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XBRL International
Member Assembly Meeting
6th November 2017 8:30am-10:30am
Marriott Rive Gauche, Paris

Agenda

At this Member Assembly, the Chairman and CEO will provide an update on the activities and achievements of XII over the past 12 months. The Board is keen to engage in discussions with the member assembly on the overall goals and activities of the consortium.

There are also two votes that need to be held:

- Acceptance of the 2017 Annual Audit
- Vote on the NomCom slate for additional members on the Board of Directors

The purpose of the meeting is to engage with the membership as broadly as possible.

Members (both Jurisdictions, and Direct – including Sustaining Partners) can vote in person, or appoint a Proxy to vote in their absence.

- To assign someone else from your organization to vote- deadline 1st November 2017
- To assign another voting member to vote on your behalf – deadline 3rd November 2017

In the event that members are unable to attend in person please send your Proxies to karine.winfield@xbrl.org

Agenda:

Item number	Duration (mins)	Subject	Owner
1	5	Welcome	Cees de Boer
2	10	Chairman's Report	Cees de Boer
3	25	CEO FY2017 Activity Report and Goals for 2018	John Turner
4	10	Acceptance of 2017 Audited Financials Approval of 2018 Budget	Bob Tarola
5	5	Nominations Committee Slate for appointment of two new Members of the Board. <ul style="list-style-type: none">• Chao Li – PwC China• Beju Shah – Bank of England	Nominations Committee
6	5	BPB Report	Maria Mora (Acting Vice Chair BPB)
7	5	XSB Report	Paul Warren
8	10	Members' Forum Presentation	Kyle Lamb
9	15	Wrap up and Questions & Answers	Cees de Boer/John Turner

A handwritten signature in black ink, appearing to read "Joey", is written over a horizontal line.

XBRL INTERNATIONAL, INC.
FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016

REVISSED DRAFT

XBRL INTERNATIONAL, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
XBRL International, Inc.

We have audited the accompanying financial statements of XBRL International, Inc. (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly in all material respects the financial position of XBRL International, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

THE CURCHIN GROUP, LLC

Red Bank, New Jersey
September 25, 2017

XBRL INTERNATIONAL, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

ASSETS	<u>2017</u>	<u>2016</u>
CURRENT ASSETS:		
Cash and equivalents	\$ 266,655	\$ 193,279
Dues receivable, net of allowance of \$0 and \$28,770, respectively	252,117	432,241
Co-sponsorship conference fees receivable	-	3,350
Certification royalty receivable	1,990	2,151
Prepaid expenses and other assets	<u>135,633</u>	<u>72,114</u>
Total Current Assets	<u>\$ 656,395</u>	<u>\$ 703,135</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 103,110	\$ 124,988
Unearned dues	302,289	253,695
Co-sponsorship conference fees payable	-	30,052
Deferred conference revenue	<u>7,302</u>	<u>1,715</u>
Total Current Liabilities	412,701	410,450
Net assets - unrestricted	<u>243,694</u>	<u>292,685</u>
	<u>\$ 656,395</u>	<u>\$ 703,135</u>

See accompanying notes to financial statements.

XBRL INTERNATIONAL, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30,

	<u>2017</u>	<u>2016</u>
SUPPORT AND REVENUES:		
Dues income	\$ 748,420	\$ 751,683
Co-sponsorship conference fee, net	45,242	118,040
SME certification revenue	9,522	7,165
Interest income	175	60
Consulting income	<u>10,000</u>	<u>17,037</u>
Total Support and Revenues	<u>813,359</u>	<u>893,985</u>
EXPENSES:		
Program services:		
Salaries, benefits, and contract staffing expense	621,631	639,262
Meeting expense	48,404	51,930
Depreciation and amortization	-	1,867
Web site maintenance	9,768	12,437
Meals and entertainment	105	638
Marketing and communications	64	44
SME royalty costs	2,380	1,791
Supporting services:		
Legal and accounting fees	112,352	74,955
Insurance expense	11,585	11,211
Office, telephone, and sundry	16,929	14,473
Bank charges	14,643	13,564
Bad debt	11,864	30,323
Currency exchange loss	<u>12,625</u>	<u>9,859</u>
Total Expenses	<u>862,350</u>	<u>862,354</u>
CHANGE IN UNRESTRICTED NET ASSETS	(48,991)	31,631
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>292,685</u>	<u>261,054</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 243,694</u>	<u>\$ 292,685</u>

See accompanying notes to financial statements.

XBRL INTERNATIONAL, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30,

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in unrestricted net assets	\$ (48,991)	\$ 31,631
Adjustments to reconcile change in unrestricted net assets to net cash flows from operating activities:		
Depreciation and amortization	-	1,867
Bad debt	11,864	30,323
Changes in operating assets and liabilities:		
Dues receivable	168,260	(22,754)
Co-sponsorship conference fees receivable	3,350	(3,350)
Certification royalty receivable	161	376
Prepaid expenses and other assets	(63,519)	37,941
Accounts payable	(21,878)	(12,436)
Unearned dues	48,594	(121,161)
Co-sponsorship conference fees payable	(30,052)	30,052
Deferred conference revenue	<u>5,587</u>	<u>(63,354)</u>
Net cash flows from operating activities	<u>73,376</u>	<u>(90,865)</u>
 NET CHANGE IN CASH AND EQUIVALENTS	 73,376	 (90,865)
 CASH AND EQUIVALENTS, BEGINNING OF YEAR	 <u>193,279</u>	 <u>284,144</u>
 CASH AND EQUIVALENTS, END OF YEAR	 <u>\$ 266,655</u>	 <u>\$ 193,279</u>

See accompanying notes to financial statements.

XBRL INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of the Organization - XBRL International, Inc. (the "Corporation") was incorporated in the state of Delaware in 2001. The Corporation is a global consortium of approximately 550 of the world's leading technology, accounting, financial services and regulatory organizations devoted to developing and promoting the adoption of the eXtensible Business Reporting Language ("XBRL") as a global standard.

XBRL is a royalty-free, open specification. It is designed to benefit everyone involved in the preparation or collection of business information by utilizing a platform independent, standards-based method with which users can prepare, publish in a variety of formats, exchange and analyze business reports and the information they contain. It can be used to express a wide range of reports and disclosures for both internal and external reporting purposes. Business reporting includes, but is not limited to, financial statements, financial information, non-financial information, general ledger transactions and regulatory filings such as annual and quarterly accounting, tax and industry reports.

Basis of Presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Corporation and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations are classified as unrestricted net assets.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Corporation and/or the passage of time are classified as temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. When temporarily restricted net assets are received and the restriction expires in the same reporting period, these assets are classified as unrestricted. There were no temporarily restricted net assets at June 30, 2017 and 2016.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Corporation are classified as permanently restricted net assets. Generally, the donors of these assets permit the Corporation to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at June 30, 2017 and 2016.

Cash Equivalents - The Corporation considers money market funds and highly liquid investments with maturities of three months or less to be cash equivalents.

Dues Receivable - Dues income is recognized as support and revenue during the applicable membership period.

The Corporation uses the allowance method to determine uncollectible dues and co-sponsorship conference fees receivable ("receivables"). The Corporation periodically evaluates its receivables and establishes an allowance for doubtful accounts based on its prior years' experience and current credit considerations. Receivables are charged-off when management believes the uncollectibility of the dues or fees is confirmed.

Equipment - Equipment is stated at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which is three years for computer and office equipment.

XBRL INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:
(Continued)

Concentrations of Credit Risk - The Corporation closely monitors the extension of credit to the membership while maintaining allowances for potential credit losses. Membership is located in several countries throughout the world.

Financial instruments which potentially subject the Corporation to significant concentrations of credit risk consist principally of cash and equivalents with various financial institutions. These institutions are located throughout the United States, and the Corporation's policy is to limit exposure to any one institution. At times, cash balances may exceed insured limits.

Co-sponsorship Conference Fee Income - The Corporation co-sponsors conferences with international countries to achieve networking, educational and outreach goals. The Corporation shares revenue with the jurisdictional countries under various revenue splits.

Unearned Dues and Deferred Conference Revenue - The Organization recognizes revenue in the period in which the related activity is performed. Accordingly, dues and fees received in advance for the upcoming year are deferred until the activity commences or the applicable membership period takes place.

Tax Exempt Status - The Corporation is a qualified tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code and is exempt from Federal and State income taxes.

The Corporation follows the accounting guidance for uncertain tax positions, which clarifies the accounting and recognition for tax positions taken or expected to be taken in its income tax returns. The Corporation recognizes the tax benefits from uncertain tax positions only if it is more likely than not that a tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

The Corporation has not incurred any interest or penalties related to income tax expense during the years ended June 30, 2017 and 2016. Generally, in accordance with the statutes of limitations, the Corporation is no longer subject to income tax examinations for returns filed for years before 2011.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Currency Translation - Foreign currency transactions entered into by the Organization included in the financial statements are translated into the functional currency, U.S. Dollars (USD), at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are translated at the applicable exchange rate at each reporting date.

Date of Management's Review - In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 25, 2017, the date the financial statements were available to be issued.

XBRL INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 2 - RETIREMENT PLAN:

The Corporation provides a Safe Harbor 401(k) Profit Sharing Plan which covers all of the Corporation's U.S. based employees. Employees become eligible after attaining the age of twenty-one and providing twelve months of service to the Corporation. Employees may contribute a portion of their compensation subject to Internal Revenue Code limits.

The Corporation matches 100% of the employee's contribution up to 3% of compensation, plus 50% of the portion of the employee's 401(k) contribution between 3% and 6% of compensation.

For the years ended June 30, 2017 and 2016, the Corporation made matching contributions to the plan in the amounts of \$1,879 and \$3,357, respectively.

J. J. J.



A VITAL STANDARD A BRIGHT FUTURE

REPORT TO THE MEMBER ASSEMBLY
XBRL INTERNATIONAL 2017

XBRL INTERNATIONAL WOULD LIKE TO RECOGNISE OUR:

Sustaining Partners

Fujitsu
SAP
Workiva

ACRA
AICPA

Board Members

Cees de Boer (Chairman)
Robert Tarola (Treasurer)
John Dill (Vice Chairman)
HE Mohammed Al-Hadari
Leng Bing
Hans Buysse
Makoto Koizumi
Stephen Lindsay
Michal Piechocki

Andreas Weller (Retired 2017)
Kenneth Yap (Retired 2017)

Jurisdictions

XBRL Belgium
XBRL Belarus
XBRL Canada
XBRL China
XBRL Denmark
XBRL Europe (Affiliate Organisation)
XBRL Finland
XBRL France
XBRL Germany
XBRL India
XBRL Ireland
XBRL Italy
XBRL Japan
XBRL Korea
XBRL Luxembourg
XBRL Netherlands
XBRL Russia
XBRL South Africa
XBRL Spain
XBRL Sweden
XBRL UAE
XBRL UK
XBRL US

A Vital Standard. A Bright Future.

2017 Operating Report

Summary

The XBRL standard is entering into a period of sustained expansion. Increased regulatory interest, evidenced in the number and scope of new mandates, is the most obvious reason for this improvement but we are also able to take advantage of the demand for better, more accurate and always *digital* data from a host of new fields.

The purpose of XBRL International is to improve the accountability and transparency of business performance globally, by providing the open data exchange standard for business reporting. Our standards are freely licensed and we operate in the public interest as a not-for-profit global consortium. It is an important field and over the last 12 months our members and stakeholders have made vital steps in the drive to shift the world of reporting from paper to data.

2017 has been a remarkable year for our standard on multiple fronts, not least because of the extremely important work on the future of our specifications that has been carried out by our technical working groups of expert volunteers and staff.

The modernisation and simplification of our standard will make XBRL data more accessible and more usable by a wide variety of new technologies and new users. Ensuring that this "next generation" work gives rise to more integrated, more re-usable and broader capabilities for our standards, from standardised enterprise reporting, to trusted data interchange, to aggregate business reporting of all kinds is the next challenge for our community.

In a very real sense, XBRL is already considered by key stakeholders the foundation for a range of essential data assets. The challenge for our consortium is to turn that vision into an everyday, global reality. This means carefully rethinking key aspects of our standard, reimagining what is possible with XBRL and re-examining a number of basic assumptions.

“XML and XBRL may not be the most visible aspect of FinTech, but they are building blocks for scale from behind the scenes.”

... [State Street](#)

Our community needs to ask and answer a series of questions including these ones:

- How can digital reporting simplify analysis?
- What can digital reporting do to enhance comparability across domains?
- Can digital reporting lower compliance costs?
- How can digital reporting increase confidence in reporting?

In the short term, some of the key next steps are well understood, including the need to:

- Finalise clear recommendations on ways to enhance the utility of entity-specific disclosures.
- Work with the audit profession, relevant regulators, policy makers and public company representatives to debate and progress the shift towards suitable *external review* of digital financial statements.
- Finalise the first set of the Open Information Model specifications.
- Develop an enhanced calculation capability that simplifies error detection and improves comparability.
- Consider the need for simplified approaches to the creation of formula (ie: business rules to impose data quality or analytics construction) and act on the results of that discussion.

Some of the answers will lead to evolutionary change in various aspects of our standard. Some will lead to new approaches to guidance. All require debate, thought and innovation.

At the same time, our technical work must continue to protect our heritage: the vast install base around the world, where regulators and companies alike are benefitting from our proven specifications.

XBRL International's members should be proud of the work that they have done, optimistic about the expansion of this field and their ability to bring that expansion about, and conscious of the need to ensure that the standard continues to be modernised and simplified in the short to medium term.

Members and potential members that would like to help with these important initiatives should consider:

- become Sustaining Partners of XBRL International
- the donation of seconded expertise to XBRL International for fixed terms on a full or part time basis.
- providing suitable volunteer expertise to XBRL International's working groups, the XSB and BPB.
- sponsoring events and activities in the furtherance of XBRL International's purpose.

Purpose

This short report provides a range of information for members, but all Members and Participants are encouraged to approach staff members and members of the Board of Directors to further discuss the activities and plans of XBRL International.

Membership and Sustaining Partnership

First and foremost we would like to recognize the importance of our members to the success of the organisation both through monetary and volunteer support. The simple truth is that the XBRL standard would not exist if not for the contributions of our members.

We would like to shine a spotlight on our Sustaining Partners who have stepped forward in a monetary capacity to support the future of business reporting right around the world. The sustaining partnership program entails a three year commitment at specific funding levels that will provide organisations availing themselves of this opportunity to be recognised as leaders in the improvement of business reporting and the longevity of XBRL International and the XBRL standard. We would like to thank our Sustaining Partners SAP, Fujitsu, ACRA, Workiva, and AICPA and extend the invitation to become a sustaining partner to all members.

We would also like to recognise all of our Jurisdictions that work in 22 countries around the world to promote and help ensure the successful implementation of XBRL at a national level. Working in different ways to meet the specific requirements of the business reporting supply chain that exists locally means that every Jurisdiction is unique. However, all work together to support XBRL International in support of our purpose and the stability and ongoing development of a single XBRL standard that supports the shift from paper to data in reporting right around the world.

Our jurisdictions operate very much in the public interest, bringing together a range of interests from the public and private sectors to work together on an increasingly important aspect of governance and management: better data for better decisions.

Adoption and New Market Trends

Over the last 12 months XBRL International ("XII") has put significant effort into outreach, education and engagement with numerous regional and international bodies, including IOSCO, the IASB, WFE, AFE, World Bank and the Asian Development Bank, as well as technical engagement with most, if not all, of the major regulators that use our standards. This engagement can take the form of meetings, conference presentations and informal communications that advocate for the expansion of structured digital reporting with XBRL. Equally it increasingly involves more formal comment letters, public or private technical feedback, and technical review.

KEY XBRL DEVELOPMENTS

Of note:

EXPANDING ADOPTION

XBRL adoption continues to expand. As all of our members will be aware, the ESMA ESEF announcement is not just important in the EU, it is being closely watched by securities regulators around the world, including across Asia, the Middle East and South America. It appears that our efforts as a community in this area will lead to digital filings of public securities converging on our Inline XBRL format, with Japan, the EU and the US all working towards this goal at present, and many others examining these developments with a view to following suit.

NETWORK EFFECT

At the same time, we are seeing expansion and (better) a "network effect expansion" of financial regulator use of XBRL. Put simply, financial regulators are increasingly shifting all of their template based reporting to XBRL wherever it makes sense. There are many examples of these, but our members will have noticed this occurring at places like the Bank of England, Reserve Bank of India, and De Nederlandsche Bank amongst many others. These regulators are taking advantage of the network, or ecosystem that has been created over the past few years. Perhaps most important, (in large part thanks to our members) companies increasingly own, or have subscriptions to, high quality XBRL capable and metadata-driven software.

PRIVATE SECTOR GROWTH

In a similar fashion, we have seen and continue to encourage and advocate for, the emergence of secondary market applications of XBRL. Members will

be aware of the SBR Banken initiative. Perhaps they may not be aware of the Solar Project Finance Taxonomy and the Surety Taxonomy (and resulting projects) which are private sector efforts to allocate capital, control costs, and lower risk by leveraging the taxonomies that have been developed by standards setters and government agencies for primarily regulatory purposes.

XBRL AND THE ENTERPRISE

XII continues to assist with and provide encouragement to the efforts being led by our colleagues at XBRL China to harness XBRL for standardised enterprise reporting. At the XBRL International Board of Directors, we call this "Chapter 2" for XBRL, which allows business experts to manage taxonomies that enable the near real-time aggregation of transactional level data across different parts of an enterprise. Some of the proofs of concept (POCs) involve terabytes of data, and the largely open source "exemplar" implementations use big data technologies to tag, store and aggregate transactional data with XBRL concepts. This is a major step forward, still experimental, but an extremely promising approach to greatly expand the way that XBRL is used around the world. Use of the standard in this manner will not be driven by regulatory mandates but by straightforward ROI calculations. These big data approaches to our standard open up the door to new kinds of analytics, including AI boosted techniques to capture entirely new insights about performance of all kinds. Doing so in a standardised manner offers benefits in terms of reuse, comparability, cost and time.

MACRO-TRENDS

The last 12 months have seen a tremendous uptick in the market activity of "Fintechs" and "Regtechs" – firms working either in competition or increasingly in collaboration with financial institutions to take advantage of new technologies, notably big data and AI. Broadly speaking, these firms are working to rethink or replace legacy systems, business processes and finance infrastructure. From a technical strategy perspective, we think these developments work very much in favour of XBRL's ongoing success: digitisation is key to essentially everything in reporting.

In this context, our members should be aware that the IASB in particular is moving to embed its taxonomy work into its priorities and its rule making processes. It is doing so in a way that recognises the importance of digital reporting (using XBRL) right around the world. This is helped, of course, by the

ESEF and FPI announcements that have been amongst the more important adoption drivers over the last 12 months.

2017 has seen a substantial increase in the visible (and less visible) use of XBRL data across a wide range of projects and in numerous parts of the world. Analysts and regulators are increasingly understanding the benefits that XBRL data, with its strong semantics and data quality rules, provides.

Lastly, from a regulatory perspective, we see, especially in the EU, but also in some other areas, an increase in the use of, or experimentation with, granular data collections. The OIM CSV specification (see below) which allows the collection, validation and publication of vast quantities of data is one of XII's responses to this particular development.

Simplifying and Modernising the Standard

Over the last 15 months XII has been working towards simplifying and modernising the XBRL standard, part of a multi-year effort that will see XBRL taking advantage of a range of new technologies. The goal is for our standard to become vastly more accessible to a new generation of software developers, be significantly more "Regtech/Fintech" friendly, while at the same time continuing to support and protect the investment that more than 100 regulators and a very significant number of software firms have made using existing versions of the specifications.

The most obvious aspect of this work has been the Open Information Model (OIM), which substantially decouples XBRL semantics from the XML syntax with which the standard was originally built. This year we have published, as Public Working Drafts, a number of specifications in this area. The OIM spec itself provides an abstract framework for defining XBRL.

Perhaps more visibly, the OIM initiative has also seen the publication of xBRL-JSON, xBRL-CSV and xBRL-XML specifications that allow the creation and publication of XBRL data in JSON and CSV as well as more traditional XML, in a manner that can be interchanged, losslessly.

The OIM has been advanced by our members via volunteer participation in working groups, to develop the OIM and accompanying specs. Through discussions, case study reviews, and requirements gathering the effort has been propelled forward. The OIM initiative is only starting, however, with research and debate about how best to take advantage of Open APIs and similar technology commencing now. There will be a number of demonstrations and discussions at Data Amplified 2017 about this effort. A Technical Summit, for our technical colleagues to discuss these developments and help prepare a more formal roadmap in this field will be held early in 2018.

Interoperability with other standards has also been part of this initiative. Our members will have seen the publication, this year, of the LEI taxonomy, a joint effort with GLEIF and their Legal Entity Identifier standard. This taxonomy is a very small example which facilitates the interoperable use of the LEI for different regulators and data collectors in different parts of the world. This is just one part of this effort: there is more to come.

The Need for Guidance

The XBRL International Board sees the development of high quality, consistent and usable guidance for every aspect of XBRL to be an important requirement for the standard's ongoing success. To be clear, the guidance that XBRL International produces should eventually allow the delivery, via licensed training channels, of accreditation of:

- skills associated with data collection with XBRL (aimed at regulators and professionals assisting regulators)
- skills associated with data preparation with XBRL¹
- skills associated with data consumption and analysis with XBRL; and
- separately, the interoperability of XBRL software.

Broadly speaking, the BPB and its working groups do not yet have sufficient resources to develop the necessary guidance materials without additional assistance. In July 2017 we were fortunate to add Revathy Ramanan to the XII staff. Having a staff member dedicated to Guidance activity provides a significant boost in this area, but additional resources continue to be required and we encourage members to consider assisting in this area in particular in the coming year.

Software Certification

XII has consulted with members and has now deployed a Software Certification programme. This programme has been developed to enable software developers to obtain an official certification confirming their software's conformance to listed XBRL specifications. Once certified the recipient will also have access to an XBRL-trademarked logo for use in promotion of their software thus setting them apart from other providers in the market. The certification process leverages the XBRL conformance suites, rather than requiring specific guidance. The sunrise period for the Software Certification Programme commenced in August and was offered only to members, the first batch of *XBRL Certified Software*[™] will be announced at Data Amplified.

¹ Clearly, some of these efforts could be expanded at a national level to take account of national-level requirements.

Trademark Protection

As referenced below, a significant proportion of the overspend in FY2017 is as a result of a deliberate decision to spend money on the continued protection of the XBRL brand, both as a word mark and using our updated logo. Some of these expenditures were essential, in order to maintain protection of marks that now need to be renewed. Others were discretionary.

In large part, this effort is to protect future revenues and IP associated with XBRL certification. At one level, we want to help provide clearer Member and Participant value, by offering explicit permissions to use an XBRL Member logo variant, and explicitly *excluding* the use of the XBRL logo for any non-member that seeks to use it in a commercial fashion.

At another, XBRL International intends to explicitly reserve for itself the use of the XBRL brand in relation to certification of all kinds. This can be extended (as referenced above) to national/jurisdictional testing where that makes sense.

Protecting the XBRL brand, since we provide a free license to all of our core IP, is an essential step towards financial sustainability.

Jurisdictional Longevity

In 2014, the Membership Development Committee carried out an extensive study about the likely life cycle of Jurisdictions. It is pleasing to note that the worst predictions in this area have not come to fruition, with a number of jurisdictions likely to continue to operate, not least because of the FPI and ESEF mandates. It is also clear that there a number of new jurisdictions in the pipeline. In FY17 XBRL Russia became a permanent jurisdiction and XBRL Belarus gained provisional jurisdiction status.

However, we continue to expect some proportion of our existing jurisdictions to close their doors. Jurisdictional revenues make up, on average, around 80% of XBRL International's funding.

The long run inflation picture means that XBRL International's real budget has diminished significantly, with inflation alone eating some 35% of its purchasing power since the jurisdictional model was first created.

So the key issue that the Board and CEO face is developing ways to replace and enhance existing membership revenues in sustainable ways. We expect to be able to discuss a range of plans in this area throughout 2018.

Other XII Activities

Staff, Board members and volunteer WGs have been active in a number of areas not already mentioned, including:

- Encouraging regulators and other stakeholders to consider the importance of audit in relation to the preparation of Inline XBRL financial statements.
- The Asia Round Table was recently run in conjunction with an ASEAN+3 Asian Bond Market Forum meeting at the Asian Development Bank headquarters, attracting existing and new regulators from across that region.
- Continued work on the extremely complex (and ongoing) Entity Specific Disclosure initiative, which, simply put, is focussed on resolving many current problems that exist with extensions.
- Creation of the Taxonomy Registry.
- Ongoing production of the popular weekly newsletter.
- Ongoing discussion with a significant pipeline of "Sustaining Partner" targets for direct membership.
- Complete reworking of existing invoicing and accounts receivable processes.
- Ongoing engagement with XBRL Europe.

There are some planned areas of activity that have had to be deferred, or are only just commencing, including:

- Enhancing the introductory and educational aspects of the XBRL International web site.
- Enhancing the communications capabilities of XBRL International
- Creating and developing interest and loyalty to a new "Member Forum" – regular, conference style webinars available to Members, together with dedicated Q&A facilities.
- Completely reviewing the CRM system and processes used by XBRL International to help improve communications and ensure that our activities are GDPR compliant.

Governance and Board Renewal

The XBRL International Board of Directors was created without a "stagger", meaning that ends of terms arrive simultaneously. The Board has been working with the Nominations Committee to try to ensure that this can be corrected, by:

- Replacing two members that have retired in 2017 (Messrs Yap and Weller) at the 2017 Member Assembly.
- Replacing between 4 and 6 members scheduled to step down in 2018.

- Extending the term of between 3 and 5 members due to step down in 2018, for a period of between 1 and 2 years as permitted by the Bylaws.

This will all be done with careful attention to ensuring that the positions of Chairman and Treasurer are filled with high quality candidates as this is an important issue for the Board.

A General Call for Nominations will be issued in November 2017 for positions that will fall vacant over the next 12 months and members are urged to nominate relevant senior, experienced and effective people to help with this effort.

Next Steps

XBRL International is committed to working with its members and participants to help further our purpose to enhance accountability and transparency in business performance through the use of open data standards.

Over the next 12 months, there is significant work to do on our technical standards including:

- finalising stage one of the Open Information Model framework
- debating and agreeing the direction for the next stage of the Open Information Model
- developing enhanced calculation capabilities
- debating the need for and experimenting with enhanced approaches to business rule (formula) standardisation

We will make additional progress on the development of guidance that can form the basis of accreditation including:

- preparation of Inline XBRL documents
- entity specific disclosure guidance
- taxonomy development and the key elements of regulatory data collection systems that can lower risk in the implementation of these projects
- ongoing work on the accreditation of XBRL software

We will work with the audit profession, relevant regulators, policy makers and public company representatives to debate and progress the shift towards suitable external review of digital financial statements.

We will continue to work to enhance the materials available to educate and inform policy makers, regulators and business decision makers about their options and the benefits that XBRL can provide.

We will enhance a number of internal systems, working with our jurisdictions, in order to improve the way that we can communicate with members and stakeholders.

We will work with our members and a range of key stakeholders to help raise awareness of the need to accelerate a number of our initiatives in order to help meet market needs in this area.

Members that would like to provide additional support to the work of the consortium should please consider:

- Becoming Sustaining Members of XBRL International
- The donation of seconded expertise to XBRL International for fixed terms on a full or part time basis.
- Providing suitable volunteer expertise to XBRL International's working groups, the XSB and BPB.
- Sponsoring events and activities in the furtherance of XBRL's International's purpose.

FY2016/17 Financial Outcome, Key Risks

The 2016/17 Financials show an overall loss of USD48K. Simply put, this came about because (a) we did not make the budgeted profit sought for the Singapore conference; and (b) we had to spend more than we might have liked on Trademarks and IP protection.

The finances also see:

- An increase on cash on hand, due to completely overhauled invoicing and arrears management processes and thanks to the co-operation and assistance of our members from around the world.
- A very modest fall off in dues, which have been enhanced through the "Sustaining Partnership" program, but have been impacted by a reduction in Jurisdictional dues.
- Cost controls in every operating area, including staffing expenses, travel and bad debts, with the exception of increased legal fees associated with trademark expenses (see below).

Data Amplified

The biggest risk that the organisation faces is the International conference. It consumes very significant amounts of staff time (approximately 1/5th of our total available hours). We don't have the right resources to ensure that the content, locale and marketing is doing everything that everybody within our community wants – it is a constant balancing act. However, our community is very clear that the conference is an important part of their interaction with the standard, their business lives and their professional development. Last

year we were unable to achieve the hoped-for profit levels, with low levels of sponsorship sales leaving a gap in our financial position. We have made changes in our marketing and sponsorship sales arrangements and will reassess the situation after the Paris event.

Brand

The reputation and capabilities of the XBRL standard are a key concern for the Board of Directors and all of our members. Careful communication in this field continues to be extremely important. *The modernisation and improvement of the standard are a vital part of the health of the standard going forward.*

While the outturn in 2017 was somewhat disappointing, XBRL International is gradually developing a broader and stronger financial base, and we are much more confident about the future of the organisation going forward than perhaps has been possible in recent years.

Thank you!

All in all, 2017 has been an extremely important year for the XBRL standard and XBRL International. We would like to thank our members, supporters, technical volunteers and volunteer Board members for their time, efforts and assistance throughout the last 12 months. We urge all of our members and stakeholders to continue to collaborate, in particular to help modernise and simplify our standards and to accelerate the use of these remarkable digital technologies in the field of business reporting.

Cees de Boer
Chairman

John Turner
CEO