASCF Trustees

Quarterly update
Review on all XBRL activities

IFRS Taxonomy 2010

Development and release timeline



IFRS Taxonomy Development

Major Requirements

- Business requirements:
 - **Timeline:** as close as possible, the development of the IFRS taxonomy is aligned with the IASB delivery timetable. This requirement is addressed mostly by aligning the IFRS taxonomy development stages with the publication time line for the yearly Bound Volume.
 - **Consistency:** at any time, the IFRS taxonomy needs to reflect and to be consistent with the IFRSs.
- Functional requirements
 - **Interoperability:** the IFRS taxonomy shall ensure interoperability between different software systems.
 - **Flexibility:** the IFRS taxonomy shall be usable across different scenarios in the financial reporting supply chain where IFRSs are implemented (increasing market transparency, supporting better analysis, reducing reporting burden, enhancing regulation and supervision) as well as across different geographic regions.
 - **Extensibility:** same as the goal of the IFRSs the IFRS taxonomy should ensure comparability of financial information which should not be confused with mere uniformity. Users of the IFRS taxonomy are allowed to extend it for their specific needs.
 - **Stability:** the IFRS taxonomy is supposed to be used by a large number of participants of the financial reporting supply chain. Therefore the technical and accounting design must ensure possibly high stability and sustainability of the IFRS taxonomy. This should not be confused with the continuous alignment with the IFRSs which will be triggering necessary adjustments to the IFRS taxonomy from accounting perspective.
- Technical requirements
 - **Compliance with XBRL technical specifications:** the IFRS taxonomy shall be compliant with any specification recommended by the XBRL International.
 - **Consideration of new XBRL technologies:** The XBRL activities should consider impact of new technologies (specifications) developed by XBRL International and how they impact the IFRS taxonomy.



Context of companies α , β and γ

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| | Company α | Company β | Company γ |
|----------------------------------|--|---|---|
| Country of operation | Based in Belgium Operates in 7 countries | Based in the UK Operates in 14 countries | Based in the US Operates in 14 countries |
| Industry | Food retail | | |
| Revenue | €19 billion | £59 billion | \$401.2 billion |
| Net profit | €467 million | £2.9 billion | \$13.4 billion |
| Listing | Euronext and NYSE | LSE | NYSE |
| Regulating bodies | Belgian CBFA US SEC | UK FSA | US SEC |
| Accounts held | IFRS (since 2004) | IFRS (since 2004) | US GAAP |
| Financial statements provided to | Investors/analysts Belgian CBFA US SEC | Investors/analysts UK FSA | Investors/analysts US SEC |
| Other filing criteria | Compliant with IFRSs | | Compliant with US GAAP |
| | Different reporting periods (quarterly, yearly) Different sets of information (different jurisdictions) | | |

Sample financial statements

The PPE case

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To find out more go to
www.tesco.com/annualreport09

Tesco PLC Annual Report and Financial Statements 2009

Bookmarks

- DISCUSSION AND
- ITEM 7A. QUANTITATIVE AND QUALITATIVE
- ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTS
- ITEM 9. CHANGES IN AND DISAGREEMENTS WITH
- ITEM 9A. CONTROLS AND PROCEDURES
- ITEM 9B. OTHER INFORMATION
- PART III
 - ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND
 - ITEM 11. EXECUTIVE COMPENSATION
 - ITEM 12. SECURITY OWNERSHIP OF

Source: WAL MART STORES INC, 10-K, April 01, 2009

**Company y
SEC filing**

**WAL-MART STORES, INC.
Consolidated Balance Sheets**

(Amounts in millions except per share data)

January 31,

| | 2009 | 2008 |
|---|----------------|----------------|
| ASSETS | | |
| <i>Current assets:</i> | | |
| Cash and cash equivalents | \$7,275 | \$5,492 |
| Receivables | 3,905 | 3,642 |
| Inventories | 34,511 | 35,159 |
| Prepaid expenses and other | 3,063 | 2,760 |
| Current assets of discontinued operations | 195 | 967 |
| Total current assets | 48,949 | 48,020 |
| <i>Property and equipment, at cost:</i> | | |
| Land | 19,852 | 19,879 |
| Buildings and improvements | 73,810 | 72,141 |
| Fixtures and equipment | 29,851 | 28,026 |
| Transportation equipment | 2,307 | 2,210 |
| Property and equipment, at cost | 125,820 | 122,256 |
| Less accumulated depreciation | (32,964) | (28,531) |
| Property and equipment, net | 92,856 | 93,725 |
| <i>Property under capital lease:</i> | | |
| Property under capital lease | 5,341 | 5,736 |
| Less accumulated amortization | (2,544) | (2,594) |
| Property under capital lease, net | 2,797 | 3,142 |

Sample financial statements

The Income Statement case

Supplementary
Information

Historical
Financial Overview

Certification of Responsible
Persons

Report of the
Statutory Auditor

Summary Statutory Accounts of
Delhaize Group SA

Consolidated Statements of Cash Flows

| (in millions of EUR) | 2008 | 2007 | 2006 |
|--|------------|------------|------------|
| Operating activities | | | |
| Group share in net profit | 467 | 410 | 352 |
| Net profit attributable to minority interest | 12 | 15 | 9 |
| Adjustments for: | | | |
| Depreciation and amortization - continuing operations | 474 | 475 | 495 |
| Depreciation and amortization - discontinued operations | 2 | 1 | 8 |
| Impairment - continuing operations | 20 | 15 | 3 |
| Impairment - discontinued operations | 8 | (1) | 65 |
| Allowance for losses on accounts receivable and inventory obsolescence | 15 | 11 | 12 |
| Share-based compensation | 21 | 22 | 23 |
| Income taxes | 217 | 203 | 242 |
| Finance costs | 214 | 350 | 300 |
| Income from investments | (14) | (37) | (20) |
| Other non-cash items | (6) | (7) | 2 |
| Changes in operating assets and liabilities: | | | |
| Inventories | (16) | (49) | (56) |
| Receivables | (52) | (61) | (71) |
| Prepaid expenses and other assets | (26) | (6) | (9) |
| Accounts payable | (97) | (9) | 112 |
| Accrued expenses and other liabilities | 28 | 75 | 13 |
| Provisions | (25) | (13) | (32) |
| Interest paid | (198) | (254) | (292) |
| Interest received | 13 | 15 | 19 |
| Income taxes paid | (130) | (223) | (265) |
| Net cash provided by operating activities | 927 | 932 | 910 |
| Investing activities | | | |
| Business acquisitions, net of cash and cash equivalents acquired | (100) | - | - |
| Business disposals, net of cash and cash equivalents disposed | - | 119 | - |
| Purchase of tangible and intangible assets (capital expenditures) | (714) | (729) | (700) |
| Sale of tangible and intangible assets | 30 | 24 | 16 |
| Investment in debt securities | (66) | (76) | (102) |
| Sale and maturity of debt securities | 73 | 52 | 75 |
| Purchase of other financial assets | - | (20) | - |
| Sale and maturity of other financial assets | 7 | 1 | 2 |
| Settlement of derivative instruments | - | (1) | (13) |



UK IFRS Extensions

| | | |
|---|------------------|---------------------|
| [822100] Notes - Property, plant and equipment | | |
| [822110] Notes - Measurement for property, plant and equipment | | |
| Disclosure of measurement information, property, plant and equipment | explanatory text | IAS 16 - Disclosure |

| | |
|---|---|
| Disclosure of measurement bases | 20 - Dimension - PPE Classes |
| Measurement bases, land and buildings | Property, plant and equipment classes [Dimension] |
| Measurement bases, tangible exploration and evaluation assets | Total property, plant and equipment [default] |
| Measurement bases, fixtures and fittings | Land and buildings |
| Measurement bases, construction in progress | Land |
| Measurement bases, office equipment | Buildings |
| Measurement bases, vehicles | Properties under construction |
| Measurement bases, machinery | Vehicles, plant and machinery |
| Measurement bases, other property, plant and equipment | Plant and machinery |
| Measurement bases, property, plant and equipment | Furniture, fittings, tools and equipment |
| | Furniture and fittings |
| | Tools and equipment |
| | Office equipment |
| | Computer equipment |
| | Vehicles |
| | Aircraft |
| | Boats |
| | Motor vehicles |
| | Commercial motor vehicles |
| | Motor cars |
| | Other vehicles |
| | Tangible exploration and evaluation assets |
| | Other property, plant and equipment |



Potential developers

Pro's and Con's of IFRS Taxonomy Extensions being created by ...

| | Pro's | Con's |
|-----------------------------|--|--|
| Issuers / preparers | Customised to specific entity needs | High risk of incomparability between entities |
| | Quickly developed | Cost multiplied by # of companies |
| Regulators / supervisors | Less incomparability between entities (within the regulator's business area) | Risk of incomparability (outside of the regulator's business area) |
| | | Potentially slower process |
| | Cost supported locally | Specific to regulator's jurisdiction |
| | | Rejection of IFRS (taxonomy) because of lack of overlap |
| Accounting standard-setters | No risk of incomparability between entities | Extensions perceived as new standards |
| | Based on US approach which has proven results | Costs |
| | Extensions today could lead to new standards tomorrow | Potentially limited consideration for local requirements |
| | Control of costs | |

There is no one good solution !



The way we plan to go




- Collecting illustrative financial statements and identify 'common practice concepts'
- Aggregating existing concepts/extensions and making them available on the IASCF website (clearing house)
- Consider the inception of a new body (i.e. draft a Business Plan, initiate contacts, prepare a charter) for a collaborative development of Extensions



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XBRL Update

From The International Accounting Standards Committee Foundation



Thursday 12 March

Dear,

Welcome to the latest XBRL Update, the XBRL newsletter of the IASC Foundation. It's an exciting time for XBRL and IFRSs: both are growing in adoption and implementation and there are very few countries around the world where neither are considered. The US has now mandated XBRL filing following a ruling by the SEC, joining Australia, China, India, Japan, South Africa, and numerous European and Latin American countries.

Long-standing readers will see that we have refreshed the format of this newsletter and, to serve its growing readership, it will now be released quarterly. The next releases are planned for 9 June (content to be provided by 22 May), 20 September (content to be provided by 18 September) and 15 December (content to be provided by 27 November).

We sincerely hope that you enjoy reading this update and look forward to receiving your comments and suggestions.

Olivier Servais
Director – XBRL Activities
IASC Foundation

1. LATEST XBRL NEWS

US

On 10 February 2009 the US Securities and Exchange Commission (SEC) issued [the final rule](#) mandating the 500 largest public companies to file their financial statements using interactive data (XBRL) this year. The ruling takes effect on 13 April, and means that the largest public companies must file their primary financial reports in XBRL for fiscal periods ending on or after 15 June 2009. Accelerated filers must comply with the new rule by 2010, with all remaining public companies and foreign companies filing in IFRSs required to comply by 2011. During their first year of filing companies are required to use XBRL for income statements, statements of cash flows and statements of financial position (balance sheets). From the second year, XBRL tags will also be required for note disclosures.

The ruling follows the SEC's consultation with prominent members of the XBRL community at its [International Roundtable on Interactive Data for Public Financial Reporting](#) on 10 June 2008. Panelists attended from Canada, China, India, Israel, Japan, the Netherlands, Spain, Switzerland and the IASC Foundation. [Webcasts](#) of the round table are available.

1. Latest XBRL news

- US, Canada, Latin America
- Asia
- Middle East
- Europe
- Other international developments

2. Latest IASC Foundation news

- Current XBRL projects
- IASB & IASCF Foundation
- XBRL team update

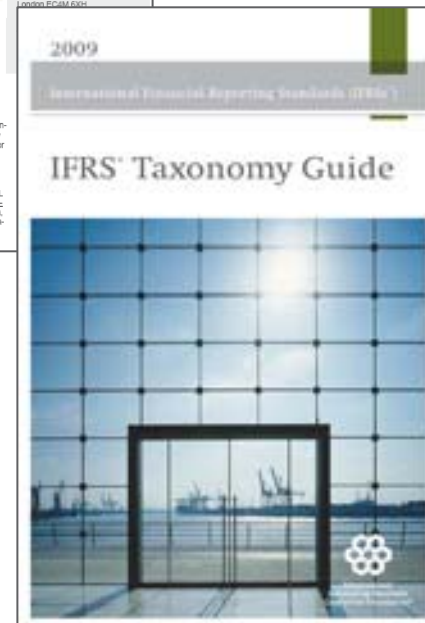
3. Coming events

4. Useful links

CONTACT US

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Demo



Mastercard

- HTML form (example Mastercard 10-Q - <http://www.sec.gov/Archives/edgar/data/1141391/000119312509159733/d10q.htm>)
- Interactive Data aka XBRL files (second table for Mastercard <http://www.sec.gov/Archives/edgar/data/1141391/000119312509159733/0001193125-09-159733-index.htm>)
- Visualised XBRL filing for Mastercard http://www.sec.gov/cgi-bin/viewer?action=view&cik=1141391&accession_number=0001193125-09-159733
- <https://xbrlviewer.bowne.com/>
- <http://investorrelations.mastercardintl.com/phoenix.zhtml?c=148835&p=irol-sec>

Compare

- Filings <http://xbrl.squarespace.com/storage/secdemos/CompareFilings.htm>
- Taxonomies <http://www.xbrlsite.com/Demos/CompareExtensionConcepts/CompareExtensionConceptsRun.aspx>

