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THE FUTURE OF BUSINESS REPORTING

Assuring iXBRL

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Assuring iXBRL – ingredients for success

ESEF rules for
companies

Professional
standards

Software

Operating
model

Engaged
people

ESEF rules for companies

ESMA rules and taxonomy for ESEF – anchoring the extensions is the major new ingredient.

Approval by the European Commission a milestone

Next: National Competent Authorities fit the rules into the jigsaw puzzle of national arrangements

Different countries, different jigsaw puzzles

The importance of clear and timely communication to listed companies by National Competent Authorities

Key question #1: Will current format annual report & accounts continue to fulfil national requirements, with ESEF a bolt-on additional requirement?

Key question #2: By how much will rules for companies diverge across Europe?

Professional standards

Currently exclude XBRL tags from audit scope

Take time to develop, in a process usually involving an issues paper, followed by an exposure draft followed by a final standard followed by an implementation period

Skills required: Standard-setting know-how and subject-matter expertise

How many versions of a standard to assure iXBRL tags will be set? One? Twenty-seven or more? Somewhere in between? None?

Likely issues connected with setting a standard for iXBRL include:

- Judgement in tag selection e.g. anchoring
- Materiality
- Reporting
- Process and controls
- Use of experts
- Ethical standards

Software for assurance providers

Different to preparation software – iXBRL is the start point, not the output

Make or buy?

Key features:

- Automated checks – up to a point
- Documentation / ease of review
- Futureproofing: adaptation as rules and taxonomies updated
- Data security
- Price

Operating model

Devising an operating model involves blending:

- Software
- People at a delivery centre / centre of excellence
- Client-facing engagement team
- The rules and standards
- Reporting timetables

To create an approach that achieves:

- 1 Sustainable quality
- 2 Timeliness
- 3 Cost-effectiveness

Engaged people

Explaining the bigger picture

Tone at the top

Training

Champions

Project office

Delivery centre

Client events

Webcasts

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Questions?