

# 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

*Invitation to the XBRL International Conference October 25-27 in Montreal*

*by Geoff Zakaib, Chair - XBRL Canada*

A global XBRL conference in Canada - there is no better opportunity to learn about the latest developments in XBRL and to network with experts from around the world.

The theme for the 23rd XBRL the International Conference is “Enhancing Business Performance with XBRL”. This theme is a reflection of the fact that it is the practical implementation of XBRL, along with the people who are developing, training, exhibiting and collaborating around the globe that is truly creating business value.

The program for XBRL23 will be an experience like no other - featuring a dynamic agenda led by experts from around the world sharing their knowledge and insight. Case studies, panel discussions and keynote sessions by technology, business and regulatory leaders will bring to life the tangible benefits of XBRL and demonstrate how it can be used to enhance business performance. Networking with fellow professionals with an interest in XBRL will provide opportunities for future collaboration and to develop profitable business relationships.

Session tracks on Wednesday include Assurance for XBRL-tagged information, Hot Topics, Interactive Data Made Simpler and Streamlining IFRS reporting with XBRL. Tracks on Thursday include Academic Research, Integrated Reporting (Trends in Non-financial Disclosure to Stakeholders), Global Implementation and Project Case Studies and XBRL Technology & Practices. For more information see <http://conference.xbrl.org>.

We expect as many as 400 attendees at this conference from around the world. These attendees represent decision makers from the public and private sectors. The audience typically includes

financial officers - many from multinational firms, investor relations managers, regulators, analysts, developers, preparers, users & providers of XBRL services from Europe, Asia, and the Americas.

Join us in Montreal !

## **SECTION 2 THE MONTREAL INTERNATIONAL CONFERENCE**

The 23<sup>rd</sup> XBRL International Conference to take place on October 25 – 27 at the Sheraton Montreal will have a strong Canadian content.

On the main stage, Dan Loney of SQL Power Group will speak about the recent successful implementation of XBRL by the Deposit Insurance Corporation of Ontario (DICO). DICO went live early in the year and is now receiving XBRL filings from all Credit Unions in Ontario. It is the first major XBRL implementation in Canada.

Also on the main stage, Geoff Zakaib, Chair of XBRL Canada and Gord Beal, Director of Guidance and Support at the Canadian Institute of Chartered Accountants will speak about the Roadmap to XBRL Adoption in Canada, a new publication prepared jointly by the CICA and XBRL Canada to advise the Federal Government on how to implement XBRL in Canada.

The publication was part of the response of XBRL Canada and the CICA to the Red Tape Reduction Commission formed by the federal government to find ways to reduce the burden of administrative requirements on business and government. Both bodies made submissions recommending adoption of an SBR approach to XBRL adoption similar to the implementations in Australia and the Netherlands.

The main stage will also include IFRS Updates from Canada and IASB, with Gord Beal directing questions from the audience to Olivier Servais of the IASB and a Canadian IFRS expert.

In the Assurance Track, Gerald Trites, FCA will offer a view of the recent CICA research study on Data Level Assurance, for which he acted as Principal Author. The study focuses on the issues arising from provision of assurance on data, as opposed to formal statements. The publication contains implications for the issues around assurance on XBRL data.

Diane Mueller of Vancouver will present a track session on “Emergence of Open Source and other Resources”

Finally, the Global Implementations Track will include a session entitled “Corporate Actions Project: A Panel of Experts Considers XBRL for Financial Reporting, Corporate Actions, and Beyond”. The panel will include Johann Lochner, Director, Product Support, Canadian Depository for Securities Limited, who is heavily involved in the development of XBRL implementation strategies for Corporate Actions.

The conference represents a great opportunity to hear about the latest developments in the fast moving world of XBRL.

## **SECTION 3 THE RED TAPE REDUCTION COMMISSION INTERIM REPORT**

On September 7, the Red Tape Reduction Commission of the Government of Canada released an interim report. Entitled “What was Heard”, the report summarizes the submissions made during their period of consultation. Now, the Commission plans to digest the submissions and render its final report later in the year.

The Prime Minister asked the Commission to identify irritants to businesses arising from federal regulatory requirements and to recommend responses that will address both the immediate irritants as well as the systemic issues underpinning them—all without compromising the environment or the health and safety of Canadians.

To carry out its task, the Commission received written submissions from people in business and from business organizations. They held 15 roundtables in 13 cities. These consultations resulted in the identification of almost 2,300 “irritants” along with numerous suggested solutions.

XBRL Canada was among those who made a submission to the Commission in which we recommended the adoption of Standardized Business Reporting (SBR) using XBRL for the government. We pointed out that significant savings can be realized with this approach, both to the benefit of the government and to the benefit of the organizations who need to file with government departments. We pointed to the experience in other countries, such as The Netherlands and Australia as practical examples of successful XBRL initiatives.

The Canadian Institute of Chartered Accountants also made a submission in which it recommended an SBR approach.

Both the CICA and XBRL Canada are following up on the progress of the Commission as it continues its deliberations. A final report is expected in November, 2011.

## **SECTION 4 ASSURANCE ON XBRL DATA**

By Gerald Trites, FCA

There has been considerable discussion of the assurance implications of XBRL almost since it began to be used. So far, requirements for assurance have been minimal. The SEC specifically decided to exclude assurance requirements from its XBRL filings. Ultimately, however, as XBRL gains use and is relied on more by investors and analysts, there is likely to be a growing demand for assurance. A major question is what standards should be followed.

The issues around assurance for XBRL arise in two distinct ways.

First, XBRL introduces new processes to the data presentations published, specifically the processes of taxonomy selection, data tagging and mapping, which involve the exercise of a good deal of judgment and therefore the risk of error. There are also issues around the form of the report and how it would be delivered. For example, should the auditors’ report be added to the metadata accompanying the data or should it be referenced to some other location.

Second, XBRL raises or at least amplifies the issue of expressing assurance on individual pieces of data, since XBRL is not limited to the tagging of financial statements. Virtually any data can be tagged using XBRL, including individual items of data like inventory or individual items of inventory or even journal entries or purchase transactions. Some standards have been in place for years to support expressing opinions on individual financial statement items in Canada, but little beyond

that exists. Most practitioners have resorted to the use of agreed-upon procedures for such engagements, but these engagements have the shortcoming that they are not intended for general purpose reports. Some preliminary guidance has been released by the PCAOB and by the AICPA on this matter, but complete concrete standards have not yet emerged.

The CICA recently released a Research Report on the subject of Data Level Assurance. While not specifically directed to XBRL data, the report does provide some direction on this matter. It is available from the CICA website ([www.cica.ca](http://www.cica.ca)) and its online store.

The report delves into the major issues involved in providing assurance on data items, such as determination of the appropriate criteria to use and the determination of materiality. In its Appendix dealing with XBRL, the report, which used the International Assurance standards, recommends the use of ISAE 3000 for providing assurance on XBRL instance documents. This is consistent with another document on XBRL Assurance released by the Assurance Working Group of XBRL International in 2005.

## **SECTION 5 FORTHCOMING EVENTS IN CANADA**

The major event this fall is of course the XBRL International Conference to be held on October 25 – 27, 2011 at the Montreal Sheraton.

XBRL Canada offers a series of webinars and seminars during each year. The seminars are half day events, with a registration fee of \$175, including morning juice, coffee and muffins. The webinars usually take place at noon Eastern and last for one hour. Information and Registration will be available at [www.xbrl.ca](http://www.xbrl.ca). Watch for announcements.

It is expected that these events will resume after the Montreal conference.

## **ADDITIONAL INFORMATION**

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