

**CIPC MEDIA RELEASE 1 of 2016**  
**29 January 2016**

***Taxonomy Development Experts appointed to develop Taxonomy for CIPC as part of the XBRL (eXtensible Business Reporting Language) project***

CIPC is taking the necessary steps to improve the ease with which companies can lodge and comply with the requirement to lodge annual financial statements as part of the journey to become a credible regulator. We have plans to roll out an XBRL system, a system which has been adopted by many corporate regulators internationally. A system which allows financial statements to be lodged in a particular format, thus making compliance and the monitoring thereof simpler.

However, to implement XBRL it is necessary to have suitable taxonomies or dictionaries that enable information to be converted into a machine readable format. South Africa uses International Financial Reporting Standards (IFRS) as its accounting standards. Taxonomies currently exist for all IFRS standards and these taxonomies are maintained by the International Accounting Standards Board (IASB). However, additional taxonomies need to be prepared and maintained for South African specific information, e.g. CIPC specific taxonomies will be critical incorporating Companies Act, King III requirements, amongst other things.

A Taxonomy Development Expert has been appointed to assist CIPC with the taxonomy development process with effect from **01 February 2016**, and this is a confirmation of the commitment by CIPC to the XBRL project. There will be consultations with various stakeholders as part of the project to allow for input to be collated before the final Taxonomy is published. We will continue to keep you posted on developments in this regard with regards to the XBRL Project. CIPC receives great support from XBRL South Africa and its members.

When XBRL is implemented, it will lead to significant reduction in the regulatory burden currently experienced by corporate entities, as well as substantial cost savings in the economy. It will also lead to improved efficiencies across regulators and improve their ability to monitor companies and industries and identify trends. Overall, the South African economy would benefit because of the efficiency improvements and South Africa would become a more attractive place to do business as the regulatory burden would be less.

**Conclusion**

Companies are encouraged to continue to submit their Annual Financial Statements via a dedicated e-mail address, [financialstatements@cipc.co.za](mailto:financialstatements@cipc.co.za) , on time and in compliance with the Companies Act and the International Financial Reporting Standards.

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