Companies and Intellectual Property Commission

a member of the **dti** group

xBRL
THE BUSINESS REPORTING STANDARD

Application of iXBRL in South Africa
Introductory training

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**Michal Zubrycki (BR-AG)**

13 August 2019

Agenda

- Welcoming remarks

- Introduction to XBRL and inline XBRL

- XBRL: business or ICT matter?

- XBRL in South Africa: journey to date (+ next steps)

- CIPC XBRL taxonomy overview

- CIPC filing rules and guidelines

    - Who is affected?

    - How to submit the filings on CIPC e-services?

    - What are the technical rules and constraints?

- AFS submission history and common issues

- Important reference material

- Q&A session

What is XBRL?
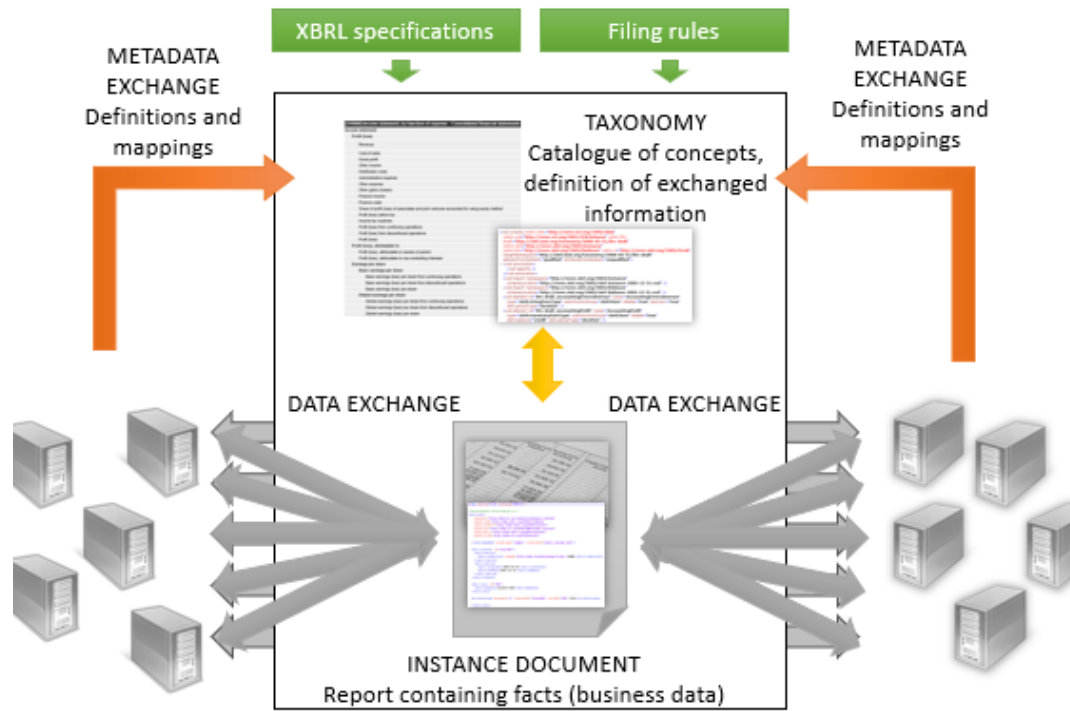
- **X** - flexible framework: enables customization and application in different reporting scenarios independent from legal regulations

- **B** - designed for description and exchange of business related data (includes all required characteristics and functionalities for this application)

- **R** - informative reporting: exchange of aggregated data for analysis and decision making

- **L** - communication (encoding and decoding) of information: sentences/statements built according to certain syntax (grammar) and semantics (meaning)

  public, open, free standard

initial requirements - **standard for**:

- **describing information requirements** in order to…

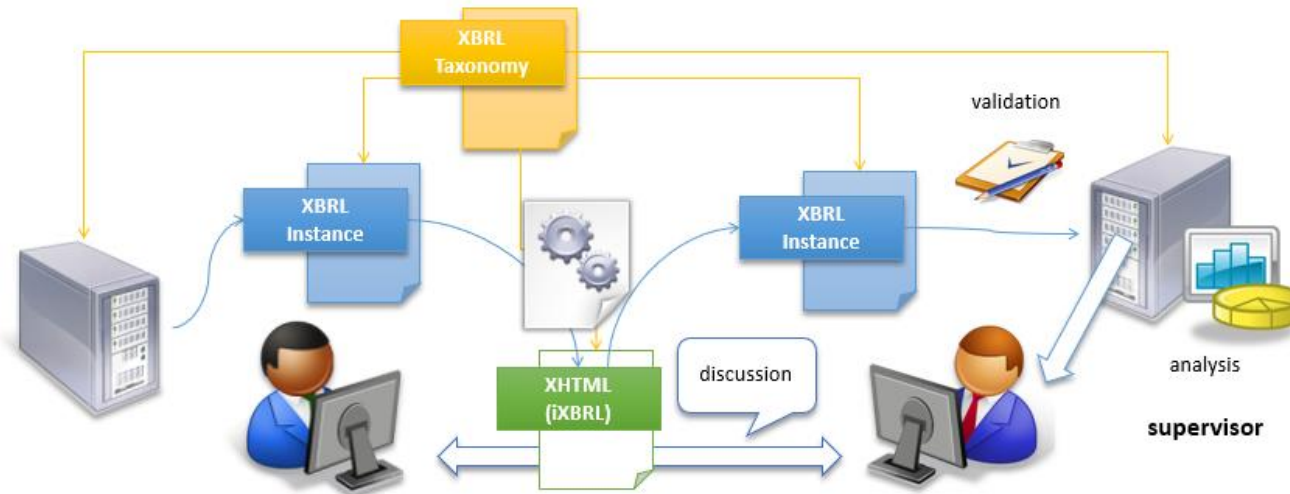- …**transfer it between different systems**

additional requirements:

- advanced validation (mathematical/logical rules, error messaging)

- visualization/rendering (e.g. tax forms, tables, reports)

- versioning of definitions (dictionaries) in time/space

What is in an XBRL Taxonomy and what is in an XBRL instance document?
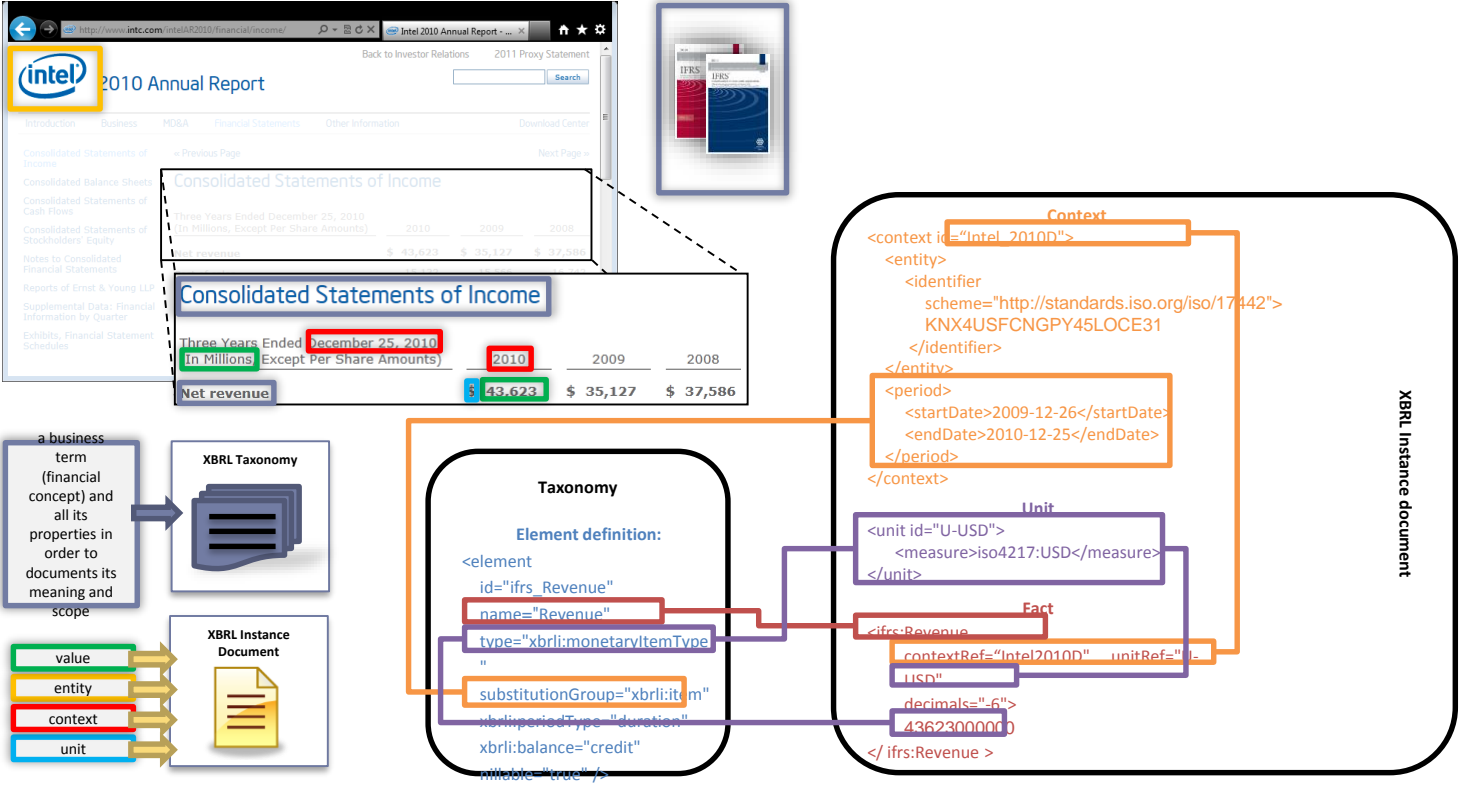
What is the idea behind inline XBRL?

TRANSFORMATION

a normative stylesheet strips out the XHTML from irrelevant parts and provides a valid XBRL Instance document (no checks against DTS)

VALIDATION

XBRL Instance document is validated against a taxonomy

MAPPING/STORAGE

data is mapped to a data based where it is stored and available for further analysis

```
inline-XBRL
<td class="rightalign">
    <ix:nonFraction name="ifrs:Revenue"
    contextRef="Intel_2010D" decimals="-6" unitRef="USD" scale="6"
    format="ixt:numcommadot"><ix:exclude>$</ix:exclude>43,623</ix:nonFraction
    >
</td>
```

```
resulting XBRL
<ifrs:Revenue contextRef="Intel_2010D" unitRef="USD" decimals="-6">43623000000</ifrs:Revenue>
```

Business or ICT matter?

King II states the board's responsibility to ensure that the company provides reliable reports for all stakeholders:

- The board must present a balanced & understandable assessment of the company's position when reporting to its stakeholders

- The quality of the information must be based on the principles of openness & substance over form

- Reporting should address material matters of significant interest & concern to all stakeholders

- Reports & communications must be made in the context that society now demands greater transparency & accountability from companies regarding their non-financial matters

- Reports should present a comprehensive & objective assessment of the activities of the company so that shareowners & relevant stakeholders with a legitimate interest in the company's affairs can obtain a full, fair & honest account of its performance

Business or ICT matter?

Information technology (IT) can greatly assist management with its reporting responsibilities:

- IT has had a major impact on the way business is conducted & how businesses are assessed
  - organizational boundaries have become blurred with electronic business (e-business) increasing the degree of integration along the supply chain
  - IT should not be seen as a mere enabler, but rather as being an integral component of the organization's strategy
- IT, when used correctly, can improve the governance of an organization, further enabling management to discharge its governance responsibilities. Areas in which IT has a significant impact on corporate governance include;
  - internal control systems
    - ❖ management should have adequate knowledge regarding modern IT-enabled systems
    - ❖ management should be cognizant of the implications attached to changes within the organization's internal control system/s
  - reporting
    - ❖ IT is a powerful enabler for making information available to all stakeholders
    - ❖ due to the ease & reduced cost implications associated with IT, many organizations publish financial & other relevant information on web sites. Other reasons for using IT as the medium for reporting include;
      - ✓ improving and / or ensuring integrity of information through use of standardized reporting methods, encryption, decryption, etc.
      - ✓ easy access to electronic information for all stakeholders. (This may be restricted or open access to electronic information depending upon the organization's requirements)
      - ✓ frequency of reporting can be varied

XBRL in South Africa: journey to date

XBRL SA Jurisdiction

- The XBRL SA jurisdiction was founded on the 7th of November 2005, facilitated by the South African Institute of Chartered Accountants (SAICA), in order to promote the use of XBRL standard in South Africa

- The XBRL SA has consequently initiated and governed development of first XBRL taxonomies, including the Johannesburg Stock Exchange (JSE) Listings Requirements Taxonomy, the Company Secretary Statement Taxonomy, the Directors Report Taxonomy, the Auditor's Report Taxonomy and the IFRS General Purpose Taxonomy.

- The XBRL SA taxonomies were implemented as part of the Johannesburg Stock Exchange Pilot Project and allowed to collect market and regulatory feedback for review of the general approach of introduction of XBRL in South Africa
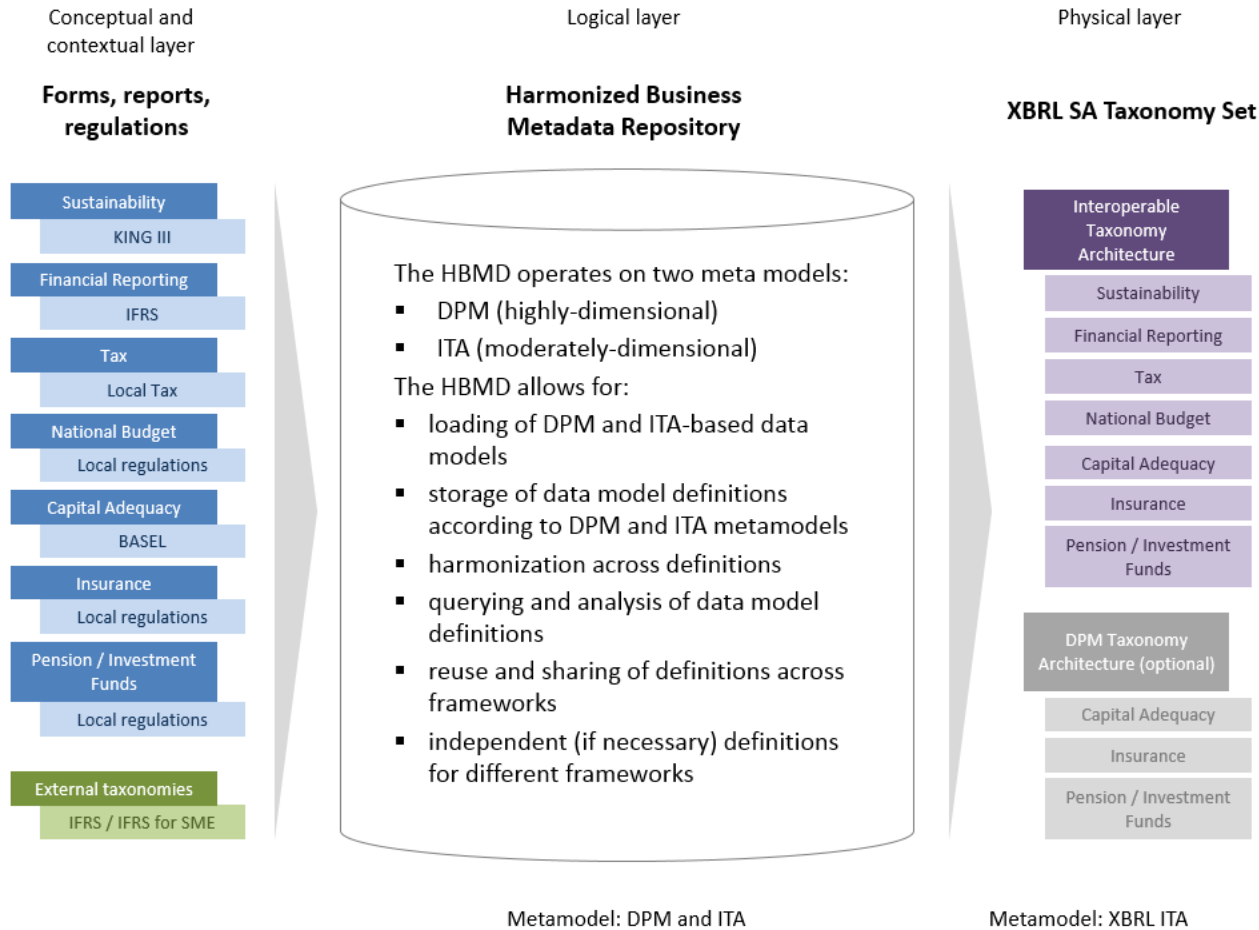
XBRL in South Africa: journey to date

XBRL SA Standard and Governance Architecture

- To assist South African regulators in recognizing and evaluating international experiences of introduction of XBRL standard

- To introduce transparent, efficient and acceptable governance environment for harmonized adoption of XBRL by involved regulators

- To develop a common architecture, platform and rules for creation of harmonized regulatory business data dictionaries

- To balance the needs of specific regulatory requirements and nation-wide standardized architecture as well as diversified pace of adoption existing in various environment

- To enable regulators to commence adoption of the XBRL standard, providing them with comprehensive set of materials for implementing projects

- To follow the common legal, business, data and IT requirements and environments
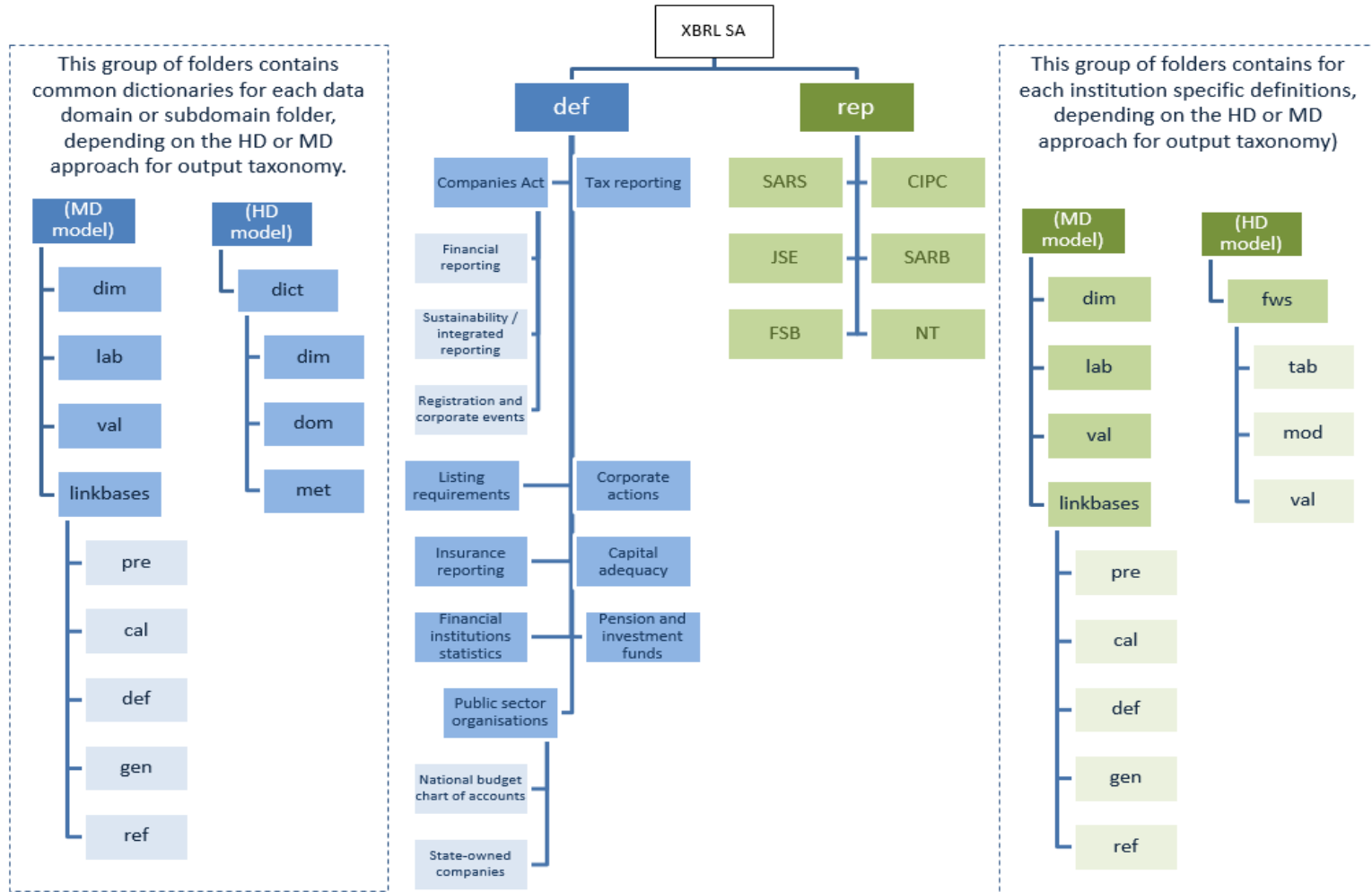
XBRL in South Africa: journey to date

XBRL SA Standard and Governance Architecture

Conceptual and contextual layer

Logical layer

Physical layer

Forms, reports, regulations

Harmonized Business Metadata Repository

XBRL SA Taxonomy Set

Sustainability
KING III

Financial Reporting
IFRS

Tax
Local Tax

National Budget
Local regulations

Capital Adequacy
BASEL

Insurance
Local regulations

Pension / Investment Funds
Local regulations

External taxonomies
IFRS / IFRS for SME

The HBMD operates on two meta models:

- DPM (highly-dimensional)
- ITA (moderately-dimensional)

The HBMD allows for:

- loading of DPM and ITA-based data models
- storage of data model definitions according to DPM and ITA metamodels
- harmonization across definitions
- querying and analysis of data model definitions
- reuse and sharing of definitions across frameworks
- independent (if necessary) definitions for different frameworks

Interoperable Taxonomy Architecture

Sustainability

Financial Reporting

Tax

National Budget

Capital Adequacy

Insurance

Pension / Investment Funds

DPM Taxonomy Architecture (optional)

Capital Adequacy

Insurance

Pension / Investment Funds

Metamodel: DPM and ITA

Metamodel: XBRL ITA

XBRL in South Africa: journey to date

XBRL SA Standard and Governance Architecture

XBRL in South Africa: journey to date

Companies and Intellectual Property Commission

- The CIPC was the first regulator to mandate XBRL in South Africa, and thereby following the world-trend for combining best-practice standards, both from an accounting and technology perspective.

- The CIPC adapted the deliverables of the XBRL SA Standard project and was the first body in South Africa to implement the common architectural rules prescribed by the local jurisdiction

- The CIPC follows in the footsteps of international regulators like the Securities and Exchange Commission (SEC) in the USA, the HMRC in the UK, and the European Securities and Markets Authority (ESMA).
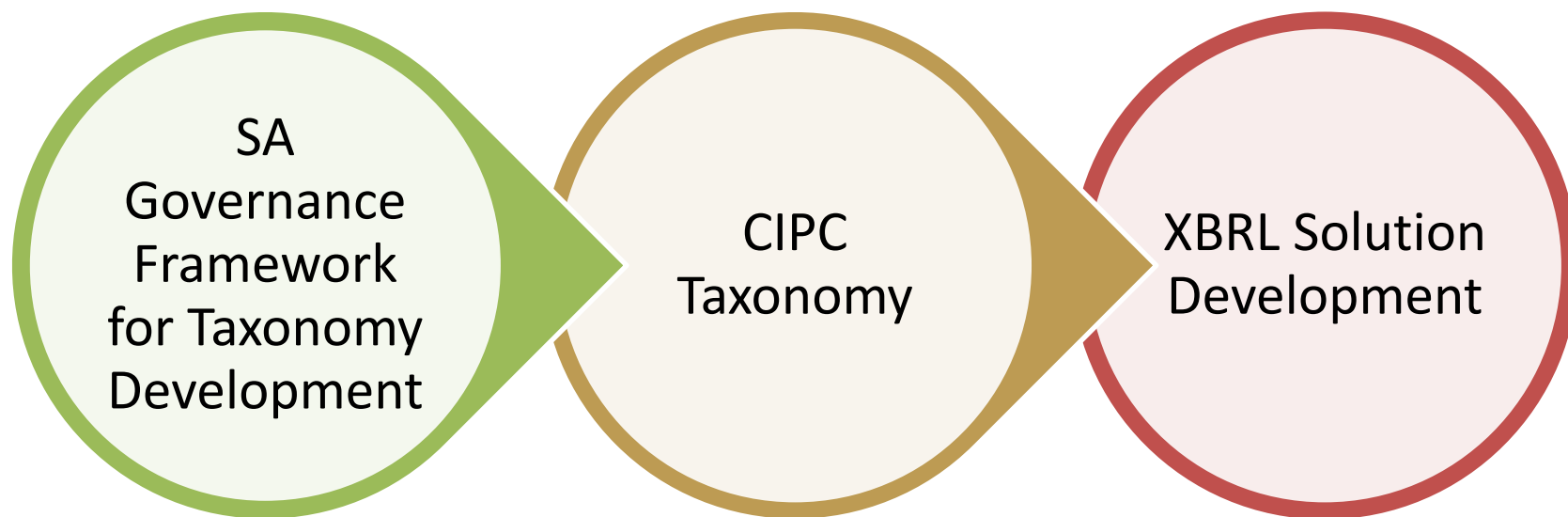
XBRL in South Africa: journey to date

Companies and Intellectual Property Commission

XBRL SA - 2015   31 AUGUST 2016   31 JANUARY 2018

SA Governance Framework for Taxonomy Development

CIPC Taxonomy

XBRL Solution Development

XBRL in South Africa: journey to date

Companies and Intellectual Property Commission

15 FEB – 15 MAR 2018

15 MAR – 15 JUN 2018

01 JULY 2018

Pilot Phase

(60 Entities)

XBRL
Solution
Refinement

XBRL
Roll-Out

(01 July
2018)

XBRL in South Africa: journey to date

Companies and Intellectual Property Commission

01 JAN – 30 APR 2019

01 MAY – 15 JUN 2019

01 OCT 2019

XBRL Solution Refinement

Update of CIPC Taxonomy

CIPC Taxonomy Update

Roll-Out
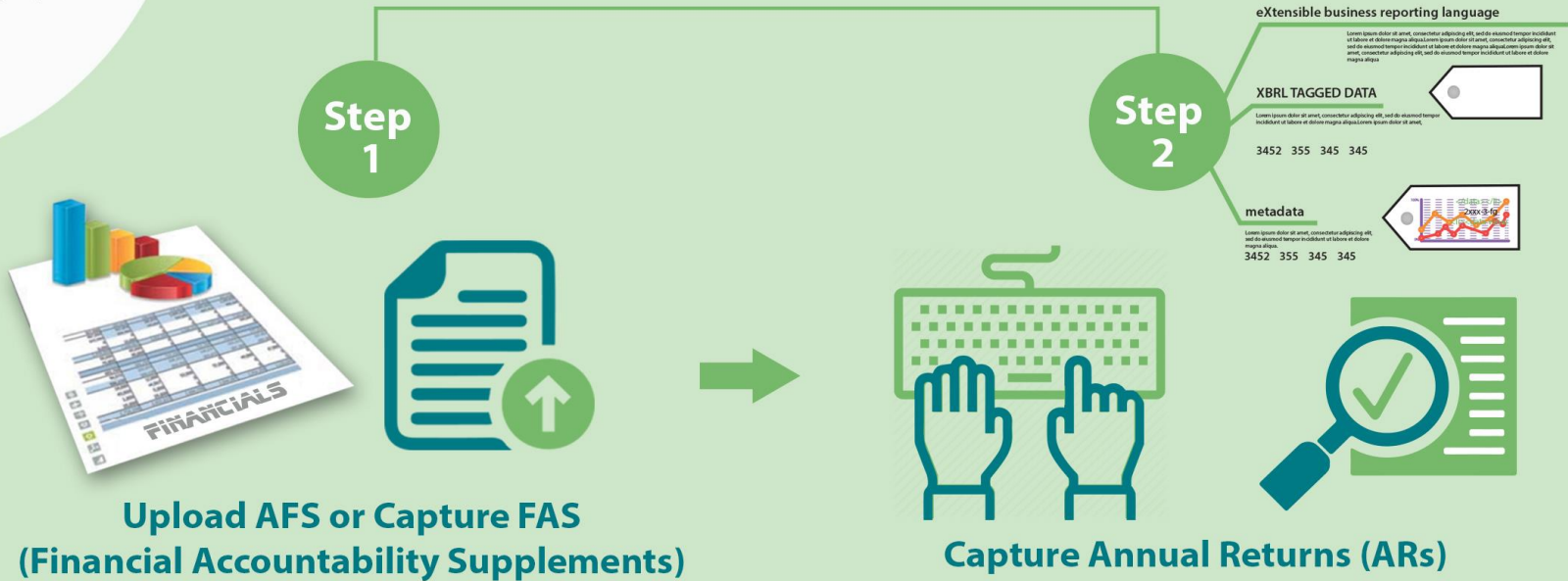
CIPC XBRL "hard-stop" functionality
of the Annual Return process has been deployed as at 7 February 2019.

XBRL SUBMISSION PROCESS

Companies and Intellectual Property Commission
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XBRL
THE BUSINESS REPORTING STANDARD

Step 1

Step 2

eXtensible business reporting language

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.

XBRL TAGGED DATA

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.Lorem ipsum dolor sit amet,

3452 355 345 345

metadata

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.

3452 355 345 345

**Upload AFS or Capture FAS
(Financial Accountability Supplements)**

Capture Annual Returns (ARs)

*Detail: The AR process will verify in the beginning of capturing annual returns (ARs),
whether the customer already uploaded the AFS (Annual Financial Statements) via XBRL or
captured a FAS (Financial Accountability Supplements) via web form.

**This is to enforce the Companies Act that says either a FAS or AFSs must always be submitted
together with ARs. As from 7 February 2019 the online process of AR will "stop" customers from
completing ARs if they haven't already submitted AFSs or FASs.**

**Queries can be sent to XBRL@cipc.co.za.
Information about the programme is also available on the
CIPC website (www.cipc.co.za)**

CIPC taxonomy

General overview

▪Primarily covers the requirements of Companies Act, no 71 of 2008, specifically sections 29 and 33 of the Regulation

▪Incorporates International Financial Reporting Standards and IFRS for small and medium-sized entities modules, which both include:

- Set of primary financial statements as per IFRSs

- Set of disclosures as per Companies Act

▪Created as an extension to the IFRS taxonomy as released by the International Accounting Standards Board [IASB] on 31 March 2016

▪Based on the XBRL SA Standard and Governance Framework (MD approach – modified ITA)

CIPC taxonomy

Recent updates

▪Current taxonomy version (in use) released on 22 June 2018 (V1.8)

▪New standalone taxonomy for 2019 (soon to be published):

- Incorporating latest version of the IFRS taxonomy as published 2019-03-27 (including all notes and explanatory disclosures structures)

- Revised structure of the annual returns and general information:

  - Added declaration of B-BBEE contributor level

  - Added declaration of persons who hold significant beneficial interest

- Incorporating feedback gathered through the public consultations:

  - Added several sector-specific elements into the scope

  - Updates to the mandatory list of elements

- Revised validation rules

Who is affected by XBRL mandate?

All companies subject to an audit in terms of Regulation 28 (2)

Who is affected by XBRL mandate?

s33: Annual return

- (1) Every company must file an annual return in the prescribed form with the prescribed fee, and within the prescribed period after the end of the anniversary of the date of its incorporation, including in that return:

  - (a) a **copy of its annual financial statements**, **if it is required to have such statements audited in terms of section 30(2)** or the regulations contemplated in section 30(7); and

  - (b) any other prescribed information.

Who is affected by XBRL mandate?

Sec. 30(2)

- (1) Each year, a company **must prepare annual financial statements within six months after the end of its financial year**, or such shorter period as may be appropriate to provide the required notice of an annual general meeting in terms of section 61(7).

- (2) The annual financial statements **must:**
  - (a) **be audited,** in the case of a **public company**; or
  - (b) in the case of any other **profit or non-profit company**:
    - (i) **be audited**, **if so required by the regulations** made in terms of subsection (7) taking into account whether it is desirable in the public interest, having regard to the economic or social significance of the company, as indicated by any relevant factors, including:
      - (aa) its annual turnover;
      - (bb) the size of its workforce; or
      - (cc) the nature and extent of its activities; or
    - (ii) be either:
      - (aa) audited voluntarily if the company's <u>Memorandum of Incorporation</u>, or a shareholders resolution, so requires or if the Company's board has so determined; or
      - (bb) independently reviewed in a manner that satisfies the regulations made in terms of subsection (7), subject to subsection (2A).
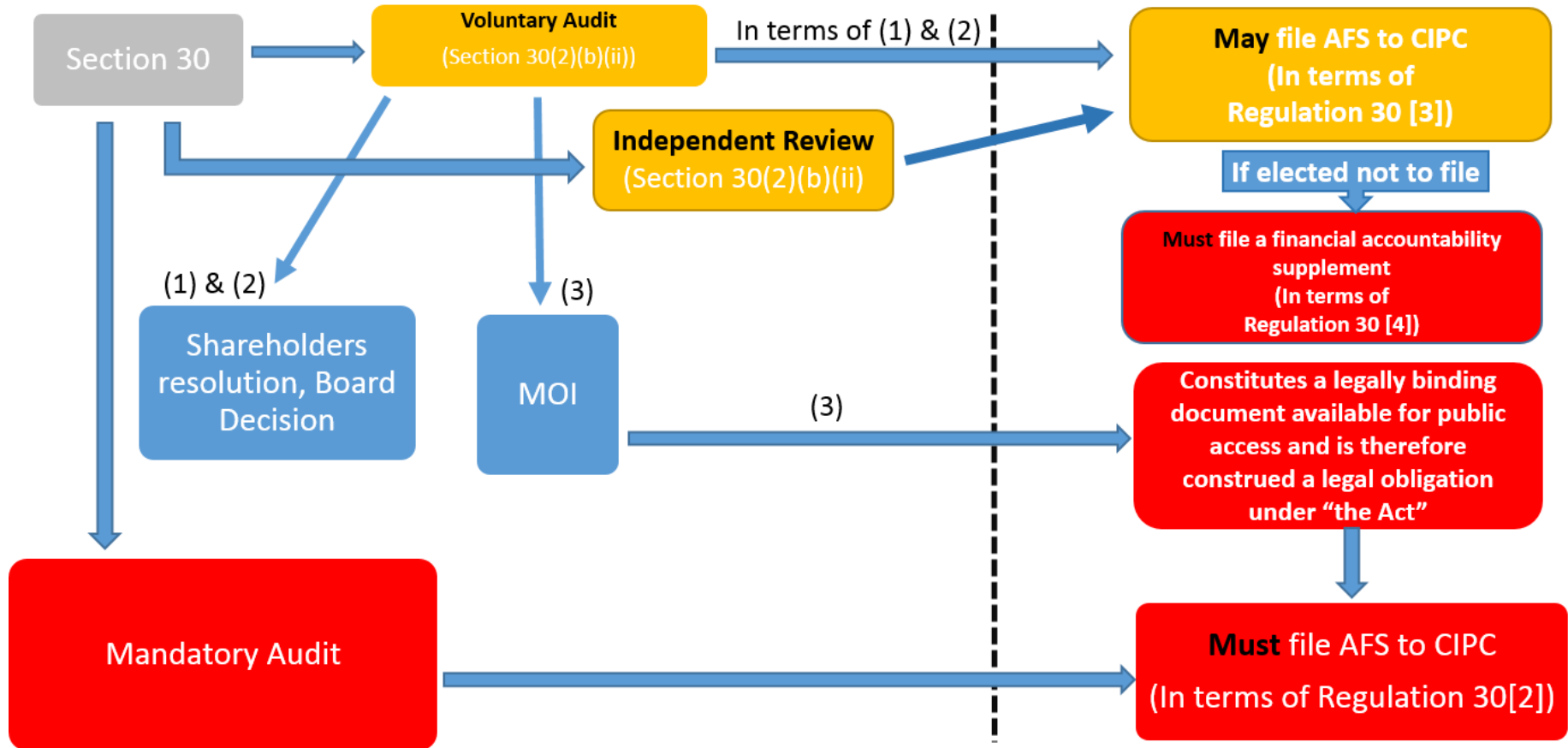
Who is affected by XBRL mandate?

Reg. 28 (2)

- (2) In addition to **public companies** and **state owned companies**, any company that falls within any of the following categories in any particular financial year must have its annual financial statements for that financial year audited:

  (a) any profit or non-profit company if, **in the ordinary course of its primary activities, it holds assets in a fiduciary capacity for persons who are not related to the company, and the aggregate value of such assets held at any time during the financial year exceeds R5 million**;

  (b) any non-profit company, if it was incorporated-

  (i) directly or indirectly by the state, an organ of state, a state-owned company, an international entity, a foreign state entity or a foreign company; or

  (ii) primarily to perform a statutory or regulatory function in terms of any legislation, or to carry out a public function at the direct or indirect initiation or direction of an organ of the state, a state-owned company, an international entity, or a foreign state entity, or for a purpose ancillary to any such function; or

  (c) Any other company whose **public interest score in that financial year**, as calculated in accordance with regulation 26(2)-

  (i) is **350 or more**; or

  (ii) **is at least 100**, **if** its annual financial statements for that year were **internally compiled.**

Who is affected by XBRL mandate?

Audit decision tree

Filing obligation

Section 30

Voluntary Audit
(Section 30(2)(b)(ii))

In terms of (1) & (2)

May file AFS to CIPC
(In terms of
Regulation 30 [3])

Independent Review
(Section 30(2)(b)(ii))

If elected not to file

Must file a financial accountability
supplement
(In terms of
Regulation 30 [4])

(1) & (2)

Shareholders resolution, Board Decision

(3)

MOI

(3)

Constitutes a legally binding document available for public access and is therefore construed a legal obligation under "the Act"

Mandatory Audit

Must file AFS to CIPC

(In terms of Regulation 30[2])

Reg. 30(2): A company that is required by the Act or regulation 28 to have its annual financial statements audited must file a copy of the latest approved audited financial statements on the date that it files its annual return.

Who is affected by XBRL mandate?

Reg. 30(5)

- The Commission-

  – (a) must establish a system to **select and review a sample of financial accountability supplements**, **audited annual financial statements or independently reviewed annual financial statements that have been filed in terms of this regulation**, with the objective of monitoring compliance with the financial record keeping and financial reporting provisions of the Act; and

  – (b) may issue a compliance notice to any such company setting out changes that are required to the company's practices to better comply with the financial record keeping and financial reporting provisions of the Act.

Complying with iXBRL expectations
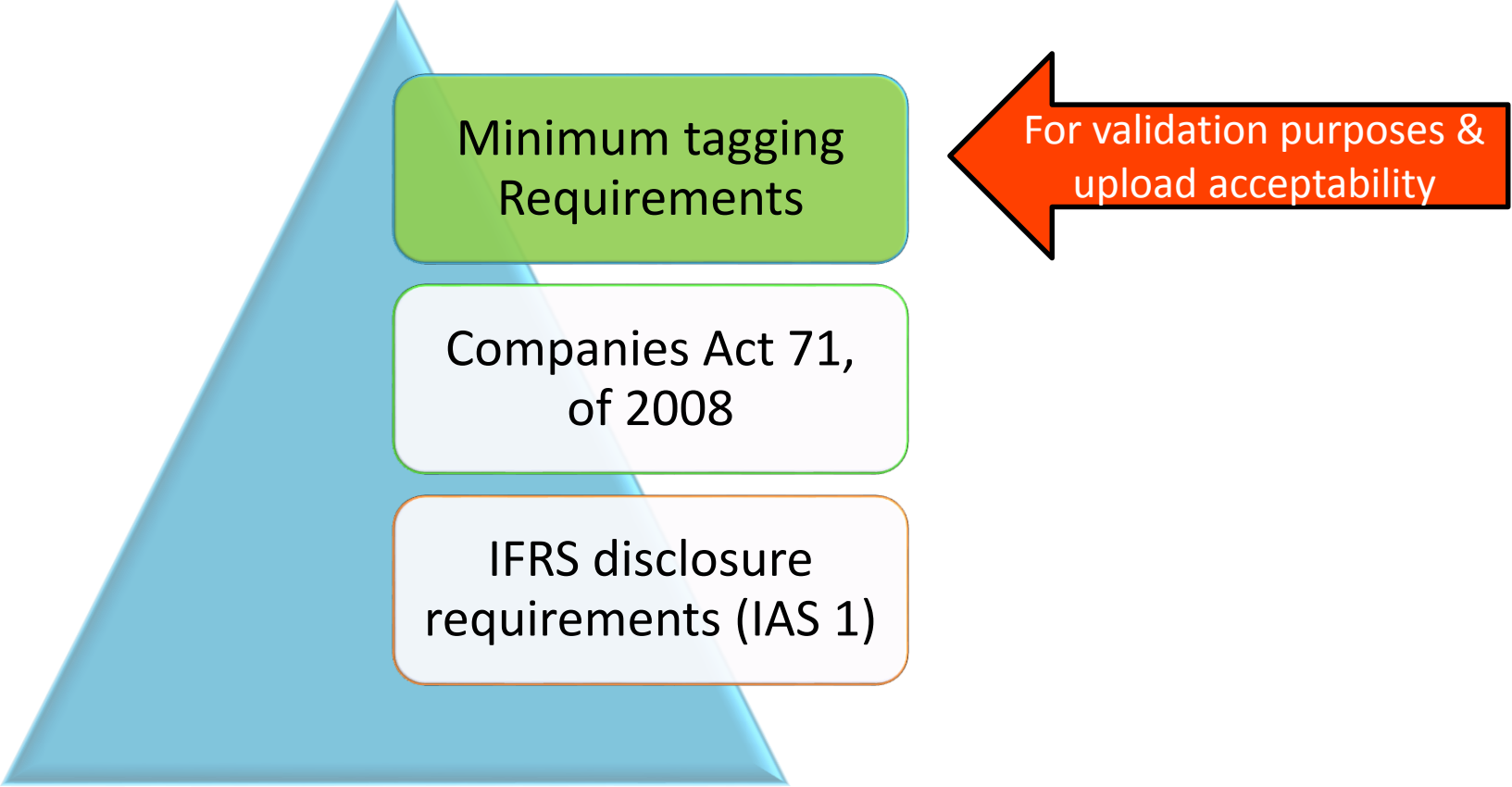
AFS Submission DEMO available here:
https://youtu.be/G-P5IQAQio4

Complying with iXBRL expectations
Mandatory requirements

All iXBRL filings must contain a minimum of 41 mandatory tags!

Minimum tagging Requirements

For validation purposes & upload acceptability

Companies Act 71, of 2008

IFRS disclosure requirements (IAS 1)

Complying with iXBRL expectations
Mandatory requirements

Sun Holdings Limited

(Registration number 1989 /06)
Annual Financial Statements for the year ended 31 March 2018

Mandatory Information Required for CIPC Submission (XBRL)

Annual return

Customer code	SUNSEC
Name of the designated director, employee or other person who is responsible for the company's compliance with submitting an annual return and adhere to Chapter 3 of the Act	Graham Tyrrell
Date of end of reporting period	2018-03-31
Select 'true' if the Annual Financial Statements have been audited. If not, select 'false'	true
Name of auditor	PricewatherouseCoopers Inc.
Date of audit of Annual Financial Statements	2018-07-20

Company's public interest score

Average number of employees	nil
Maximum number of individuals with beneficial interest in securities of company, or members in case of non profit company	8,266
Public interest score	11,112

A PI Score exceeding 500 MUST have the social and ethics committee report disclosed. Please attach this report as supplementary information on the CIPC portal

Company contact information

Companies Act

Complying with iXBRL expectations
Mandatory requirements

A PI Score exceeding 500 MUST have the social and ethics committee report disclosed. Please attach this report as supplementary information on the CIPC portal

Company contact information

Email address of company	ilani.meadon@ com
Principal place of business of company	Montecasino Boulevard,Fourways
Principal business of company	The company is a South African incorporated public company listed on the Johannesburg Stock Exchange ("JSE") and is the holding company of subsidiaries principally engaged in the hotels and gaming industry. There have been no material changes in the nature of the company's business from the prior year other than as mentioned in the annual financial statements.

IFRS
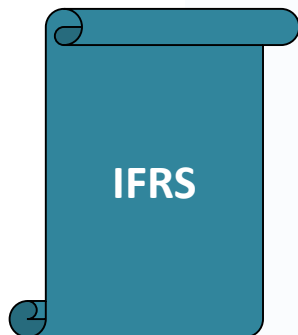
General information about financial statements

Description of nature of financial statements	Financial statements prepared on the going concern value
Date of publication of financial statements	2018-07-20
Period covered by financial statements	12 months
Description of presentation currency	Rand
Level of rounding used in financial statements	1,000's
Date of approval of annual financial statements	2018-07-20

Complying with iXBRL expectations
Other rules and guidelines

- Reporting entity must be identified in the iXBRL report using company registration number as a content of an xbrli:identifier element. Scheme attribute must be http://www.cipc.co.za/

- Hidden section of the report must not be used for selected mandatory elements

- In case entity is not able to provide a value for a mandatory element marked as warning, it still needs to be present in a report with a 'nil' value and provided with explanatory footnote

- In case of values present on a face of report that are following format not expected in the XBRL element data types, a relevant transformation rule must be applied as per the Transformation Registry 3.0.

- For drop-down elements, the selected value is recommended to be reported in the hidden section due to lack of relevant transformation functions. Please also note that the format for such value is QName and not the standard label used for a given enumeration (e.g. cipc-ca-enum:NotOccurred rather than 'Not occurred')

Complying with iXBRL expectations
Post-filing Validation report (system generated)

CIPC BUSINESS INTELLIGENCE REPORTS

★ Favorites   ▢ Browse

Home > Annual Financial Statements > **Annual Financial Statements Review Statistics Summary**
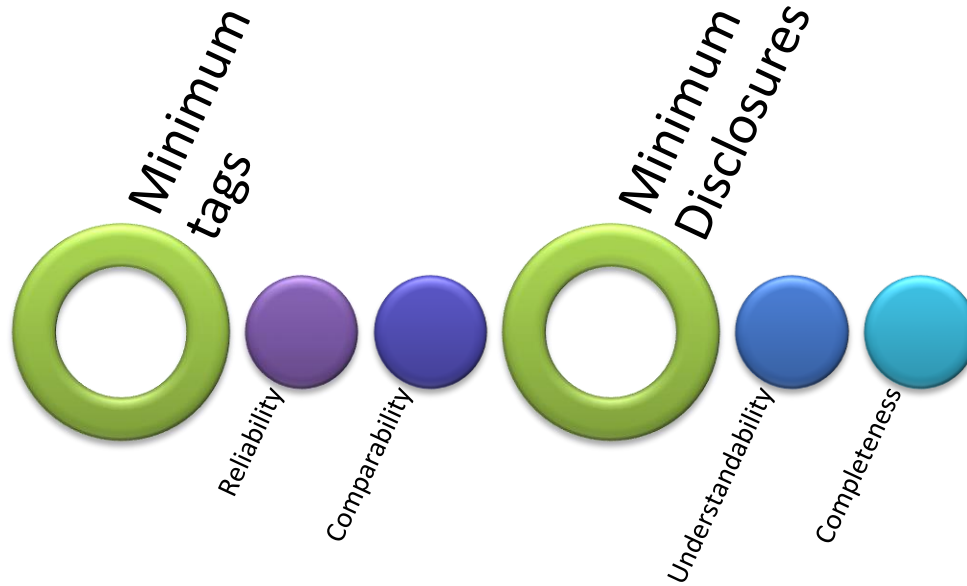
Fin Year 2018/19

| 1 of 1   100% ▼   Find | Next

Property Commission
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financial years

	2018/19
Name Of Auditor Non Compliant Counter	11
Requires Audit Check Counter	108
Approval Of Fin Within 6 Months Non Compliant Counter	29
Number Of Directors Non Compliant Counter	1
Rotation Of Auditors Compliant Counter	0
Social And Ethics Committee Non Compliant Counter	0
Company Secretary Non Compliant Counter	25
Remuneration Disclosure Non Compliant Counter	209
Solvency Liquidity Non Compliant Counter	250
Reckless Trading Non Compliant Counter	44
AR Comparison Non Compliant Counter	187

Complying with iXBRL expectations
Compliant iXBRL Submission

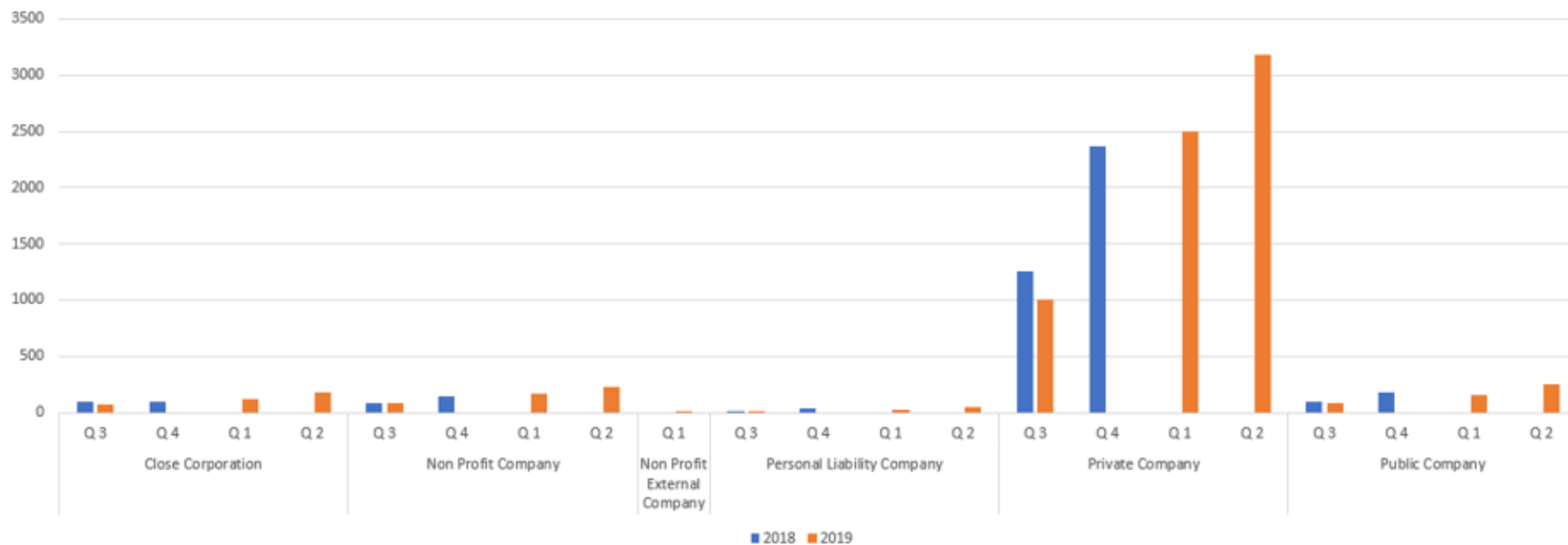# Complying with iXBRL expectations
Compliant iXBRL Submission

XBRL – AFS Submissions
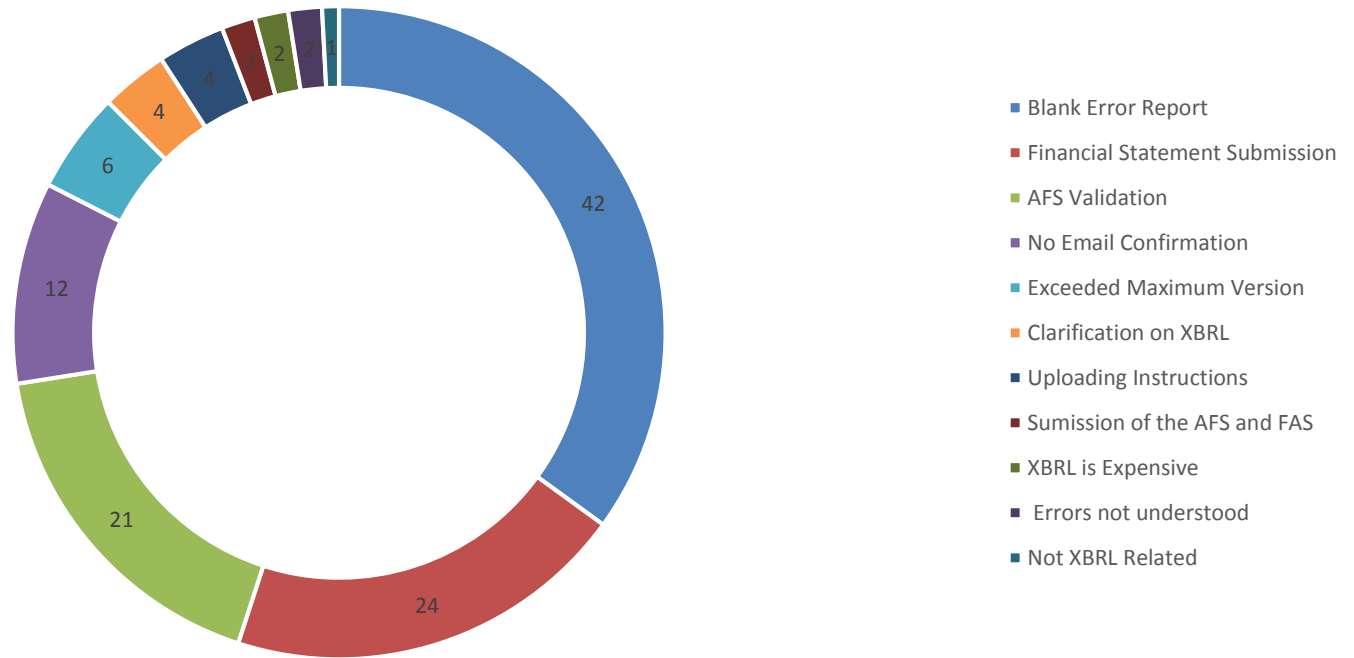
Total Number of AFS Submissions

Below are the total number of Annual Financial Statements submitted via the iXBRL Portal from 1st July to 28 July 2019, i.e. there have been a total number of 12 520 submissions.

Total number of AFS Submissions to Date

XBRL – Recent Customer Care Issues

Customer Issues By Type

Legend:
- Blank Error Report
- Financial Statement Submission
- AFS Validation
- No Email Confirmation
- Exceeded Maximum Version
- Clarification on XBRL
- Uploading Instructions
- Sumission of the AFS and FAS
- XBRL is Expensive
- Errors not understood
- Not XBRL Related

Chart values: 42, 24, 21, 12, 6, 4, 4, 2, 2, 1

Important reference material

Filing Annual Financial Statements (AFSs) via iXBRL

How-to guides:

- Recorded Demonstration of iXBRL Portal
- Guidelines to Register as a Customer to use the iXBRL Portal
- User Manual for iXBRL Portal
- Validation Service User Manual

Differences between filing of Annual Financial Statements (AFSs) and Financial Accountability Supplements (FASs)

- Filing AFSs vs FASs together with ARs
- How to file FASs when AFSs don't apply

Business Aspects

Information for entities on how to comply to the CIPCs iXBRL mandate on filing of AFSs:

- Filers Guidelines: Business Aspects
- Frequently Asked Questions (FAQs)
- Did You Know? - Quick Reference to Important Facts

Important reference material

Technical Aspects

Technical information mostly relevant only to software service providers of client-side software:

- Filers Guidelines: Technical Aspects

- **Taxonomy 2016**
  - Taxonomy
  - Taxonomy Release Notes
  - Taxonomy Illustrated
  - Taxonomy for Download
  - Taxonomy Sample Files
  - Taxonomy Summary Document
  - Taxonomy Data Model
  - Taxonomy Mandatory Data Elements
  - Taxonomy Architecture Framework

- **Taxonomy 2019** *(Incorporates 2017, 2018 and 2019 IFRS updates)*

  - Taxonomy
  - Taxonomy Release Notes
  - Taxonomy Illustrated
  - Taxonomy for Download
  - Taxonomy Sample Files
  - Taxonomy Summary Document
  - Taxonomy Data Model
  - Taxonomy Mandatory Data Elements
  - Taxonomy Architecture Framework

- Taxonomy Known Issues

Questions?