

data amplified™

PARIS 2017

THE FUTURE OF BUSINESS REPORTING

# XBRL US Center for Data Quality

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# Agenda

- What is it
- Who is involved
- What do we do
- Why do we do it
- What have we accomplished
- Where do we go from here

# XBRL US Center for Data Quality

- Market initiative formed by XBRL US and an alliance of XBRL service/software providers
- Center addresses concerns about, and improvement for the utility of, XBRL financial data as currently filed with the SEC
- Members include: Altova, AICPA, Certent, Datatracks, Deloitte, E&Y, KPMG, Merrill Corporation, P3 Data Systems, PwC, Toppan Vintage
- Center funds and supports action through its Data Quality Committee (DQC)

# Data Quality Committee (DQC)

- Representatives from service and software providers: Merrill Corporation, Toppan Vintage
- Consumers including analysts and data aggregators: Bloomberg, CFA Institute, Calcbench, S&P Global Market Intelligence, Credit Swiss HOLT, Idaciti
- Academia: Vanderbilt University
- Preparer: Backcountry.com
- FASB and IASB staff permanent observers to DQC
- Semiannual meetings with SEC staff

# DQC Mission and Objectives

- Develop unambiguous guidance on how to tag financial data using XBRL.
  - Develop freely available, automated validation rules to verify compliance with guidance and to prevent or detect tagging errors.
  - Open and transparent process
    - open meetings for the public
    - proposed guidance and validation rules are publicly exposed and input is incorporated in the final approved guidance and validation rules
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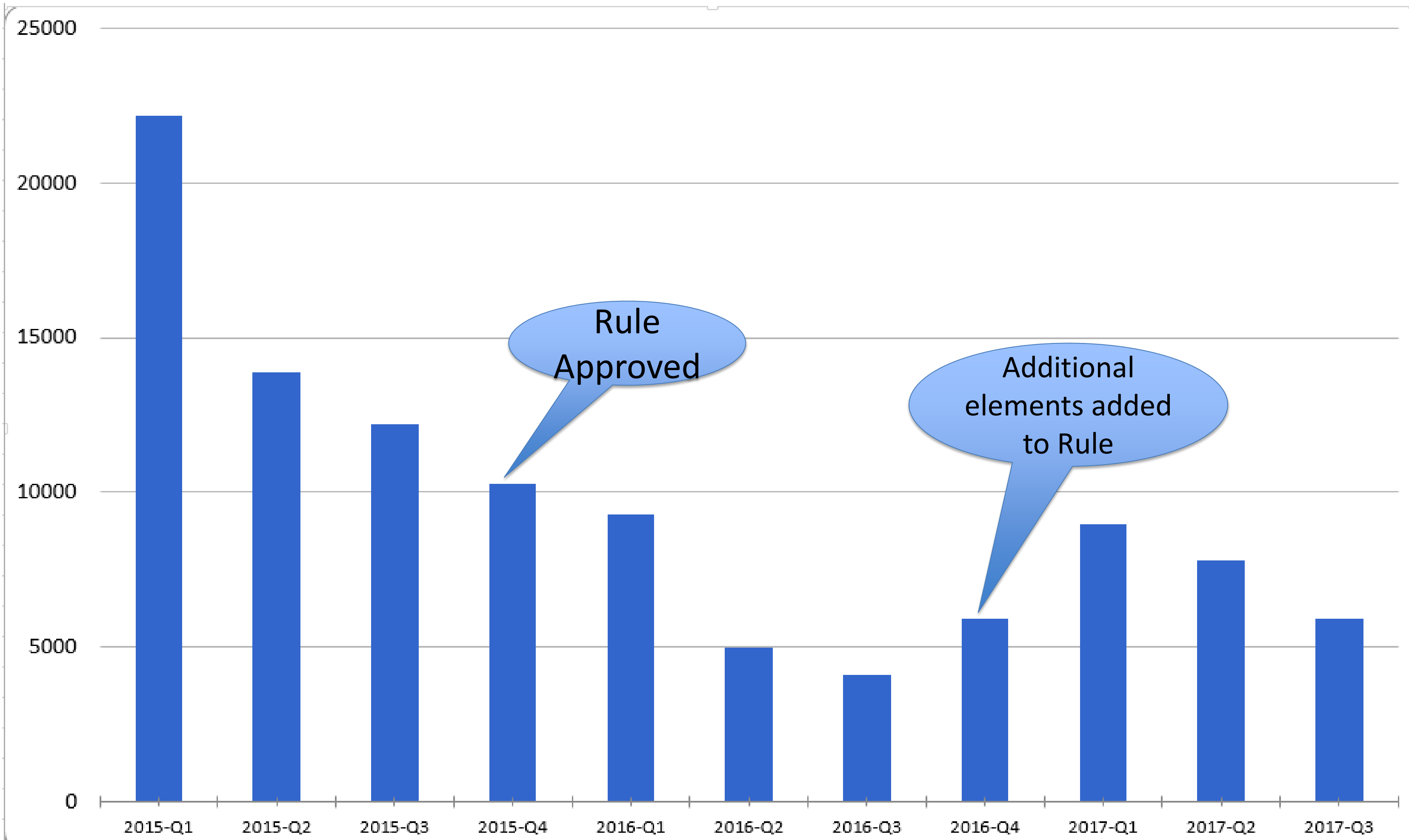
# DQC Guiding Principles for Element Selection

- The primary consideration for element selection must be based on the reporting requirements prescribed by the SEC for public companies and, where applicable, widely-recognized common disclosures.
  - The data modeling for reporting requirements must be standardized with a bias for enhancing utility.
  - Extensions, when allowed, must be linked to an element in an SEC approved taxonomy.
  - Element selection must be based on the same materiality judgments as was used when preparing the financial statement disclosure.
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# DQC Approved Validation Rules

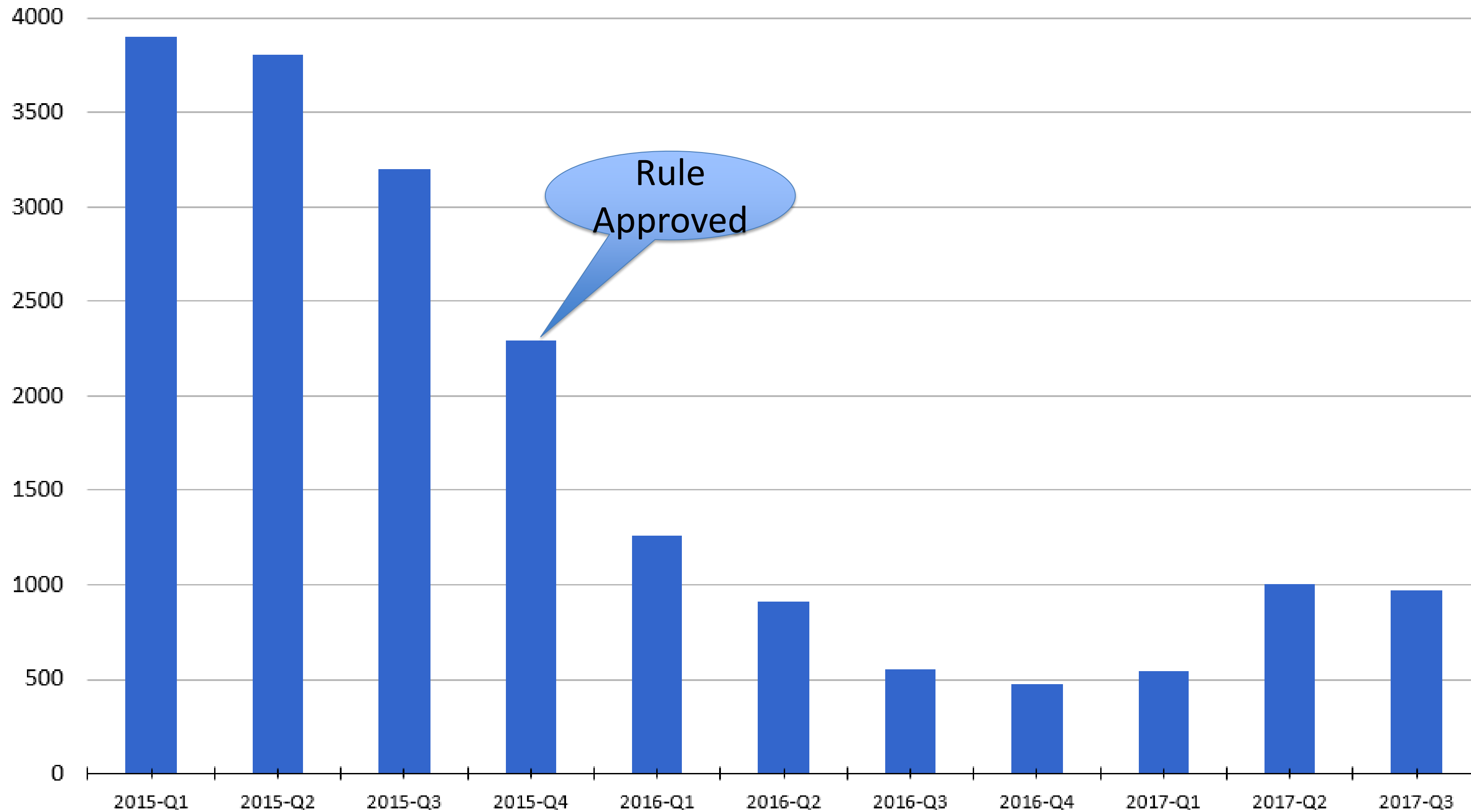
- Three sets of rules are approved, published, and freely available in Arelle open source platform covering:
    - Inappropriate negative values
    - Incorrect axis/member combinations
    - Incorrect context dates
    - Improper relationships between element values
    - Elements removed from taxonomy used in filing (deprecated)
  - Materials available
    - English-language version of rule
    - Reference implementation of rules
    - Test casts
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# Results - Negative Values

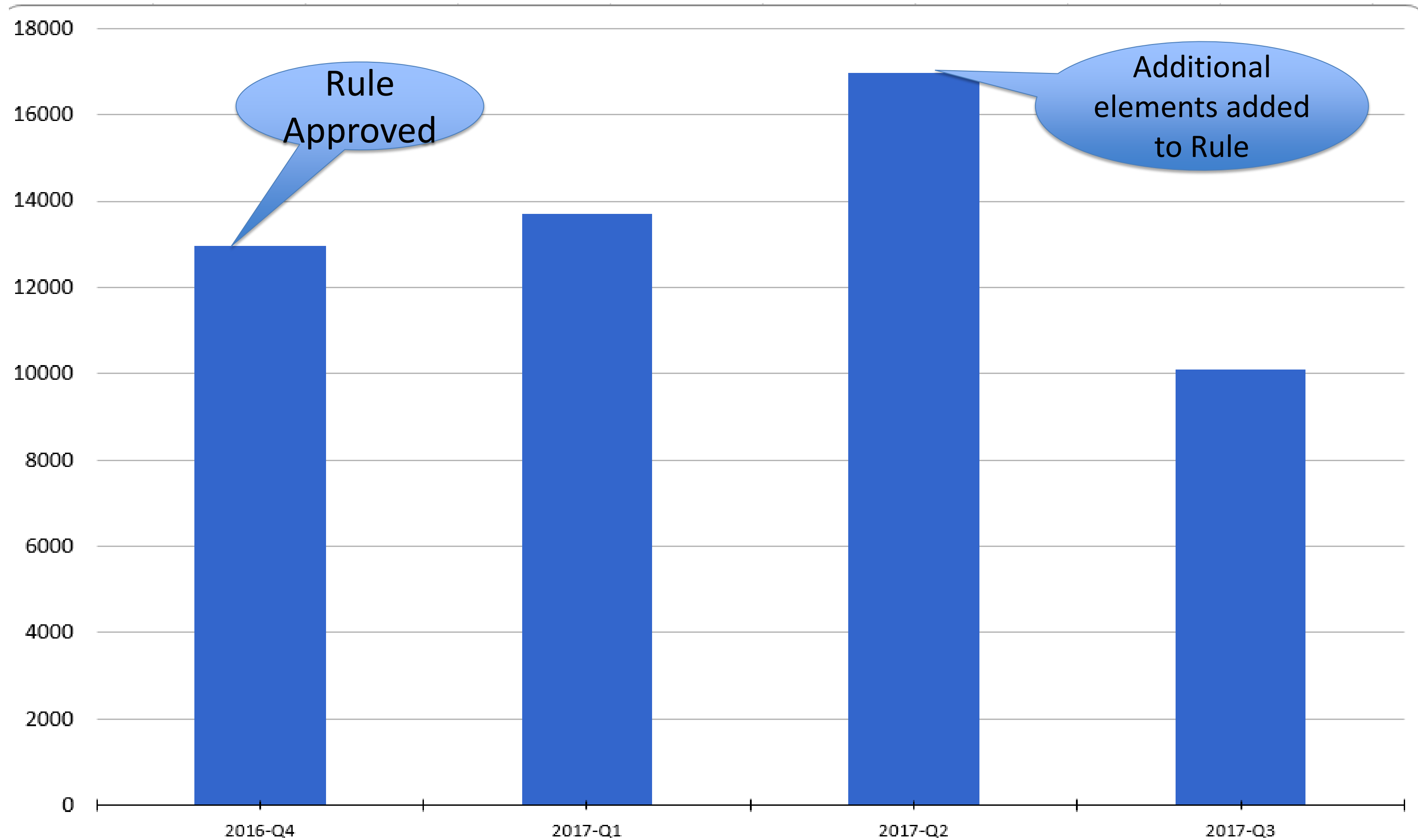




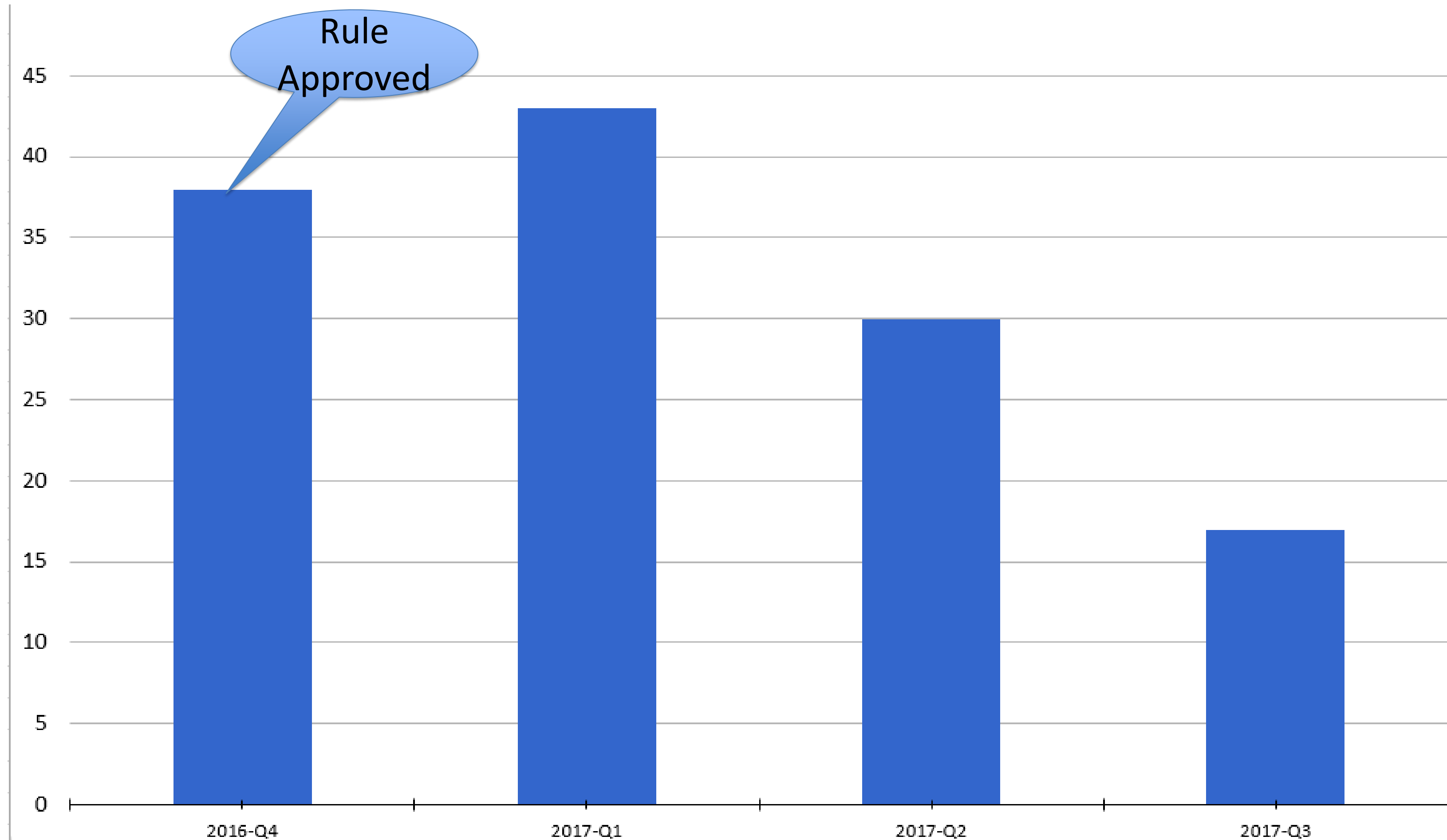
# Results-Context Dates After Period End



# Results - Axis/Member Combinations



# Results-Deprecated Elements



# Successes and Challenges

- Error rates have decreased for all published rules
- Software and service providers have incorporated rules into certified applications cover 80% of filers
- FASB and SEC provide input and publically support efforts of DQC

## ***BUT...***

- Errors rates persist
  - Self filers may not adhere to DQC rules
  - Rules are market driven and not required by SEC

DQC recommends that rules are posted on EDGAR system for filers to run as test files

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# Looking Ahead

- DQC to focus on topical areas based on user feedback
    - Guidance and rules for tagging statement of cashflow issued for public exposure 2017
      - Includes document covering guidance based on new ASU effective 1/1/18
      - Rules test compliance with DQC guidance on cashflows
      - Rules approved by DQC effective date 1/1/18
    - Stock based compensation under development
  - Validation rules for IFRS taxonomy
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Thank You