Application of iXBRL in South Africa
Introductory training

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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

**XML**

```
<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>
```
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
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 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
Forms, reports, regulations

Logical layer
Harmonized Business Metadata Repository

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

Metamodel: DPM and ITA

Physical layer
XBRL SA Taxonomy Set

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: XBRL ITA
XBRL in South Africa: journey to date

XBRL SA Standard and Governance Architecture

This group of folders contains common dictionaries for each data domain or subdomain folder, depending on the HD or MD approach for output taxonomy.

(MD model)
- dim
- lab
- val
- linkbases
  - pre
  - cal
  - def
  - gen
  - ref

(HD model)
- dict
- dim
- dom
- met

XBRL SA
- def
  - Companies Act
  - Financial reporting
  - Sustainability / Integrated reporting
  - Registration and corporate events
  - Listing requirements
  - Corporate actions
  - Insurance reporting
  - Capital adequacy
  - Financial institutions statistics
  - Pension and investment funds
  - Public sector organisations
  - National budget chart of accounts
  - State-owned companies

rep
- Tax reporting
- SARS
- CIPC
- JSE
- SARB
- FSB
- NT

This group of folders contains for each institution specific definitions, depending on the HD or MD approach for output taxonomy.

(MD model)
- dim
- lab
- val
- linkbases
  - pre
  - cal
  - def
  - gen
  - ref

(HD model)
- fws
  - tab
  - mod
  - val
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)
Companies and Intellectual Property Commission

01 JAN – 30 APR 2019
01 MAY – 15 JUN 2019
01 OCT 2019
CIPC XBRL “hard-stop” functionality of the Annual Return process has been deployed as at 7 February 2019.

**XBRL SUBMISSION PROCESS**

**Step 1**
- Upload AFS or Capture FAS (Financial Accountability Supplements)

**Step 2**
- 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)
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)
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 Memorandum of Incorporation, 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.
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.
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
All iXBRL filings must contain a minimum of 41 mandatory tags!
Complying with iXBRL expectations

Mandatory requirements

<table>
<thead>
<tr>
<th><strong>Mandatory Information Required for CIPC Submission (XBRL)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual return</strong></td>
</tr>
<tr>
<td><strong>Customer code</strong></td>
</tr>
<tr>
<td><strong>Name of the designated director, employee or other person</strong></td>
</tr>
<tr>
<td>who is responsible for the company's compliance with submitting an annual return and adhere to Chapter 3 of the Act</td>
</tr>
<tr>
<td><strong>Date of end of reporting period</strong></td>
</tr>
<tr>
<td><strong>Select ‘true’ if the Annual Financial Statements have been audited. If not, select ‘false’</strong></td>
</tr>
<tr>
<td><strong>Name of auditor</strong></td>
</tr>
<tr>
<td><strong>Date of audit of Annual Financial Statements</strong></td>
</tr>
<tr>
<td><strong>Company’s public interest score</strong></td>
</tr>
<tr>
<td><strong>Average number of employees</strong></td>
</tr>
<tr>
<td><strong>Maximum number of individuals with beneficial interest in securities</strong></td>
</tr>
<tr>
<td>of company, or members in case of non profit company</td>
</tr>
<tr>
<td><strong>Public interest score</strong></td>
</tr>
<tr>
<td>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</td>
</tr>
<tr>
<td><strong>Company contact information</strong></td>
</tr>
</tbody>
</table>
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
Principal place of business of company
Principal business of company

<table>
<thead>
<tr>
<th>ilani.meadon@com</th>
<th>Montecasino Boulevard, Fourways</th>
</tr>
</thead>
</table>

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.

General information about financial statements
Description of nature of financial statements
Date of publication of financial statements
Period covered by financial statements
Description of presentation currency
Level of rounding used in financial statements
Date of approval of annual financial statements

| Financial statements prepared on the going concern value |
|---------------|------------------|
| 2018-07-20    | 12 months        |
|Rand           | 1,000's          |
| 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)
Complying with iXBRL expectations

Compliant iXBRL Submission

Successful filing/upload & Compliant Filing

Minimum tags
- Reliability
- Comparability

Minimum Disclosures
- Understandability
- Completeness

41 MTRs

Companies Act disclosures

IAS 1
Complying with iXBRL expectations

Compliant iXBRL Submission
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.
XBRL – Recent Customer Care Issues

Customer Issues By Type

- Blank Error Report: 42
- Financial Statement Submission: 24
- AFS Validation: 21
- No Email Confirmation: 12
- Exceeded Maximum Version: 6
- Clarification on XBRL: 4
- Uploading Instructions: 3
- Submission of the AFS and FAS: 2
- XBRL is Expensive: 2
- Errors not understood: 1
- Not XBRL Related: 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?