



## THE SUCCESSFUL IMPLEMENTATION OF XBRL AS DIGITAL MECHANISM FOR FILING OF ANNUAL FINANCIAL STATEMENTS

A FEW WORDS FROM **RAKESH  
BEEKUM**, CHAIRMAN OF XBRL SA

### ► **INTERNATIONAL NEWS**

Updated IFRS Taxonomy, IFRS Taxonomy Consultative Group (ITCG), European Central Bank (ECB), Disclosure requirements for credit rating agencies, From the US to Europe: Lessons on digital filings, US Securities and Exchange Commission transitions to inline XBRL and XBRL in India

**NEWS  
LETTER**  
September 2021

### **LOCAL NEWS** ◀

What is XBRL and its  
application in South Africa

**XBRL SPECIALIST** Hennie Viljoen discusses the recent developments on the CIPC's XBRL Programme

POWERED BY



# WHAT TO EXPECT ◀



Foreword



Latest developments on the  
CIPC's XBRL Programme



**Local News** | Local Regulators' News and  
updates, XBRL Taxonomy Updates and  
Events/Recordings



Frequently Asked Questions, Queries and  
Practical Tips



**International News** | International XBRL  
Taxonomy news and Global developments



Resources

# FOREWORD

By Rakesh Beekum –  
Chairman of XBRL SA



We're living in exciting digital times but also experiencing socio-political and economic times in South Africa. I'm hoping that the lives of our fellow South Africans and business community are keeping safe and rising above all the turmoil in our country.

XBRL SA which is a non-for-profit organisation and purely volunteer based. We have persevered for a decade and a half, and our perseverance has resulted in CIPC mandating the use of XBRL for the submission of companies' financials. The FSCA is working hard on their user requirements to also include the standard for their new systems and the Reserve Bank has begun their journey.

The Revenue Authority also been a supporter of XBRL and we await their journey to begin as well.

# MONTHLY FEATURE

*By: Hennie Viljoen - XBRL Specialist - Corporate Disclosure Regulation and Compliance Unit - Companies and Intellectual Property Commission (CIPC)*

On 1 July 2021, CIPC celebrated its 3rd year anniversary since the successful implementation of XBRL as digital mechanism for filing of annual financial statements. In that period, more than 40 000 sets of annual financial statements were received, from close to 23 000 unique entities. The CIPC continued to stay abreast with the latest financial reporting standards. Hence, since 01 July 2018, the CIPC taxonomy was upgraded twice, i.e. 01 October 2019 and 2020, respectively. CIPC is currently finalising taxonomy updates with the 2021 International Financial Reporting Standards (IFRS) as released by the IFRS Foundation at the end of March 2021.

CIPC will also be implementing Generally Recognised Accounting Practice (GRAP) as a mandatory financial reporting standard for entities who are subject to the Public Finance Management Act (PFMA) and the Municipal Finance Management Act (MFMA). These includes State Owned Companies (SOCs) and Municipal Owned Entities registered as legal entities in terms of the various Acts administered by CIPC.

CIPC has also developed a Data Quality Management (DQM) framework during the first half of 2021 and the requirements thereof have been communicated to Software Service Providers (SSPs) of XBRL client-side software. The purpose of the framework is to improve the

regulatory quality of financial data received beyond what automated system validations can guarantee. The quality of filings from SSPs will be evaluated on a quarterly basis.

A number of specific metrics will be used to measure the following defined criteria:

- Completeness;
- Correctness;
- Accuracy;
- Consistency.

On 1 October 2021 the CIPC will launch an updated taxonomy and implement the following:

- Latest 2021 IFRS updates;
- Mandatory filings according to GRAP for relevant entities;
- DQM framework.

The CIPC is committed to digitisation as part of its strategy and XBRL has proved to be a valuable tool that has improved both operational efficiency and regulatory effectiveness.



3

# LOCAL NEWS

## Local Regulators' News and updates

### WHAT IS XBRL?

An Introduction to XBRL

XBRL is the open international standard for digital business reporting, managed by a global not for profit consortium, XBRL International. Digital business reports, in XBRL format, simplify the way that people can use, share, analyse and add value to the data.

### XBRL AND ITS APPLICATION IN SOUTH AFRICA

Introductory Slides

XBRL Technical Training

In South Africa, the CIPC implemented XBRL from 1 July 2018. To date, over 50 countries globally use XBRL. These [slides](#) also give an explain on what what XBRL is and its application to South Africa. Moreover, those with a keen interest in the technical aspects of XBRL, these [slides](#) provide an introduction to the mechanics of XBRL.

### WHICH COMPANIES SHOULD BE SUBMITTING FINANCIAL STATEMENTS VIA XBRL?

Customer Notice

This [notice](#) outlines which companies should be submitting financial statements via XBRL.

### STATE-OWNED COMPANIES – ARE YOU READY TO FILE YOUR FINANCIAL STATEMENTS VIA XBRL?

Customer Notice

As from 1 October 2021, state-owned companies owned by municipalities subject to the Public Finance Management Act and Municipal Finance Management preparing financial statements using Generally Recognised Accounting Practice (GRAP) will be mandated to file financial statements via XBRL.

# XBRL TAXONOMY UPDATES ◀

## **CIPC PHASE 4 HIGH LEVEL ROAD MAP?**

XBRL  
Programme

The 2021 CIPC XBRL Taxonomy which will include the most recent changes to International Financial Reporting Standards (IFRS) will be rolled out during October 2021.

## **EVENTS/RECORDINGS**

### **Recording – CIPC iXBRL Colloquium**

Hosted early this year, the Colloquium featured local and international speakers including the CEO of XBRL International and Advocate Rory Voller. The Colloquium was aimed at promoting iXBRL by informing delegates about the status, learnings and successes of the CIPC's Programme as a pioneering initiative in South Africa and to emphasise the potential that iXBRL offers for other regulators, government agencies and other users of financial statements.

### **Recording – SAICA XBRL event**

In this virtual session, the CIPC provided an update on its iXBRL programme, and presented detailed findings which were considered by the Annual Financial Statements Review Committee 2020/21 FY and emphasised that the final accountability for financial statements submitted to the CIPC via XBRL rests with those charged with governance.

**What is XBRL?**

**XBRL and its application in South Africa**

**Submitting financial statements via XBRL**

**Are you ready to file?**

**CIPC Phase 4 High Level**

**Events and Recordings**

## QUERIES

Any queries on the CIPC's XBRL programme can be submitted to [\*\*XBRL@cipc.co.za\*\*](mailto:XBRL@cipc.co.za)

## FREQUENTLY ASKED QUESTIONS

Will extensions to the CIPC XBRL taxonomy be required or allowed?

How will new IFRS standards and their effective dates impact the CIPC taxonomy?

Obtain responses to these and many other questions on the CIPC XBRL programme answered in this [\*\*FAQ document\*\*](#).

FILING OF ANNUAL FINANCIAL  
STATEMENTS TO THE CIPC  
IN XBRL

4

**FAQ's, Queries  
and Practical  
Tips**

## SOCIAL MEDIA







5

# INTERNATIONAL NEWS

## International XBRL Taxonomy news and Global developments

### UPDATED IFRS TAXONOMY

IFRS Foundation publishes  
IFRS Taxonomy 2021

The 2021 IFRS Taxonomy was published during March 2021 and includes changes to the IFRS Taxonomy 2020 reflecting amended IFRS Standards. The amendments to IFRSs considered in this updated Taxonomy include Covid-19-Related Rent Concessions - Amendment to IFRS 16 - Leases, and Property and Plant and Equipment—Proceeds before Intended Use - Amendments to IAS 16 - *Property, Plant and Equipment*.

### IFRS TAXONOMY CONSULTIVE GROUP (ITCG)

IFRS Taxonomy  
Consultative Group

The ITCG met during June 2021 to discuss the digital reporting implications for the exposure draft Disclosure Requirements in IFRS Standards—A Pilot Approach, IFRS Taxonomy content—tagging implicitly reported concepts and IFRS Taxonomy content—tagging comparative information reported in accordance with a superseded IFRS Standard. The ITCG is a consultative group of the International Accounting Standards Board (IASB) that assists to provide a technical advisory and review forum in which members can contribute towards the development of the IFRS Taxonomy. A representative from the CIPC currently serves on the ITCG.

### EUROPEAN CENTRAL BANK (ECB)

ECB releases latest  
reporting taxonomy

The ECB has published the fifth version of its reporting taxonomy. This is used by national competent authorities (NCAs) in submitting supervisory financial reporting data points (SFRDP) to the ECB, in accordance with European regulations on supervisory reporting.



# Global Developments

## DISCLOSURE REQUIREMENTS FOR CREDIT RATING AGENCIES

Further steps in credit ratings reporting could add more value

XBRL US have responded to the Securities and Exchange Commission (SEC) consultation on disclosure requirements for credit ratings agencies, or Nationally Recognized Statistical Rating Organizations (NRSROs). XBRL US supports the continuing use of XBRL for reporting ratings data.

## FROM THE US TO EUROPE: LESSONS ON DIGITAL FILINGS

Mohini Singh offers lessons on digital filings

Some lessons on XBRL implementation in the US that could help Europe and other jurisdictions ensure data quality and maximise the utility of digital filings from the start.

## US SECURITIES AND EXCHANGE COMMISSION TRANSITIONS TO INLINE XBRL

SEC completes transition to Inline XBRL

The US SEC has made the final step in its transition from (traditional) XBRL to Inline XBRL, with smaller companies now joining the fold.

## XBRL IN INDIA

XBRL avenues to explore in India

XBRL in India - Uncharted territories!

XBRL has been used for financial and prudential reporting in India for several years. As digitisation advances apace – hastened by the Covid-19 pandemic – how and where else could India deploy the XBRL standard to facilitate filings and collect high-quality digital data that is easy to access, analyse and compare? This [article](#) explores this question further.





**THANK  
YOU**

## RESOURCES

Getting Started  
for Business

## Events/Recordings

### WEBINAR ON DIGITAL FINANCIAL REPORTING

A recent [webinar](#) on digital financial reporting from the Australian Securities and Investments Commission (ASIC) covered international developments in reporting and opportunities for Australia.

ASIC gets the lowdown on the  
benefits of digital reporting



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