

## **XBRL UPDATE – September 2004**

### **Governance**

The Board and Steering Committee unanimously agreed to a strategy proposal recommending a restructure of the organization to enable it to more flexibly focus on fostering adoption of the standard in Australia. Key points of the restructure are:

- Steering Committee and all working groups disbanded.
- Membership categories reduced from 11 to 4, being:
  - Academics admitted free if they promote the standard to students and others;
  - Large commercial organizations (>\$100million revenue) remain at \$7500pa (+GST);
  - Other commercial organizations at flat \$1000pa (+GST)
  - Facilitator category now underwrites any deficit.
- Directorship no longer nomination by ICAA, CPAA and a member elected director. Any organization admitted as a Facilitator must appoint a director. This allows ICAA and CPAA to hand over to another organization if that becomes appropriate.

The above changes mean that ICAA and CPAA will underwrite any deficit of expenditure over membership subs raised. This is currently estimated at \$30,000 for fiscal 2005, which the Institute has already paid. As ICAA holds a directorship it is in a position to influence any movement of this figure above or below that estimate.

There is currently a dispute with ASIC over lodgement of documents in relation to changes in directors over the past 18 months. We contend that we have correctly lodged appropriate documents and that ASIC have erred in data entry of those forms. Rob Turner (Legal Counsel CPAA) is liaising with ASIC on this.

### **Activity**

In line with the new strategy, the consortium has focused on adoption of the standard. We are currently in negotiations with MYOB, now Australia's dominant supplier of accounting software, to form a pilot project with the ATO and PwC to implement XBRL for tax filings. The meetings to date have included a MYOB director and a First Assistant Commissioner from the ATO, so it enjoys a high profile and indicates the level of commitment from the main players.

We have also been successful in negotiations with the Australian Government Information Management Office (AGIMO) to have XBRL recommended for endorsement as part of the governments technical interoperability framework – the foundation for how all government agencies will exchange data. An announcement was imminent when the election was called – we will probably wait until after October 9 for that now.

We are also in early stage negotiations with DEST (Dept Education Science and Training) to implement XBRL in a pilot projects for reporting grant funding, and with APRA to extend their implementation of XBRL to other areas not yet covered.

Trevor Pyman (CEO, XBRL) has also addressed the ACT Regional Council to apprise them of the progress being made in the public sector and to encourage them to further the interests of members in the Public Service by spreading the word on how XBRL can reduce wasted time and money spent on data rekeying.

We recently met with David Boymal and Ellen Stoddart from AASB to discuss the issue of maintenance of any Australian extension to the IFRS taxonomy to reflect any divergence in Australia from those standards. David accepted the point that creation of a taxonomy involved interpretative decisions on the standards and that the AASB was the appropriate authority to make those decisions. David will put the case to the FRC to fund this activity and we have made contact with the ICAA, CPAA and ASX representatives on the FRC to apprise them of the importance of the FRC supporting this. The level of funding required is incremental as it is simply the publication of AASB decisions in another language. The quantum of this depends solely on the quantum of decisions and their impact on reporting requirements. XBRL Australia has offered to assist AASB in any way it can to prepare for this.

ICAA and CPAA have also organized a meeting with ASIC on 30 September to discuss how ASIC can benefit from adoption of the XBRL standard.

The consortium is also sending Trevor Pyman and Paul Phenix (ASX – XBRL Australia Representative on XBRL International Steering Committee) to the XBRL International Conference in Brussels 15-19 November. It is a requirement of membership that our representative attend the AGM to be held then, but also a benefit of membership that the consortium send representatives to cover as much of the conference as possible on behalf of Australian members who cannot make it there in person. Paul and Trevor will distribute a full report on their return