

## Introduction

1. XBRL acceptance around the world is growing. However, it is worth noting that the Trustees of the IFRS Foundation made the decision to initiate XBRL activities to provide stakeholders with a high quality XBRL version of the IFRSs in 2001.
2. This paper has been prepared for the IFRS Advisory Council to provide its members with an update on the IFRS Foundation's XBRL activities, and the potential impact of XBRL on the IASB's activities. The aim of this paper, and the subsequent discussion during the meeting, is to answer the following questions:
  - (a) What are the latest developments in the IFRS Foundation's XBRL activities?
  - (b) Where has the IFRS taxonomy been adopted?
  - (c) What interaction is there between the IASB and the IFRS Foundation XBRL team?
  - (d) What are the challenges and opportunities for the IFRS Foundation's XBRL team?

## XBRL at the IFRS Foundation and IASB

3. The IFRS Foundation XBRL team is responsible for the development of the XBRL version of the IFRSs, known as the IFRS Taxonomy, and its mission is to create and provide a framework for the consistent adoption and implementation

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This paper has been prepared for discussion at a public meeting of the IFRS Advisory Council of the IASB.

The views expressed in this paper are those of the authors.

Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretation Committee or the IASB can make such a determination.

The tentative decisions made by the IASB at its public meetings are reported in *IASB Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

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of IFRSs with a high quality IFRS Taxonomy in the same languages and at the same time as the IFRSs. The mission of the XBRL team is part of the adoption and implementation strategy of the IFRS Foundation and is integrated with the development of IFRSs.

### **Activities and deliverables**

4. The activities and the deliverables of the IFRS Foundation XBRL team can be summarised as follows:
  - (a) Development and maintenance of the IFRS Taxonomy consistent with both the IFRSs and the IFRS for SMEs.
  - (b) Delivery of translations of the IFRS Taxonomy.<sup>1</sup>
  - (c) Production of support materials, which currently include.
    - (i) **The IFRS Taxonomy Guide**, for issuers and preparers, analysts, accountants, regulators, software vendors and service providers.
    - (ii) **The IFRS Taxonomy Illustrated**, which presents a simplified view of the Taxonomy in an easy to read, visual format, with non-technical language.
    - (iii) **xIFRS (IFRSs with XBRL)**, presents a view of the electronic IFRSs with embedded XBRL available for both the IFRSs and the IFRS for SMEs
    - (iv) **Illustrative examples**, of financial statements prepared using the IFRS Taxonomy; available for both the IFRSs and the IFRS for SMEs
    - (v) **The IFRS Taxonomy Modules Manager**, an online tool which helps users to navigate and customise the taxonomy according to their requirements.

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<sup>1</sup> Updated list of available translations is on the IFRS website at <http://www.ifrs.org/XBRL/XBRL.htm>.

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- (d) Outreach activities to national jurisdictions, regulators and supervisors, issuers and preparers, and software vendors in order to ease the implementation of the IFRS Taxonomy.
5. All deliverables - including the IFRS Taxonomy - are freely and publicly available from the IASB website.<sup>2</sup>

### **Update on the IFRS Taxonomy 2011**

6. As with previous versions of the IFRS Taxonomy, the IFRS Taxonomy 2011 has been developed in accordance with the due process for XBRL activities as approved by the Trustees. On 20 December 2010, the draft 2011 taxonomy was submitted to the Foundation's technical XBRL advisory committee - the XQRT (XBRL Quality Review Team) - for review until 10 January 2011. Approximately **250 comments were received from the XQRT**, relating to both financial reporting content and technical, XBRL and matters. The comments referred to approximately **950 elements** in the taxonomy (both new and existing elements). The comments have been analysed and considered by the XBRL Team and, where appropriate, changes to the taxonomy have been implemented.
7. The **exposure draft** of the taxonomy **was released on 18 January 2011 for a 60-day public review** period in accordance with the expected timeline and also due process requirements. It is expected that the **final version** of the 2011 taxonomy will be released **by the end of March 2011**, probably in time for the IFRS Taxonomy Annual Convention on 29 March 2011.
8. Here are some statistics about the number of elements present in the draft IFRS Taxonomy 2011, compared to the IFRS Taxonomy 2010. The differences in the numbers of concepts are due to the following:
- Changes in IFRS (new and redundant standards)

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<sup>2</sup> With the exception of the xIFRS, which is based on the eIFRS (electronic IFRS) and is therefore available to subscribers only. All IFRS XBRL materials are available from the IFRS website at <http://www.ifrs.org/XBRL/XBRL.htm>

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- Concepts covering part B2 of the Bound Volume (implementation guidance, basis for conclusions and illustrative examples)

Number of taxonomy concepts	ED 2011 taxonomy	2010 taxonomy
<b>Total</b>	<b>2,331</b>	<b>2,027</b>
IFRS (excluding the IFRS for SMEs) (1)	<b>2,217</b>	1,936
IFRS for SMEs (2)	<b>1,075</b>	1,026
Concepts specific to SMEs (=2-3)	<b>114</b>	91

### Adoption of the IFRS taxonomy<sup>3</sup>

9. The IFRS Taxonomy is currently being used as the base taxonomy in the following XBRL projects:
- (a) **Corporate/securities filing:**
- Accounting and Corporate Regulatory Authority of **Singapore** *ACRA Taxonomy*;
  - DART System of the Financial Supervisory Service, **Korea**;
  - Financial Services Agency of **Japan** *EDINET*;
  - **Israel** Securities Authority *MAGNA* platform;
  - Ministry of Finance, **PR of China** Chinese Accounting Standards (CAS) Taxonomy;
  - Standard Business Reporting Program in **Australia** and **The Netherlands**;
  - Superintendencia de Valores y Seguros información del Mercado de Valores of **Chile**;
  - Johannesburg Stock Exchange, **South Africa** *SA Taxonomy*;

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<sup>3</sup> The list provided is to the best of our knowledge

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- UK HRMC and Companies House *UK-IFRS Taxonomy*;
  - **Microfinance** Information eXchange *MIX Microfinance Taxonomy*
- (b) **Banking/Insurance regulation:**
- **CEBS** (Committee of European Banking Supervisors) *FINREP (FINancial REPorting framework) Taxonomy*
  - **Bermuda Monetary Authority** *Solvency II XBRL Taxonomy and IFRS for Insurance XBRL Taxonomy*

### Relationship with the IASB

10. The issue of closer integration with the IASB stems partly from the issue of quality assurance—ie it is perceived that the financial reporting content of the IFRS Taxonomy would be best assured if the IASB were involved in its development.
11. It also stems from the growing realisation that the standard-setting process is evolving and that the traditional ‘paper’ approach could be supported by the ‘digital’ approach. The development of the IFRS Taxonomy and the technology involved enables analysis of IFRS XBRL filings in both minute detail but also as a larger whole, offering more insights than might be available when considering each IFRS in turn, which could potentially benefit the IASB and its technical staff in the standard-setting process.
12. Closer integration of the IASB technical staff and the XBRL Team is now an objective, and the following steps have been taken to improve this liaison however, further work is required.
  - (a) Since July 2009, the XBRL Team has met regularly with the XBRL Board Advisory - which includes six Board members, the Director of Technical Activities and the COO - to seek advice on its activities, such as the implementation of IFRSs in the IFRS Taxonomy, the IASB work plan, extensions, etc.

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- (b) When relevant, and agreed with Board Advisory, the XBRL Team has provided updates to the full IASB.

### IFRS Taxonomy Annual Convention

The first *IFRS Taxonomy Annual Convention*, which will be held on **29 March 2011** at the Renaissance Chancery Court Hotel in **London**, is intended as an opportunity to gather stakeholders from different regions and business areas to meet and to share views on IFRS and XBRL adoption, and to discuss issues such as implementation and extensions. The date and location have been aligned with the London Trustees' meeting in order to encourage attendance and involvement by the Trustees. The convention will feature influential Keynote speakers from the international financial reporting, XBRL and regulatory communities including:

- **Michel Barnier**, *Commissioner - Internal Market and Services, European Commission\**
- **Hans Hoogervorst**, *Chair of the Technical Committee, IOSCO\**
- **Masamichi Kono**, *Deputy Commissioner, Financial Services Agency, Government of Japan \**
- **James Kroecker**, *Chief Accountant, United States Securities and Exchange Commission \**
- **Stephen Cooper**, *Member, IASB*

On behalf of the Trustees, David Sidwell - as Chair of the Due Process Oversight Committee – will provide a keynote address.