



# XBRL Europe –

## IFRS SLC Working Group

Brussels, February 2010,

Overview , morning session

Bodo Kesselmeier – Chair

# **XBRL Europe Working Group: IFRS for Stock Listed Companies (IFRS SLC)**

- Charter finalized and approved (2008), aims are:
  - ✓ to optimize the XBRL–implementation processes of European stock listed companies and
  - ✓ to harmonize IFRS Taxonomy Extensions in Europe.
- The working group will attend to the following topics
  - ✓ getting a clearer picture of the actual projects and status in XBRL jurisdictions
  - ✓ searching for and evaluating practices for reporting harmonization based on the IFRS taxonomy in Europe
  - ✓ evaluating practices and making suggestions to the European XBRL Jurisdictions for national IFRS Taxonomy Extensions
  - ✓ evaluating a process to harmonize national IFRS Taxonomy Extensions
  - ✓ supporting industry–specific extensions of IFRS Taxonomy on European Level
  - ✓ clarifying whether an EU–extension of the IFRS should be developed
  - ✓ identifying European corporate requirements for SEC XBRL–filing. Facilitating the communication between the U.S. SEC and XBRL Europe.

# XBRL.eu IFRS SLC– Chronology of actions

- Charter finalized and approved (2008)
- Washington Conference October 2008, Face to Face Meeting
- Contact Persons in national XBRL Jurisdictions identified
- Survey addressed to Contact Persons of European XBRL Jurisdictions
  - ✓ Status & Experience about national IFRS Taxonomy Projects
  - ✓ National IFRS Usage – out of XBRL Point of View
- Workshop in Brussels in January 2009
- Internal Working Group Survey in February 2009 (aims of working group versus resources)
- WG Conference Call in March 2009 (adjust actions to resources)
- Harmonizing National Extension of IFRS Taxonomy, Discussion about alternatives in Paris (June 2009) and Brussels (October 2009)
- CESR, Call for evidence, The use of a standard reporting format (October 2009) – letter of XBRL Europe prepared
- Using the Capital Market Track, 20<sup>th</sup> XBRL International Rom Conference (April 2010) as a think tank about a European XBRL Capital Market strategy and to connect representatives of CESR, EFRAG and other European Organizations (see slide later) to the European XBRL Community.

# National Law Extension of IFRS Taxonomy

National Law Extensions are needed because:

- Stock listed companies are subject to national laws
- National law requires stock listed companies to disclose additional information in annual reports and quarterly reports (compared to Bound Volume)
- If XBRL is going to replace traditional reporting mediums (paper, PDF etc), the IFRS XBRL Taxonomy Extensions must contain elements of national law

Examples:

- National Commercial Code,
- National Corporate Governance Codex
- National Stock Corporation Law
- National Securities Trading Act
- National Accounting Standards Boards

# National Law Extension of IFRS Taxonomy

## Challenges

- National Law Reporting Requirements overlap with IAS/IFRS
- National Law Reporting Requirements differ from Country to Country

## Risks:

- If Preparers extend IFRS Taxonomy themselves on National Law Reporting Requirements there will be a **disorder of extensions**.
- If National XBRL Jurisdictions extend IFRS Taxonomy on National Law but not harmonized between each other we also have **a disorder of extensions**
- **number of extension's concepts will result in a very huge number of new concepts in Europe**
  - Example: XBRL Germany will generate 300 up to 400 new concepts in the German Extension. This would equal 10.800 new concepts for the 26 member states of the EU (several hundred percent more additional concepts than the Original IFRS Taxonomy!).
- **XBRL advantages will be lost (comparability, data quality, speed of analysis..)**
- **users/investment professionals get a disaster in reality if they compare stock listed companies of different European countries using XBRL**

Dear Members:  
Mark your calendars for upcoming events:  
20th and 21st XBRL International Conferences!

Questions about the conference can be directed to any XBRL International staff member or just email us at ([conference@xbrl.org](mailto:conference@xbrl.org)).

## Finance Track – Capital Markets – Wednesday, April 21 2010, 9:00–14:45 “European XBRL Capital Market Strategy”

- platform to share experiences of implementing XBRL in Capital Markets and to look at developing a European XBRL Capital Market Strategy.
  - share information about XBRL projects existing in the Asia, US and European Capital Markets
  - provide specifics on European legal reporting and the XBRL evaluation status in European Organizations.
  - Since EU National Law Reporting Requirements overlap with IAS/IFRS and differ from EU Country to Country we will discuss the need of and a strategy to harmonize National Law IFRS XBRL Taxonomy Extensions. Is a European IFRS Taxonomy Extension part of the solution?
- Presenter will be representatives and XBRL Experts of Capital Market Supervisory Authorities, Stock Exchanges, Financial Reporting Standard Setters, European Organizations and Investment Professionals. The track is organized in close cooperation with XBRL Europe, IFRS Working Group.
- More information: Bodo Kesselmeier, Capital Markets Track Chair, [bodo.kesselmeier@xbrl-eu.org](mailto:bodo.kesselmeier@xbrl-eu.org)