

mit Unterstützung von
with the support of

 **Bundesanzeiger
Verlag**

EBA
EUROPEAN
BANKING
AUTHORITY


eiopa


eurofiling

XBRL | **EUROPE**

hosted by



EUROPEAN CENTRAL BANK
EUROSYSTEM

EUROFILING XBRL WEEK IN FRANKFURT 6-7-8-9 JUNE 2017

19th XBRL Europe day | Eurofiling 23rd workshop | Tutorials | Academic Track

DIGITAL FUTURE PROJECT

THOMAS TOOMSE-
SMITH FROM THE UK'S
FRC (REGULATOR)

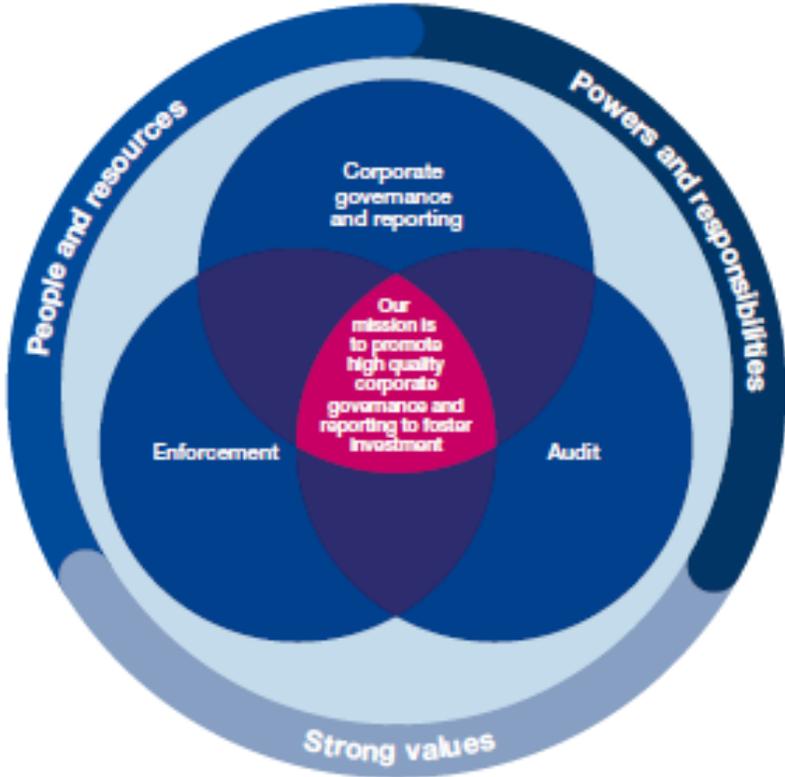
Frankfurt,

OVERVIEW

- Introducing the FRC and the Lab
- Our journey into digital
- Our project – What we are trying to achieve
- The 12 characteristics of future digital reporting
- What we have learned so far
- Our next steps

THE FRC

Our activities are designed to encourage **trustworthy behaviour** and **trustworthy information** in pursuit of our mission.



Corporate governance and reporting

- Set the UK corporate governance and stewardship codes
- Set accounting and actuarial standards
- Publish narrative reporting guidance
- Monitor corporate reporting compliance

Audit

- Set auditing standards
- Monitor the quality of audit
- Oversee the auditing, actuarial and accountancy professions

Enforcement

- Case examination and enquiry
- Take enforcement action where necessary

THE LAB

Vision

“To promote market innovation in corporate reporting through the publication of influential evidence-based research, presenting practical and pragmatic solutions developed with companies and the investment community, addressing their issues.”



In a regulator but not regulation

Based within the UK's Financial Reporting Council but supported by a wide body of stakeholders from the Corporate Reporting Ecosystem.



Wide scope

Work spans financial, narrative and governance reporting.

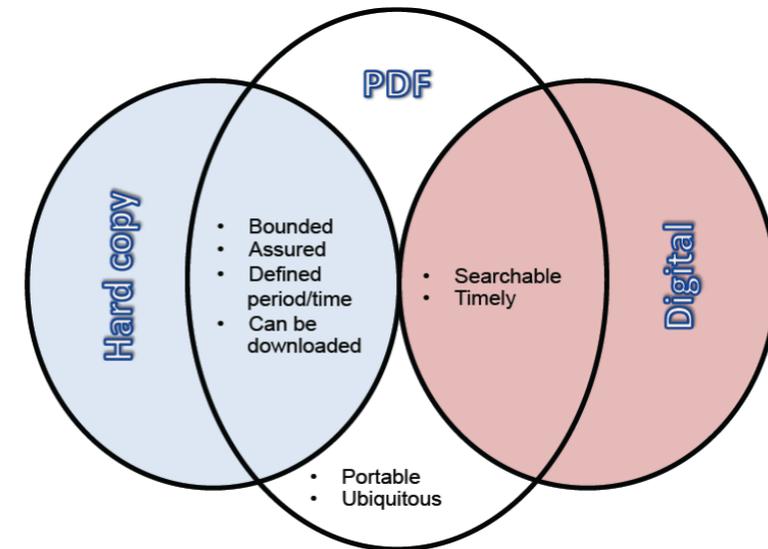


Wide range of projects and views

Worked on more than 14 projects over the past 5 years and met with more than:
70 companies;
100 investment professionals; and
300 retail investors.

OUR JOURNEY

- The Lab began investigating digital reporting 3 years ago with Digital Present.
- Currently many mediums designed to communicate with investors do not have a high take up.
- For users and preparers PDF annual report are popular as it mixes paper and digital.
- Digital inertia is strong for both companies and investors.
- But change is needed the current system is not fit for the future.

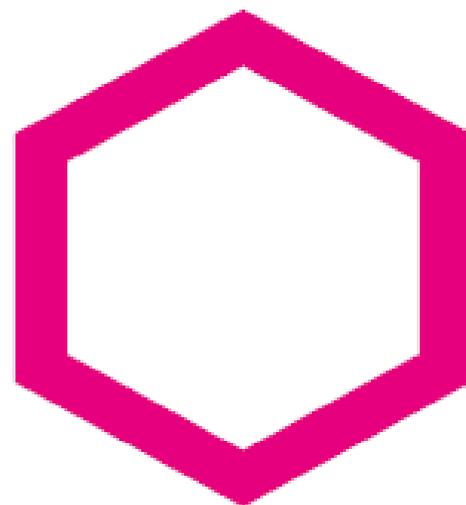


Investors desired attributes represented by PDF annual reports

OUR JOURNEY

Three key drivers will change the landscape for reporting:

Regulation



Users

Technology

OUR PROJECT

What do you want
from a digitally
enabled system of
corporate reporting?



During the project we surveyed 93 individuals from 14 different countries, interviewed in detail more than 30 companies, investors, and other stakeholders and sought views at roundtables, events, and company and investor forums.

OUR PROJECT



Production

Production – This stage is focused on the collation, amalgamation, packaging, and presentation of underlying financial and non-financial information from within a company or organisation with the express intention that it will be released externally. Production characteristics were of most interest to companies and those supporting them.



Distribution

Distribution – This stage is focused on the dissemination of the packaged information, both to meet regulatory requirements (e.g. National Storage Mechanism) and to communicate with external stakeholders. Distribution characteristics are of interest to both companies and those consuming the information.



Consumption

Consumption – This stage is focused on the analysis and use of the distributed, packaged information. Consumption characteristics are of most interest to those utilising the information. These characteristics might attach equally to any individual piece of data, disclosure or document being used.

CHARACTERISTICS



- Boundary
- Period covered
- Accounting or other Framework
- Accounting policy or other internal framework
- Level of assurance
- Link to other info

- Up loadable
- Universal
- Searchable
- Intuitive

- Immutable
- Secure
- Clear assurance
- Authentic

- Relatively standardised
- Customisable
- Designable

WHAT WE HAVE LEARNED – SO FAR

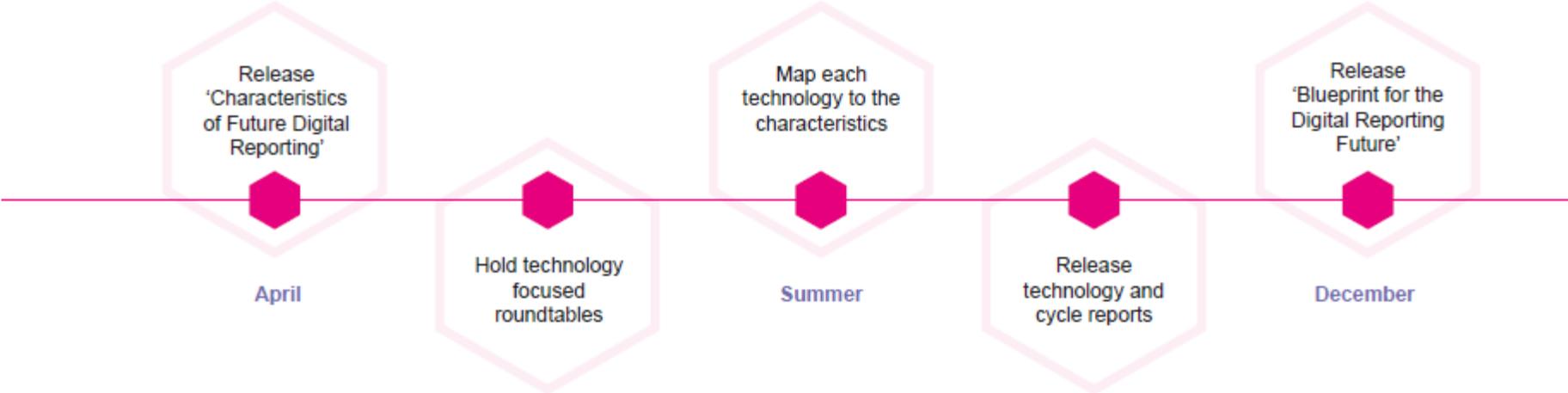
- That the current system needs to change as demands are evolving
- That Investors and Companies do have needs that technologies (like XBRL) can and do deliver, they just don't articulate it in that way
- That individual technologies and initiatives need to work together to create the optimised digital future
- That a globally consistent approach is the most effective for users

NEXT STEPS

Production	Cost-efficient	Compatible	Easy	Timely
	Achieved			
Needs to develop				
Links to others				

EXAMPLE

NEXT STEPS



Reports and information about the Lab can be found at:

<https://www.frc.org.uk/Lab>

financialreportinglab@frc.org.uk

Follow us on  Twitter @FRCnews or  LinkedIn