

IASC Foundation



International Accounting Standards Committee Foundation

Request for Information

Responses to be received by 14 August 2009

July 2009

Request for Information

Extending the Use of Dimensions in the IFRS Taxonomy

Background

- 1 International Financial Reporting Standards (IFRSs) have been adopted in over 115 countries and eXtensible Business Reporting Language (XBRL) has gained similarly wide acceptance. The growing number of international stakeholders and users of the IFRS Taxonomy has been accompanied by a growing number of comments on the practical use of the taxonomy.

Reason for this *Request for Information*

- 2 When published in December 2007, what was then a new architecture for the IFRS Taxonomy was committed to being both stable but also flexible. In both the 2008 and 2009 versions of the IFRS Taxonomy the architecture has remained unchanged. However practical issues recently arising from the implementation of the taxonomy have been presented which require the International Accounting Standards Committee (IASC) Foundation XBRL Team to consider amending the architecture of the IFRS Taxonomy. As stated in the Due Process for XBRL Activities, such improvements will only be implemented after extensive consultation with external reviewers, including the XBRL Quality Review Team (XQRT), the XBRL Advisory Council (XAC), and public stakeholders.
- 3 As stated on the Due Process for XBRL Activities the XBRL team shall consider the costs and benefits of all activities and decisions as a part of its deliberation process. However, a formal quantitative assessment of the costs and benefits may not be practicable in all instances and is therefore not mandatory. The XBRL Team understands that there remains a lack of established and reliable techniques for analysing the quantitative costs and benefits of taxonomy development, and that more insight may be gained via its consultative publications and its communications and liaison activities with interested parties.
- 4 The goal of this document is to outline the proposed changes to the architecture of the IFRS Taxonomy, the reason for these changes, and to solicit comments from the public on these changes. Specifically, this document discusses extending the use of XBRL dimensions in the IFRS Taxonomy. This document assumes that the reader has an understanding of the fundamentals of XBRL and the architecture of the IFRS Taxonomy.
- 5 Dimensions were first introduced to the IFRS Taxonomy in 2007. The IFRS Taxonomy 2009 currently uses nine dimensions. These dimensions are clearly related to segments or scenarios within reported financial information, with the exception of the 'Business combinations' dimension (which represents 'List'-oriented dimensions).
- 6 Of these nine dimensions within the IFRS Taxonomy four are 'for application' and may be applied to any set of primary items in the IFRS Taxonomy. They do not have a pre-determined relationship to any set of primary items for practical reasons. The IFRS Taxonomy also contains five 'applied' dimensions that are related to a given set of primary items.

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Dimension (ELR definition)	Applied/ for application	Open/ closed	IFRSs
[901000] Dimension - Retrospective application and retrospective restatement	For application	Closed explicit	IAS 8
[902000] Dimension - Financial effect of transition from previous GAAP to IFRSs	For application	Closed explicit	IFRS 1
[903000] Dimension - Continuing and discontinued operations	For application	Closed explicit	IFRS 5
[913000] Dimension - Consolidated and separate financial statements	For application	Closed explicit	IAS 27
Operating segments	Applied	Open explicit	IFRS 8
Geographical areas	Applied	Open explicit	IFRS 8
Products and services	Applied	Open explicit	IFRS 8
Major customers	Applied	Open explicit	IFRS 8
Business combinations	Applied	Open explicit	IFRS 3

- 7 A number of comments have recently been received that the IFRS Taxonomy should use dimensions more widely. Initial prototypes have been discussed with the XQRT during 2008 and 2009, and three possible options for extending the use of dimensions in the IFRS Taxonomy were identified during the course of these discussions. These three options are now presented in this document. Although these options should be independent, there is an overlap of the first and second options because intersection tables can be regarded as lists under certain assumptions. These options are not exclusive and more than one option may be adopted. This document is open to comment until 14 August 2009. All comments received will be analysed by the XBRL Team together with its constituencies, such as the XQRT and participants in the Interoperable Taxonomy Architecture (ITA) project. Changes to the architecture of the IFRS Taxonomy will only be effected if the comments received provide clear reasoning for making such changes.

Options for Consideration

- 8 Options:
- L1a Dimensions for lists-oriented disclosures
 - L1b Dimensions for intersection tables
 - L2 Dimensional distinctions for major statements

Costs and Benefits of the Options for Consideration

- 9 The cost and benefits analysis provided below should not be treated as an exhaustive list. The XBRL Team recognises that various stakeholders may have varying viewpoints on costs and benefits, and therefore comments on costs and benefits are also invited.

L1a. Dimensions for list-oriented disclosures

10 The IFRS Taxonomy currently uses one dimension - 'Business combinations' - which represents a list (to some extent segment dimensions can also be regarded as lists). A list should be regarded as a disclosure requirement that is repeated 'for each' class (or other characteristics). An example of a dimension that could be added to the IFRS Taxonomy under this category is 'Classes of share capital'. A corresponding disclosure requirement can be found in IAS 1.79 (a) i-vii which states:

'79 An entity shall disclose ...

(a) for each class of share capital

(i) the number of shares authorised;

(ii) the number of shares issued and fully paid, and issued but not fully paid;

...'

11 Benefits:

- Level of detail: using dimensions for repetitive disclosures will allow for a greater level of detail when tagging financial information (as opposed to current text-oriented disclosures).
- Relating information: related financial information (for example 'Number of shares authorised' together with 'Number of shares issued and fully paid' for a given 'Class of share capital') can be interpreted together, which is currently not possible with blocks of text.
- ITA alignment: because the US GAAP taxonomy follows a similar approach, this would automatically align the IFRS Taxonomy with the US GAAP taxonomy as part of the ITA project.

12 Costs:

- Additional concepts for the IFRS Taxonomy: adopting this approach will require a review of IFRSs and may result in additional concepts in the IFRS Taxonomy.

L1b. Dimensions for intersection tables

13 The IFRS Taxonomy 2009 continues to use the intersection table approach first adopted in the 2008 taxonomy for reconciliation tables. While this approach enables each cell within a reconciliation table to be identified (for example, as 'Statement of changes in equity' or 'Reconciliation of changes in property, plant and equipment'), the result is a large number of concepts and relationships within the taxonomy. Furthermore, there are currently no standard mechanisms in XBRL to express the tabular (two-dimensional) nature of an intersection table.

14 For example, converting the current intersection table for 'Statement of changes in equity' (which consists of over 70 concepts, one concept per cell) to the dimensional approach

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proposed would require the creation of a dimension for 'Components of equity' with 'Equity', 'Issued capital' etc. as domain members, and presented in the table below (where dark grey represents primary items and light grey represents dimensions). This option overlaps with the previous option in cases where IFRS disclosure requirements address repetition 'for each' class (or for each component of equity as addressed in IAS 1.106 (d)).

	Equity					
	Issued capital	Share premium	Treasury shares	Other equity interest	Other reserves	Retained earnings
Statement of changes in equity						
Increase (decrease) through changes in accounting policies						
Increase (decrease) through corrections of errors						
Changes in equity						
Comprehensive income						
Profit (loss)						
Other comprehensive income, net of tax						
Other comprehensive income, before tax						
Other comprehensive income, before tax, exchange differences on translation						
Other comprehensive income, before tax, available-for-sale financial assets						
Other comprehensive income, before tax, cash flow hedges						
Other comprehensive income, before tax, gains (losses) on revaluation						
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans						
Other comprehensive income, before tax, share of other comprehensive income of associates and joint ventures accounted for using equity method						
Income tax relating to components of other comprehensive income						
Issue of equity						
Dividends paid						
Increase (decrease) through other contributions by owners						
Increase (decrease) through other distributions to owners						

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Increase (decrease) through transfers and other changes, equity							
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15 Other examples of dimensions that would be used instead of intersection tables are:

- ‘Classes of property, plant and equipment’
- ‘Classes of intangible assets other than goodwill’
- ‘Classes of other provisions’

16 Benefits:

- Taxonomy development: the dimensional approach for intersection tables will lead to improved management and maintenance of the IFRS Taxonomy.
- Fewer concepts: there will be a reduction of approximately 800 concepts (for over 20 intersection tables that are currently used) in the IFRS Taxonomy, thereby providing users with a more compact taxonomy that expresses the same financial reporting content. Having fewer concepts would also contribute to an accelerated taxonomy translation process.
- Analytics: dimensions are widely used within data modelling and analysis. Dimensional modelling of the IFRS Taxonomy would facilitate improved analysis of IFRSs in XBRL.
- ITA alignment: because the US GAAP taxonomy follows a similar approach, this would automatically align the IFRS Taxonomy with the US GAAP taxonomy as part of the ITA project.

17 Costs:

- Complexity of dimensions: the XBRL Dimensions 1.0 Specification requires software vendors to implement additional functionalities in their software that are beyond the complexity of the XBRL 2.1 Specification 2.1. In addition, users of the IFRS Taxonomy would need to have a better understanding of dimensional modelling, which would form the basis for intersection tables.
- Loss of cell control: using dimensions for intersection tables will result in a loss of control over the attributes of a single cell; for example, this would result in the inability to indicate whether the domain members ‘Issued capital’ or ‘Treasury shares’ of the dimension ‘Components of equity’ are debit or credit in nature.

L2: Dimensional distinctions for major statements

18 While the previous option examines the use of dimensions for existing intersection tables, the following is an additional option where four dimensions are used to express major dimensional distinctions for main financial statements. The table below provides an overview of these four potential dimensional distinctions.

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Continuing and discontinued operations Aggregate continuing and discontinued operations Continuing operations Discontinued operations
Business cycle period Aggregate business cycle period Current Non-current
Activities Aggregate activities Operating activities Financing activities Investing activities
Ownership Aggregate ownership Attributable to owners of parent Attributable to non-controlling interest

- 19 A tabular illustration of these dimensions applied to ‘Statement of financial position’ (one dimension) and ‘Income statement’ (two dimensions) is presented below (where dark grey represents primary items and light grey represents dimensions).

	Aggregate business cycle period	
	Current	Non-current
Statement of financial position		
Assets (liabilities)		
Assets		
Property, plant and equipment		
Investment property		
Goodwill		
Intangible assets other than goodwill		
Other financial assets		
Other non-financial assets		
Investment accounted for using equity method		
Biological assets		
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners		
Inventories		
Current tax assets		
Deferred tax assets		
Trade and other receivables		
Cash and cash equivalents		

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	Aggregate ownership							
					Attributable to owners of parent		Attributable to non-controlling interest	
	Aggregate continuing and discontinued operations		Aggregate continuing and discontinued operations		Aggregate continuing and discontinued operations		Aggregate continuing and discontinued operations	
	Continuing operations	Discontinued operations		Continuing operations	Discontinued operations		Continuing operations	Discontinued operations
Income statement								
Profit (loss)								
Revenue								
Cost of sales								
Gross profit								
Other income								
Distribution costs								
Administrative expense								
Other expense, by function								
Other gains (losses)								
Finance income								
Finance costs								
Share of profit (loss) of associates and joint ventures accounted for using equity method								
Profit (loss) before tax								
Income tax expense								
Profit (loss)								
Earnings per share								
Basic earnings (loss) per share								
Diluted earnings (loss) per share								

20 Benefits:

- Improved data modelling: dimensional distinctions for major financial statements will represent improved and more logical modelling of IFRSs disclosure requirements.
- Reduced number of concepts: there will be a further reduction in the number of concepts in the IFRS Taxonomy, which in turn improves maintenance.

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- Improved analytics: consistent treatment of major dimensional distinctions across the entire IFRS Taxonomy will facilitate better search and filter functionalities for facts reported in instance documents.

21 Costs:

- Lack of a rendering specification: the current lack of a rendering specification, which would allow for the clear separation of data modelling from data rendering (which is currently mixed), will hinder adoption of the dimensional approach. This is also true to a limited extent for the other options listed in this RfI.
- Novel approach: although dimensions are used in many XBRL taxonomies, such treatment of dimensional distinctions for major statements is a novel approach and market acceptance cannot be foreseen.

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22 In response to this request, comments should be submitted as replies to the following question:

Which of the listed options (**L1a, L1b, L2**) should be implemented for the architecture of the IFRS Taxonomy architecture concerning **dimensions**? Please note that **more than one option** may be selected. Please provide the reason for your decision as well your assessment of the benefits and costs of the selected option(s).

Comments should be submitted by **14 August 2009**. Please send your comments by email to: xbrltech@iasb.org, or using the IASB [online comment submission tool](#). All comments received will be treated as public documents and made available on the IASB website.