

Canadian XBRL Perspectives

From XBRL Canada

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

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SECTION 1 WELCOME

By John Mania, Vice-Chair of XBRL Canada

The world of XBRL continues to evolve including for regulatory reporting as the U.S. Securities Exchange Commission (SEC) heads towards the third phase of its mandate.

All remaining domestic EDGAR filers using U.S. GAAP with a common equity float of under \$700 million will begin filing XBRL. Financial statements for a fiscal period ending on or after June 15, 2011 will be required to be tagged using XBRL and submitted alongside the related EDGAR document. Knowing that there is a steep learning curve with XBRL, the SEC has permitted a 30-day grace period for an issuer's first XBRL filing. It's important to note that the EDGAR document is still required to file on time.

This brings my focus specifically to Canada - also affected in the third phase of the SEC's original mandate are foreign private issuers with financial statements prepared using IFRS issued by the IASB. This means Canadian inter-listed issuers converting to IFRS from Canadian GAAP were expected to file XBRL as well for their annual reports on Form 20-F or 40-F for fiscal periods ending on or after June 15th, 2011.

At the time of this article being published the SEC's effective date is only 3 weeks away. Leading up to this effective date a substantial unresolved issue was that the SEC had not yet approved the taxonomy available for IFRS. To the SEC's credit they recently announced that foreign filer's using IFRS will not be expected to meet the SEC's originally scheduled mandate. No specific revised effective has been published as of yet.

As issuers breathe a collective sigh of relief, a word of caution must be raised. XBRL requirements have merely been deferred temporarily. The SEC could move quickly to resolve their concerns with IFRS XBRL tags. If so, do not expect a full year reprieve from XBRL. At best I would expect a quarter or two.

Keep in mind as well that once the conversion to IFRS is completed by Canadian public

companies you can be sure that the Canadian Securities Administrators will turn their attention to XBRL as Canadian regulators look to stay in-step with their American counterparts.

Rest assured XBRL Canada is watching these events closely and is always here to help answer your questions regarding all things XBRL. Feel free to visit www.xbrl.ca for more information regarding updates, events and membership information.

SECTION 2 REPORT ON THE BRUSSELS INTERNATIONAL CONFERENCE

By Gerald Trites, FCA

The 22nd XBRL International Conference took place on May 17 – 19 at the Sheraton Brussels. The theme was “Sharing Economic Information in a Global World: The XBRL Contribution”.

There were 342 attendees from 40 countries. The conference featured the impressive savings that governments and companies are experiencing from the use of XBRL. Typical was this comment from Mr. Didier J.L. Reynders, Deputy Prime Minister and Minister for Finance of Belgium:

“The overall objective of XBRL is to improve government internal functioning, but also reduce the administrative burden of companies in Belgium reporting to government agencies,” said Mr. Didier Reynders. In 2010, the use of XBRL alone at the National Bank of Belgium has resulted in a 35% reduction in filing fees for small to medium size enterprises and an estimated annual administrative burden reduction estimated at €17.3 million. In addition, the use of XBRL has reduced the cost of annual maintenance at the regulatory level to a third of its original cost. XBRL is a first step in harmonizing data exchange with other regulators in Belgium, Europe and world to promote better transparency, accountability and risk management.”

Numerous other countries reported similar results.

The Canadian Government is seeking ways to rationalize and reduce its spending to achieve budgetary goals. It has launched the Red Tape Commission to help in achieving this end, and XBRL Canada has made a submission pointing to the use of XBRL as a means to realize significant savings in government spending as well as savings in the hands of the companies who need to file information with government departments and agencies. The proceedings of the Brussels International Conference can provide considerable insight into the savings being realized by other countries. Most presentations are available at <http://www.youtube.com/user/XBRLStandards> and at <http://conference.xbrl.org>.

SECTION 3 OPEN SOURCE & SEC XBRL: BREAKING DOWN BARRIERS

By Diane Mueller, XBRLSpy Research Inc

The SEC mandate of XBRL’s use for US SEC filings had a ripple effect on demand for development projects across the financial sector, has sent financial software application developers scrambling to accommodate their client’s filing preparation requirements and looking for opportunities for leveraging XBRL metadata on the consumption & analytical applications development side of the financial supply chain. The complexity of the XBRL 2.1

specification is a stumbling block for the average financial software applications developers.

Open Source makes it easier to develop financial applications

Applications developers need access to the right enabling technology, development tools and runtime software that can automatically overcome technical issues without passing the burden of deep XBRL specification knowledge. While there are some proprietary tools that are available to work with XBRL, they are all on a license fee-for use basis and are often quite complex to work with. Even with the current roster of XBRL processors available today, there are still issues of software interoperability across different vendor XBRL offerings, as all issue different error messages, and leverage different architectures, offer varying interpretations of the specification - contributing to the complexity and wide variations in use of XBRL in SEC Filings.

In the “vanilla” XML world, the XERCES open source project is the widely acknowledged standard XML parser most commonly used when working with generic XML. In the XBRL world, which is by necessity a specialized domain of XML, there has been no equivalent Open Source project until now.

Breaking down barriers to working with XBRL

The recent launch of the ARELLE open source project removed the barrier of XBRL complexity for application developers. The Arelle API has a minimalist design, as a counter-response to other APIs that are large, hard to learn, and not directly supportive of the XBRL extension modules. In this case, the API is compact, light-weight and is licensed under the Apache License, Version 2.0.

Arelele is implemented in Python and runs Windows , Mac OS-X, or any Unix or Linux. Arelle provides built-in validation for the Base Specification of XBRL 2.1, Dimensions, U.S. SEC Edgar Filer Manual, IFRS Global Filing Manual, and HMRC Joint Filing Checks. In other words, it covers the majority of your requirements for XBRL content globally at no cost.

What does this mean to you?

By making XBRL open source technology readily available, developers can concentrate on designing applications that manipulate, consume and analyse XBRL rather than writing their own XBRL parser and validation engine. No longer is the burden of understanding all of XBRL's complexity forced upon the application developer.

If you are leading an XBRL project, you now have access to an open source and extensible XBRL platform. You can concentrate on designing applications, help meet the high demand for tools, and in turn, help promote a greater understanding and transparency across the markets.

To learn more about ARELLE, visit <http://arelle.org>

SECTION 4 IFRS-XBRL HAPPENINGS

Olivier Servais, Director of XBRL Activities for the IFRS Foundation, files this report from the IASB Foundation on recent events regarding the IFRS Taxonomy:

IFRS Taxonomy Annual Convention: Over 150 participants from 22 countries attended the first ever IFRS Taxonomy Annual Convention on 29 March in London. Among other speakers, David Sidwell, Hans Hoogervorst (on behalf of IOSCO) and Steve Cooper provided a voice of the IASB and IFRS Foundation. Over 82% of the delegates considered that the Convention was Good or Very Good and it's likely that from now on, it will become an annual event.

Publication of common-practice concepts

The IFRS Foundation recently published for public comment an exposure draft of the IFRS Taxonomy 2011 interim release: common-practice concepts. The proposed interim release contains supplementary tags for the IFRS Taxonomy that reflect disclosures that are commonly reported by entities in their IFRS financial statements. The supplementary tags are intended to enhance the comparability of financial information, and are consistent with IFRSs and with the XBRL architecture of the IFRS Taxonomy 2011.

An interactive webcast on the proposed interim release will be held at 9.00am (UK time) on Tuesday 28 June, and repeated at 3.00pm (UK time) on the same day. To register for the webcast, please email xbnl@ifrs.org.

The exposure draft of the IFRS Taxonomy 2011 interim release: common-practice concepts is open for comment until 1 August 2011.

So far, the IFRS taxonomy has been adopted by the following, among others:

- Accounting and Corporate Regulatory Authority of Singapore ACRA Taxonomy;
- DCCA (Danish Chamber of Commerce Association), Denmark;
- 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;
- CNMV (Comisión Nacional del Mercado de Valores) of Spain;
- UK HRMC and Companies House UK-IFRS Taxonomy;
- Microfinance Information eXchange MIX Microfinance Taxonomy
- Banking/Insurance regulation:
 - EBA(European Banking Authority) FINREP (FINancial REPorting framework) Taxonomy
 - Bermuda Monetary Authority Solvency II XBRL Taxonomy and IFRS for Insurance XBRL Taxonomy

Most countries who have adopted IFRSs are also considering whether to adopt XBRL and the IFRS Taxonomy. These include Brazil, Canada, India, Indonesia, Italy, Korea, Luxembourg, Malaysia, Mexico, Poland, UAE and Switzerland.

SECTION 5 FORTHCOMING EVENTS IN CANADA

XBRL Canada offers a series of seminars during the year. Generally, they are half day seminars, with a registration fee of \$175, including morning juice, coffee and muffins. Registration is available at www.xbri.ca. Keep a watching brief on announcements of forthcoming seminars.

The major event of the year will be the XBRL International Conference to be held on October 25 – 27, 2011 at the Montreal Sheraton.

ADDITIONAL INFORMATION

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