

Canadian XBRL Perspectives

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

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SECTION 1 EDITORIAL

XBRL Canada Goes Regional

XBRL Canada has begun implementing a new strategy that involves members at the local and regional levels. It really began with a working group established in Calgary two years ago to monitor activities with regard to the IFRS Taxonomy as it related to the oil and gas industry. The idea was to determine how appropriate the IFRS Taxonomy would be for use by Oil and Gas companies in Canada. So far, it has been determined that several extensions would be required.

More recently, after our successful annual conference in Ottawa, a working group was established in that city to monitor and explore ways in which XBRL can be used to help in implementing the relevant policies of the government, such as those emanating from the recommendations of the Red Tape Reduction Committee. This working group, with members from CRA, Statscan, OSFI and private firms has begun its meetings.

Also starting up is a working group for Toronto. As Canada's major financial center, Toronto is the center for the financial industry and this group will work with opportunities in that industry. In addition, the group will monitor any activity that might occur with the OSC and CSA as well as the Ontario government.

A working group is also in its early stages in Vancouver, which will focus on the issues around XBRL usage by small extractive industry companies as well as other industries in southern BC.

The regional working groups of XBRL Canada offer a great opportunity for members to participate in the XBRL experience and help to move XBRL forward. Any interested persons should contact info@xbrl.ca.

SECTION 2 STANDARD BUSINESS REPORTING – WHAT IT IS, WHY IT IS IMPORTANT

By Gianluca Garbellotto

Standard Business Reporting (SBR) programs regulatory compliance have been at the center of the attention that Governments and regulators devote to XBRL initiatives ever since the first two official programs went live, in The Netherlands in 2007 and in Australia in 2010. One of the reasons is that the defining feature of a SBR program is the focus on the reduction of the reporting burden for the regulated community, which is consistent with the call for “red tape reduction” that is ongoing in many countries, including Canada.

Other key features that distinguish a SBR program from other XBRL-based compliance initiatives are:

- They are **multi-agency initiatives**, which enables significant benefits in terms of elimination of duplicate information requested to businesses by different regulators;
- They cover **multiple forms across different domains**, such as financial statements, tax forms, payroll reporting, financial sector regulation, and more;
- They make **extensive use of open standards**: not only XBRL, but also standards for data transport, messaging, authentication and encryption;
- They use a **XBRL taxonomy architecture** that supports the harmonization of the information and the elimination of duplications, and facilitates the governance of the taxonomy itself and of the program in general. Typically this is achieved by creating two separate layers within the XBRL taxonomy: a definitional layer, similar to a dictionary of all the terms and the fields used in the forms in scope, and a reports layer, where the terms and fields defined in the dictionary are combined to represent the various forms in scope.

SBR is a model that makes sense - its attention to streamlining the production of regulatory reports, and not only their collection, means that SBR programs actually make compliance easier for businesses and organizations, and therefore they are less likely to generate pushback from the business community, as seen in other countries where XBRL mandates are in place.

There are many signals that SBR is a successful formula that enjoys continued support from the Governments that are using it:

- In The Netherlands, SBR will be the exclusive system-to-system channel for the lodgment of Corporate and Income tax reports starting from 2013;
- In Australia, the Australian Tax Office (ATO) has announced its commitment to migrate all of its forms to SBR;
- The Australian Government in November 2012 has issued a call for comments on the use of SBR for financial reports filed with the Australian Securities and Investments Commission (ASIC), which includes a mandate as a possible

option. Comments are accepted until March 15, 2013;

- SBR is an integral part of the Australian superannuation reform (“Stronger Super”), which will be the first example of its use in business-to-business reporting. The use of SBR for superannuation reporting will become gradually mandatory, starting from July 2013.

In addition, many other countries are following closely the Dutch and Australian experience, and some have already started their own SBR-inspired initiatives.

Deploying a SBR program takes time and effort, as the Dutch and Australian experiences show. The benefits, though, are tangible and significant, and Governments considering the SBR model today have the opportunity to apply the lessons learned by those who pioneered the approach. Especially for countries with a similar institutional and regulatory environment there is certainly the opportunity to build on those experiences and minimize the time and investment required.

SECTION 3 THE XBRL CANADA ONLINE COURSE

A reminder that XBRL Canada has a new online course on its website (www.xbrl.ca).

Unlike other online courses, this one contains three levels of content: learners can opt for the one-hour *Strategic*, two-hour *Informational*, or three-hour *Detailed* level. Successful completion of the test questions at the end of the course permits learners to claim the relevant number of CPD-qualifying hours.

Give it a try!

SECTION 4 THE IFRS FOUNDATIONS SEEKS COMMENTS ON PROPOSED IFRS TAXONOMY 2013

The IFRS Foundation has published for public comment an Exposure Draft of the IFRS Taxonomy 2013. The proposed Taxonomy is a translation of Standards and Interpretations as issued at 1 January 2013 into XBRL. The 2013 Taxonomy consolidates all IFRS Taxonomy interim releases that were published in 2012. Standards issued by the International Accounting Standards Board (IASB) from 1 January 2013 onwards will be published as interim releases to the Taxonomy.

In addition, the proposed IFRS Taxonomy 2013 includes concepts that reflect some industry practices. These concepts have been derived from an analysis of financial statements prepared by companies’ representatives from the banking, insurance and extractive (mining and energy) industries. This is of particular interest to Canada because of our strong financial and extractive industries.

The Exposure Draft is open for comment until 18 March 2013 and together with support materials can be accessed at <http://go.ifrs.org/Exposure-Draft-of-the-IFRS-Taxonomy-2013>.

The XBRL project page is at <http://www.ifrs.org/XBRL/Pages/XBRL.aspx>.

ADDITIONAL INFORMATION

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