



July 10, 2009

CLIFF #: 218858
Website: www.iasb.org
280-20

International Accounting Standards Board
First Floor
30 Cannon Street
London, EC4M 6XH
United Kingdom

Dear Sir/Madam:

RE: IASB Request for Comments on the XBRL Activities Due Process Handbook

Thank you for the opportunity to comment on the XBRL Activities Due Process Handbook.

The Summary Financial Statements of the Province of British Columbia are prepared in accordance with Canadian Public Sector Accounting Board (PSAB) standards. Although the XBRL due process handbook will relate to IFRS, it is likely that the principles in the handbook will be applied to a public sector XBRL due process handbook. Also, parts of our organization will follow IFRS and we will be collecting financial information from entities that have to follow IFRS. As a consequence, we are responding to the request for comment.

We note in our answer to question 2 that there is strategic benefit from having the IASB more involved in the due process for XBRL activities. The IASB will provide a broader perspective regarding the potential future uses of XBRL and will understand the data needs of a wider group of stakeholders. In question 3 we note that taxonomy development should be driven by underlying IFRSs. We also note that consideration should be given to the costs that financial statement users will incur when they implement the taxonomy. The requirements of financial

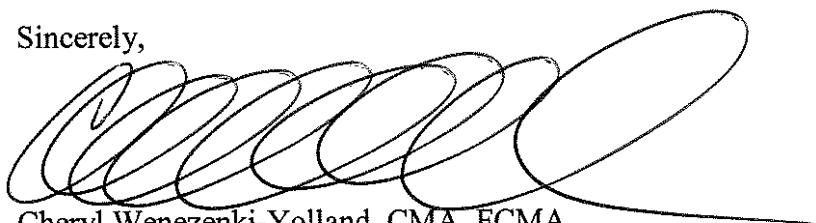
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statement users other than investors must be taken into account as the taxonomy is developed. The province's government business enterprises will adopt IFRS in 2011 and their financial users are much broader than the investor community. Their financial statement users include the legislature, rate regulators, citizens as well as investors. We also note that the due process should also consider components external to the taxonomy, which also drive the costs financial statement prepares will incur when the implement the taxonomy.

Responses to specific questions posed in the exposure draft are attached. Should you have any comments or questions, please contact me at (250) 387-6692 or by e-mail: Cheryl.Wenzezenki-Yolland@gov.bc.ca, or

Carl Fischer, Executive Director, Financial Reporting and Advisory Services Branch, at (250) 356-9272 or by e-mail: Carl.Fischer@gov.bc.ca.

Sincerely,



Cheryl Wenezenki-Yolland, CMA, FCMA
Comptroller General
Province of British Columbia, Canada

cc: Graham Whitmarsh, Deputy Minister
Ministry of Finance

Nick Paul, Deputy Secretary to the Treasury Board
Ministry of Finance

Carl Fischer, Executive Director
Financial Reporting and Advisory Services
Office of the Comptroller General

Question 1 – evaluation and alignment

Stages 2a (technology evaluation) and 2b (alignment of underlying IFRSs) consider conceptual activities in the areas of expertise of the XBRL team (technology and financial reporting). Does the emphasis on ‘evaluation’ and ‘alignment’ accurately reflect XBRL activities conducted during these stages?

We have no comments on this question; however, we question whether there should be public consultation during stages 2a and 2b.

Question 2 – IASB involvement in the due process for XBRL activities

The IASB is generally involved in the due process for XBRL activities in the alignment with underlying IFRSs (2b) stage, when the XBRL team consults technical staff on the IFRSs. Should the IASB have more involvement in the due process for XBRL activities?

There is strategic benefit from having the IASB more involved in the due process for XBRL activities. The IASB will provide a broader perspective regarding the potential future uses of XBRL and will understand the data needs of a wider group of stakeholders. The IASB can also look beyond the IFRS taxonomy and see more linkages. For example, there may be an opportunity in the future to link taxonomies or have multiple taxonomies enabling business and financial information to be combined for better decision making. It is important that a broader view and perspective are taken into account in the development of the IFRS taxonomy to ensure it is flexible enough to accommodate current and future data needs.

Question 3 – taxonomy development in alignment with the IFRSs

The Taxonomy alignment stage (2b) is guided by the standard approach, to ensure that the Taxonomy is aligned with IFRSs. The approach involves the scrutiny of each IFRS in turn, and considers the IFRSs published in the Bound Volume of IFRSs at the beginning of a calendar year, and also new IFRSs when issued. Do you agree that the Taxonomy development should be driven by underlying IFRSs?

We agree that taxonomy development should be driven by underlying IFRSs. Overall, this approach makes sense – so the taxonomy keeps pace with the international standards. This is useful to users and software vendors (interoperability, usability, extensibility, stability and comparability). However, it also depends on the rates of change, the costs involved in implementing the updated taxonomy and who pays the costs, e.g. Does each change in taxonomy require a software upgrade for users? What happens if there is a significant technology change – could it drive a change in the Taxonomy?

Question 4 – draft taxonomies

At present the XBRL team develops the Taxonomy only for IFRSs. Should the XBRL team also consider exposure drafts of proposed IFRSs (such as standards for PEs and NPAEs), and develop draft taxonomies for these?

Resources should not be spent on the development of taxonomies for PEs and NPAEs unless there is a demonstrated demand for the taxonomies.

Question 5 – additional reporting components outside IFRSs

XBRL-based reporting may require components to be developed in addition to the Taxonomy (such as identification of filer, identification of submitted report, or additional information for automatic transmission). As stated in paragraph 11, the due process does not address such additional components. Should such exclusion be maintained, with the scope of the Taxonomy kept to only the disclosure requirements covered by IFRSs?

No, the due process should also consider components external to the taxonomy. The development of components external to the taxonomy would most likely assist in the implementation and adoption of XBRL into the international community.

Question 6

The due process for XBRL activities is continuous and recurrent in character. This conflicts with the emphasis on the ‘final’ release of the Taxonomy. Should the emphasis be changed to reflect the annual character of the final Taxonomy?

The XBRL due process methodology should reflect the manner in which IFRSs are updated. Ideally, updates to the taxonomy, resulting from changes to IFRSs, would be released concurrently with the release of IFRSs.

Question 7

Paragraph 39 outlines the ‘underlying considerations’ for the application of the due process for XBRL activities. The XBRL team also considered using the term ‘principles’ or ‘requirements’. Is the term ‘considerations’ correct?

We believe that IFRS are, in the main, principles based accounting standard. As a result, we believe that the heading should be “Underlying Principles” rather than “Underlying Considerations”.

Question 8

The XBRL team is part of the Interoperable Taxonomy Architecture (ITA) project. This joint initiative between the European Commission, the IASC

Foundation XBRL team, the Japan FSA and the US SEC aims to achieve convergence of the XBRL architectures of three taxonomies: US generally accepted accounting principles (GAAP), Electronic Disclosure for Investors' NETWORK (EDINET) and IFRSs. Should the co-operation within the ITA be addressed in the Due Process Handbook?

Yes, the co-operation within the ITA should be addressed in the due process handbook. Ideally, each agency that is a member of the ITA would have a due process handbook that addresses co-operation between the member agencies of ITA because the projects of each of the agencies may each have different life spans.

Question 9

The XBRL team co-operates with the IASCF Translations team for the translations of the Taxonomy. How should such cross-departmental cooperation be referred to in the Due Process Handbook?

The XBRL team and the IASCF are best placed to determine how cross-departmental cooperation should be referred to in the due process handbook.

Question 10

The underlying considerations state that 'usability' is important for the due process. This aims to increase adoption of the Taxonomy by stakeholders. There is a degree of conflict with this and the view expressed in paragraph 40 where the principal stakeholders of the Taxonomy are stated as being investors. Should investors remain the primary stakeholders of the Taxonomy?

There are many stakeholders, in addition to investors, that will have to use the Taxonomy and it is important that public sector interests, as well as the many other stakeholders interests, be taken into account as the Taxonomy is developed.

The Due Process Handbook (Paragraph 40) states that: "The XBRL team therefore evaluates the merits of decisions concerning the Taxonomy mainly by referencing to the needs of investors." The XBRL team should also take into account the needs of users other than investors. Other users include private enterprises that adopt IFRS, governments business enterprises that are required to adopt IFRS and citizens in general. The XBRL team will be making decisions based on investor needs which may not meet the needs of those XBRL users who are not investors.