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XBRL Europe Days @ Luxembourg

XBRL : How to Use the X of it

28 September 2011

Agenda

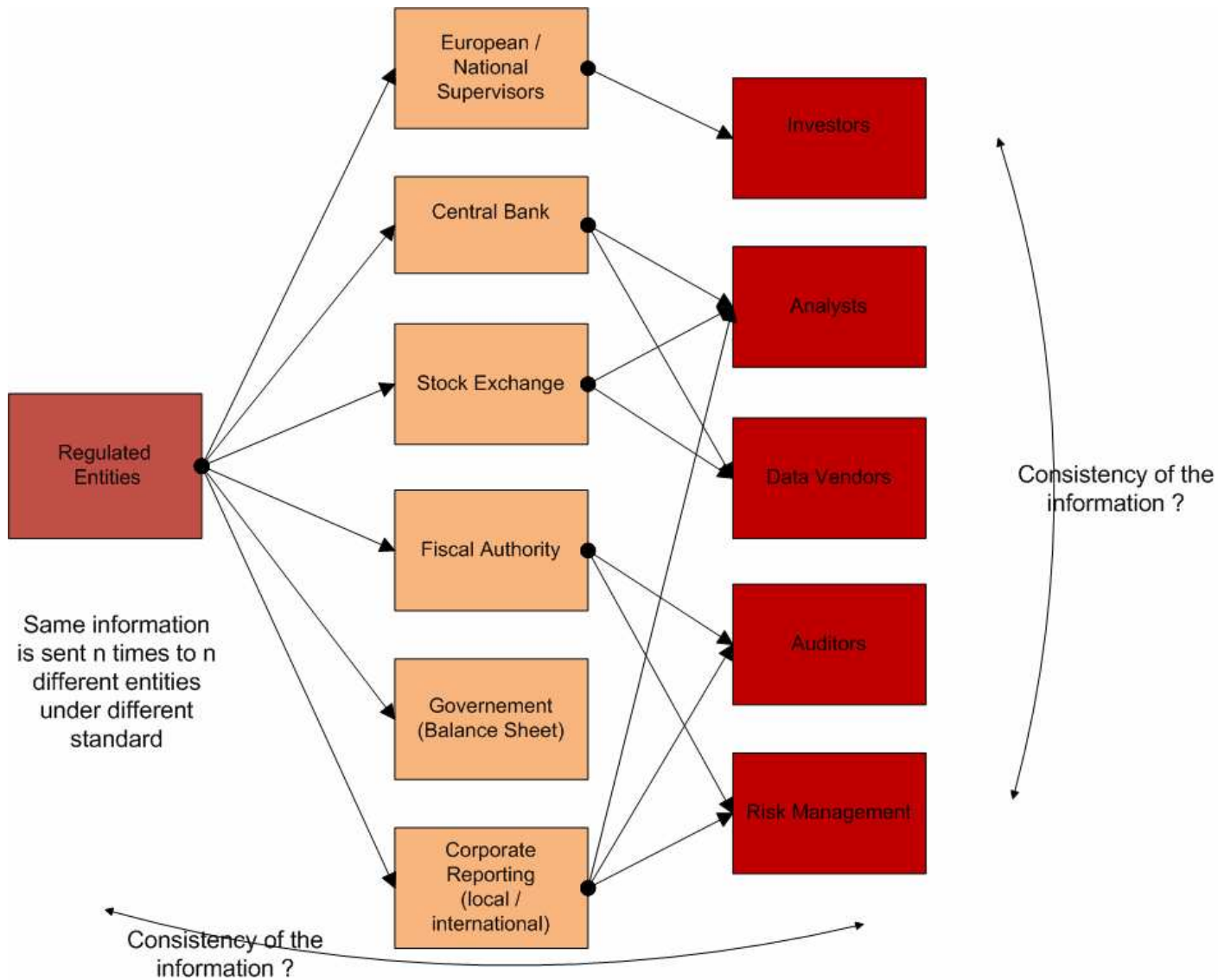
1. The regulatory challenges
2. What's going around Europe and the World
3. How to better use the X of XBRL

1. The regulatory reporting challenges

The regulatory reporting challenges

- Building a new European regulation framework:
 - EU Directives (Transparency for listed companies, Prospectus, UCITS IV, KID, MiFID....)
 - IFRS
 - Basel III / Credit Requirements Directives
- Set up of pan-European regulator to drive common standards and reporting framework :
 - EBA : European Banking Authority
 - ESMA : European Securities Market Authority
 - EIOPA : European Insurance Authority
- The new regulation changes in addition of a non-optimal current reporting flow is a real concern for the regulated entity

The regulatory reporting challenges



2. What is Going on Around Europe and the World

XBRL in the world



ESMA (European Securities Market Authorities) & XBRL?

- ESMA launched in August 2010 a consultation about the “Development of Pan-European Access to Financial Information Disclosed by Listed Companies” in which XBRL is an option
- A five transitional period is considered before making the reporting in XBRL mandatory
- A voluntary implementation starting 2 years prior the requirement is also evaluated
- The final decision to recommend or not the use of XBRL will depend on a detailed analysis of the needs of user of the financial information, and of the possible interactions with other regulatory bodies

XBRL in Belgium – National Bank of Belgium

- 300,000 annual accounts in XBRL format with National Bank of Belgium (NBB) filed annually (98%+ of all filings)
- Non financial companies:
 - XBRL format is used for non financial companies since April 2011
 - Common taxonomy providing accounting terms that are used in the Primary Financial Statements (PFS) prepared according to Belgian Generally Accepted Accounting Principles (GAAP) has been developed and communicate

UK HMRC iXBRL Mandate – tax return

Each of the 1.6 million UK companies required to file a tax return is affected by HMRC's new requirement for XBRL electronic tags to both the tax computations and the statutory financial statements. The requirement takes effect for returns submitted after April 1, 2011. Companies with legal entities in the UK should consider these new requirements.

TABLE 2: BALANCE SHEET AT 31 DECEMBER 2009 WITH iXBRL TAGS

Balance sheet at 31 December 2009		uk-bus:BalanceSheetDate	
For the year ended 31 December 2009			
Note	2009 £	2008 £	
Fixed assets			
Intangible assets	7 406,383	363,958	uk-gaap:IntangibleFixedAssets
Tangible assets	8 3,542,723	3,792,075	uk-gaap:TangibleFixedAssets
	3,949,106	4,156,033	uk-gaap:FixedAssets
Current assets			
Stocks	9 2,195,092	2,410,817	uk-gaap:StocksInventory
Debtors	10 4,522,203	3,385,253	uk-gaap:Debtors
Cash at bank and in hand	66,330	35,082	uk-gaap:CashBankInHand
	6,783,625	5,831,152	uk-gaap:CurrentAssets
Creditors: amounts falling due within one year	11 (5,003,464)	(4,590,691)	uk-gaap:CreditorsDueWithinOneYear
Net current assets	1,780,161	1,240,461	uk-gaap:NetCurrentAssetsLiabilities
Total assets less current liabilities	5,729,267	5,396,494	uk-gaap:TotalAssets.LessCurrentLiabilities
Creditors: amounts falling due after more than one year	12 (592,949)	(959,560)	uk-gaap:CreditorsDueAfterOneYear
Provisions for liabilities and charges	13 (148,112)	(165,202)	uk-gaap:ProvisionsForLiabilitiesCharges
Net assets	4,988,206	4,271,732	uk-gaap:NetAssetsLiabilitiesIncludingPensionAssetLiability
Capital and reserves			
Called up share capital	14 3,981,190	3,981,190	uk-gaap:CalledUpShareCapital
Profit and loss account	15 1,007,016	290,542	uk-gaap:ProfitLossAccountReserve
Equity shareholders' funds	4,988,206	4,271,732	uk-gaap:ShareholderFunds
The financial statements were approved by the Board of Directors on 4 March 2010			
Director: B B Black			
uk-gaap:DateApprovalAccounts			
uk-gaap:NameDirectorSigningAccounts			

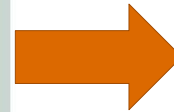


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XBRL in the states SEC – N-1A (KID) Example

- The SEC will require mutual funds to file their risk/return summaries in XBRL or interactive data format
- Funds will be required to provide their XBRL risk/return summaries as an exhibit to any registration statement or post-effective amendment

CONTENTS OF FORM N-1A

	Page No.
GENERAL INSTRUCTIONS	
A. Definitions	5
B. Filing and Use of Form N-1A	5
C. Preparation of the Registration Statement	6
D. Incorporation by Reference	8
PART A: INFORMATION REQUIRED IN A PROSPECTUS	9
Item 1. Front and Back Cover Pages	9
Item 2. Risk/Return Summary: Investment, Risks and Performance	10
Item 3. Risk/Return Summary: Fee Table	13
Item 4. Investment Objectives, Principal Investment Strategies, Related Risks, and Disclosure of Portfolio Holdings	18
Item 5. Management, Organization, and Capital Structure	18
Item 6. Shareholder Information	19
Item 7. Distribution Arrangements	22
Item 8. Financial Highlights Information	24

Annual Fund Operating Expenses (expenses that are deducted from Fund assets)

Management Fees	_____ %
Distribution [and/or Service] (12b-1) Fees	_____ %
Other Expenses	_____ %
Total Annual Fund Operating Expenses	_____ %

Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 year	3 years	5 years	10 years
You would pay the following expenses if you did not redeem your shares:	\$ _____	\$ _____	\$ _____	\$ _____
	1 year	3 years	5 years	10 years
	\$ _____	\$ _____	\$ _____	\$ _____

The Example does not reflect sales charges (loads) on reinvested dividends [and other distributions]. If these sales charges (loads) were included, your costs would be higher.

IFRS Taxonomy

Collaborative development expanding to capture broadest range of common reporting disclosure concepts

The screenshot shows the IFRS website interface. At the top left is the IFRS logo. To the right, there is a 'Print Page' button and the date 'Friday 03 June 2011'. Below this is a search bar with a 'search' button and a link to 'Advanced search'. A navigation menu includes 'Home', 'About us', 'IFRS', 'Standards development', 'Get involved', 'Stay informed', and 'Products & services'. A large banner features the text 'XBRL' over an image of a stadium. Below the banner, a breadcrumb trail reads 'News > XBRL > IFRS Foundation publishes proposed IFRS Taxonomy enhancements for reporting common-practice'. On the left, a dropdown menu is open for 'XBRL', listing 'Press Releases', 'Web announcements', 'XBRL', 'Features', and 'Media library'. The main content area displays a news article titled 'IFRS Foundation publishes proposed IFRS Taxonomy enhancements for reporting common-practice' dated '02 June 2011'. The article text states: 'The IFRS Foundation today published for public comment an exposure draft of the IFRS Taxonomy 2011 interim release: common-practice concepts. The proposed interim release contains supplementary tags for the IFRS Taxonomy that reflect disclosures that are commonly reported by entities in their IFRS financial statements. The supplementary tags are intended to enhance the comparability of financial information, and are consistent with IFRSs and with the XBRL (eXtensible Business Reporting Language) architecture of the IFRS Taxonomy 2011.' To the right of the article, there is a 'Related information' section with two links: 'Access the exposure draft interim release' and 'Visit the IFRS XBRL project page'. Below that is a 'Contact us' section with the text 'IFRS Foundation XBRL Team' and 'Email: xbri@ifrs.org'. At the bottom of the article, a paragraph explains the intention to enhance the usability of the IFRS Taxonomy by providing additional elements that reflect common reporting practice across the world and across industries. The proposed interim release is the first part of this process. Once these initial common-practice tags are finalised, entities will be able to apply these tags to line items in their primary financial statements and to notes and accounting policies within these financial statements (using text blocks) with fewer entity-specific tags. It is expected that reducing the need for entity and jurisdiction-specific tags will reduce divergence in reporting practice, thereby enhancing the comparability of IFRS financial information. The next part of the process will involve the detailed analysis of disclosures within notes to financial statements and identifying common reporting practice in these note disclosures.

SBR in the Netherlands

Reducing Reporting Burden

Purpose:

Standardization and simplification of the information exchange between businesses and government and all kind of regulatory reporting

The screenshot shows the homepage of the Standard Business Reporting (SBR) program in the Netherlands. The header includes the Dutch coat of arms and the text 'Standard Business Reporting Programma Een initiatief van de Nederlandse overheid'. The navigation menu has tabs for 'Home', 'Actueel', 'SBR', 'SBR in bedrijf', and 'Organisatie'. A search bar with the text 'Zoek' is located on the right. The main content area features a video player with the title 'Standard Business Reporting, omdat het ..' and a play button. Below the video is a 'Nieuws' section with the headline 'SBR regiobijeenkomsten brengen helderheid'. On the right side, there is a sidebar with a 'Sitemap' link and a list of categories: 'SBR' (Aanpak, Standaarden, Bouwstenen, Rapporteren met SBR), 'SBR in bedrijf' (Architectuur, Nederlandse Taxonomie, Specificaties, Aansluiten op Digipoort, SBR Rapportages), 'SBR voor ondernemers', 'SBR voor intermediairs', and 'SBR voor softwareleveranciers'. At the bottom right, there is a 'Uitgelicht' section with the headline 'SBR regiobijeenkomsten brengen helderheid' and a short paragraph about the meeting. Below that is another section titled 'SBR Uitgeleid' with a short paragraph.

XBRL for Solvency II

EIOPA - The European Insurance and Occupational Pensions Authority (EIOPA) has chosen XBRL as the Uniform Format for Solvency II insurance reporting across Europe.

Other insurance regulators have also collaborated on this effort include:

- China Insurance Regulatory Commission (CIRC)
- Bermuda Monetary Authority (BMA)
- Australian Prudential Regulation Authority (APRA)
- Japan's Financial Services Agency (FSA)
- Others.

3. How to better use the X of XBRL

Beyond IT and Regulatory Reporting

Leverage on regulatory requirements...

In Luxembourg, the use of XBRL for reporting purposes is currently driven by external factors and concerns only regulatory and statutory reporting to local regulators (CSSF and BCL)

Benefits to Regulatory bodies	Benefits to you
<ul style="list-style-type: none">• XBRL allows easier aggregation and sharing of financial information.• Removes the need for rekeying onto regulatory body systems.• Improves the quality of data they received (reduces keying errors).• Allows for quicker and more accurate analysis and comparison of data.	<ul style="list-style-type: none">• Potentially none if no changes are made to your systems....• But, why should the CSSF and the BCL be the only ones to enjoy the benefits of your financial information being tagged using XBRL?

Beyond IT and Regulatory Reporting

... to fully benefit from the advantages of XBRL

Disparate systems

XBRL is system independent

Chickens and eggs

XBRL should be an enabler for reporting, not an extra reporting layer

Statutory accounts need to be more consistent

XBRL allows the data to be split from the presentation mechanism

Built in / Bolt-on Approach

Well assess the needs to choose the most suitable implementation approach

Reporting is increasing, not decreasing

XBRL supports multiple reporting structures, using common data

MultiGaap is required

XBRL supports multiGaap by allowing data to be standardised and described according to several taxonomy

Regulatory reporting

New accounting / reporting requirements

For further information, contact us

Our Team

Our specialist team members have a background of industry experience in finance, combined with specific expertise in accounting, reporting and controlling, finance processes and systems.

Furthermore, PwC draws upon the combination of this specialised team with a wide variety of competencies and professional experiences (Advisory, Assurance, Corporate Finance, Tax) to focus on helping today's CFO's and their finance functions identify, design and implement programs that tune finance to meet today's demanding requirements.

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