

TIEKE

**Standard Business Reporting (SBR) and
diminishing the Administrative Burden
for companies**

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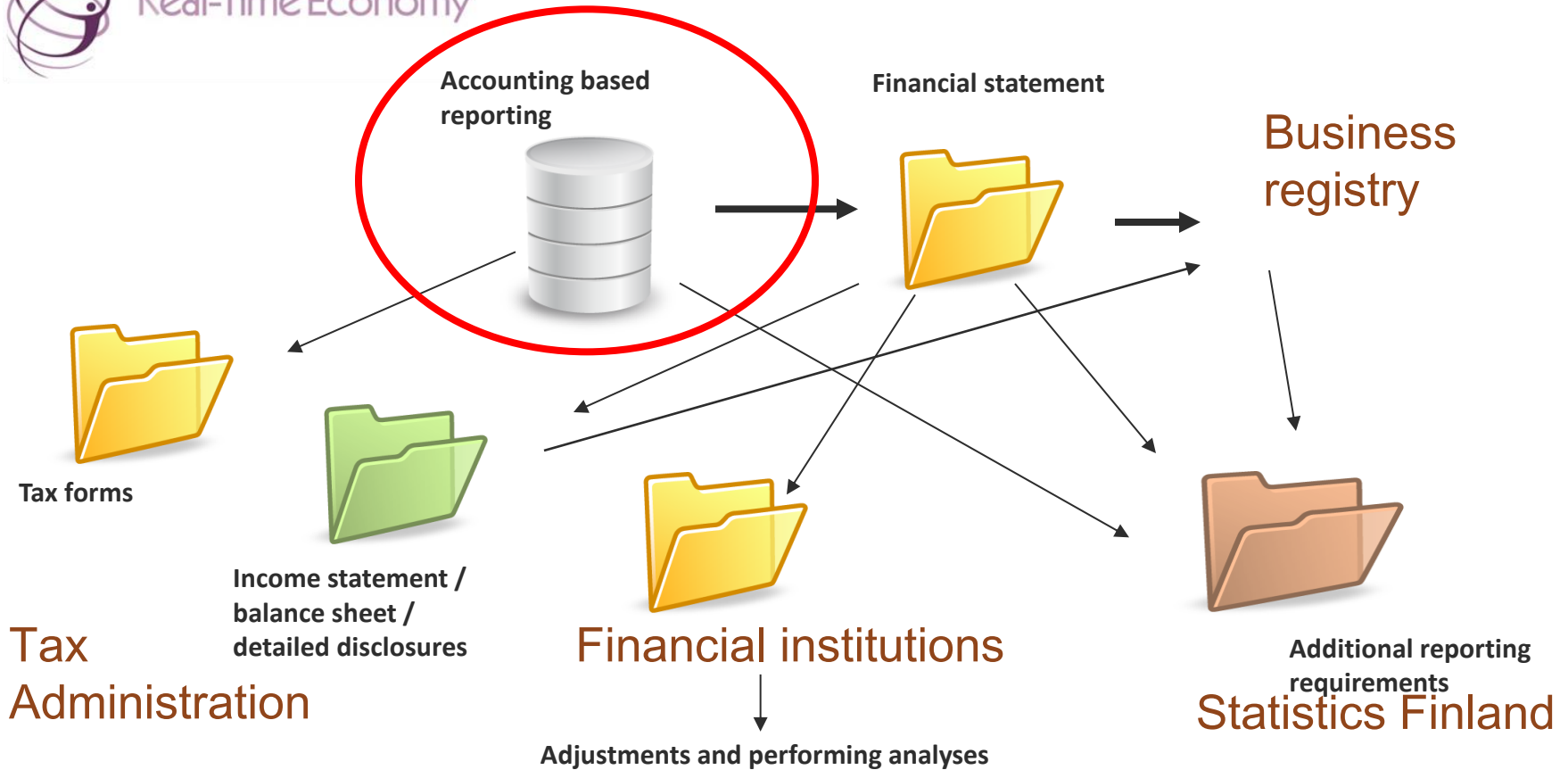
XBRL Finland

SCM September 2013 Finland Meeting

Agenda

1. Current state of financial reporting in Finland
2. Real-Time Economy program
3. Standard Business Reporting program in Finland
4. Finnish SBR/XBRL Taxonomy
5. Lessons learned & future challenges

Current state of financial reporting in Finland



The aim is to diminish the administrative burden for companies

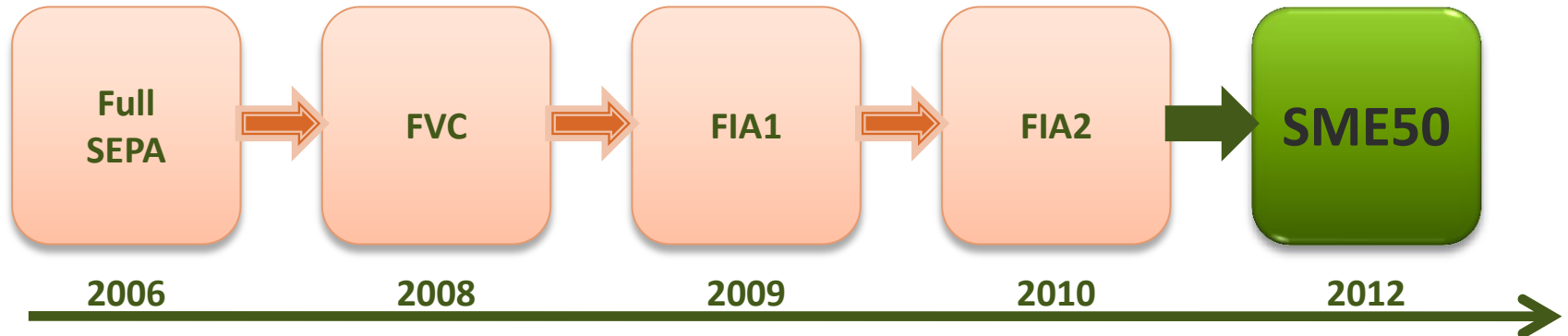
Source: TEM, <http://www.tem.fi/index.phtml?s=4406>

Tiedonantovelvoite	Kokonaiskustannus (€)	Hallinnollinen taakka (€)	Hallinnollinen taakka (%)
Tilinpäätös	207 106 000	53 374 000	26 %
Konsernitilinpäätös	32 805 000	10 800 000	33 %
IFRS konsernitilinpäätös	7 360 000	1 820 000	25 %
Toimintakertomus	2 374 000	922 000	39 %
Tase-erittelyt	2 415 000	1 330 000	55 %
Liitetietojen erittely	3 650 000	2 853 000	78 %
Rekisteröinti PRH	114 000	114 000	100 %
Rekisteröinti Verohallinnolle	114 000	114 000	100 %
Liiketapahtumien kirjaaminen	1 194 262 000	0	0 %
Kirjausten varmentaminen	86 628 000	60 981 000	70 %
Käteisen rahan kassakirja	1 671 000	648 000	39 %
Täsmäyttäminen	16 101 000	690 000	4 %
Arkistointi	16 489 000	8 244 000	50 %
Kirjanpidon velvoitteisiin perehtyminen	71 196 000	17 799 000	25 %
Tilintarkastus	335 417 000	96 464 000	29 %
Yhteensä	1 977 702 000	256 153 000	13 %

Annual total cost of financial reporting

Annual amount of administrative burden for companies due to financial reporting requirements

Real-Time Economy Program



Full SEPA
(Full Single Euro Payments area)

- SEPA payments
- E-invoicing

FVC
(Full Value Chain)

- Harmonizing value chain development

FIA 1
(Fully Integrated Accounting 1)
1.1.2009-30.6.2010

- Electronic accounting reference
- Standard Business Reporting
- Global e-invoicing standard ISO20022
- European e-invoicing work

FIA 2
(Fully Integrated Accounting 2)
1.8.2010-30.12.2011

- Electronic Financial Statement and XBRL
- Fully Integrated Payroll (FIP): Payroll reporting codes and practices
- Real-Time VAT
- European e-invoicing work

SME 50
(‘Administrative costs in half...’)
2012-2013

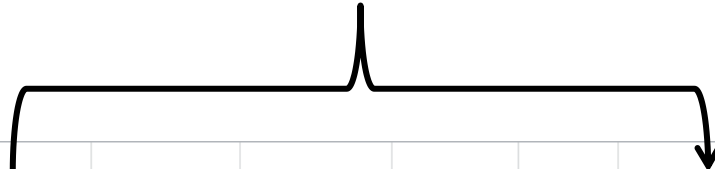
1. **AFA** – Automated Financial Administration
2. **FAR** – Fully Automated Reporting
3. **ERM** – Enterprise Risk Mitigation
4. **SIM** – Sustainability Intelligence Management

Standard Business Reporting Code Set (raportointikoodisto.fi)

- **Listing all the reporting requirements set to the companies**
 - Joint effort of all report receiving entities involved
- **Can be used as a chart of accounts**
- **Mapping to tax forms and other reports**
- **Interaction between business people and IT people made possible**
- **In excel spreadsheet, inadequate for automated processing and transfer of reports**
 - The need for eXtensible Business Reporting Language

Chart of accounts

Tax form mappings



1 Raportointikoodisto vuodelle 2013				Tulovero	6B varallisuus	6B verotettava	62	62	7A
2	Tili-instituutisäätiön Raportointilautakunnan kokous 25.10.2012								
3									
4	TASE VASTAAVAA								
5	PYSYVÄT VASTAAVAT								
6	#	Aineettomat hyödykkeet							
7	100	Perustamismenot							
8		10000	Perustamismenot /ei nettovarallisuutta						
9		10002	Vähennykset						
10		10003	Poistot						
11	101	Tutkimusmenot							
12		10100	Tutkimusmenot / ei nettovarallisuutta						
13		10102	Vähennykset						
14		10104	Poistot						
15	102	Kehittämismenot							
16		10200	Kehittämismenot / ei nettovarallisuutta						
17		10201	Lisäykset						
18		10202	Vähennykset						
19		10204	Poistot						
20		10210	Kehittämismenot	x	401		840	844	
21		10211	Lisäykset	x	401		841	844	
22		10212	Vähennykset	x	401		-841	844	r
23		10214	Poistot	x	401	364, 365	845, 842	844	
24	103	Aineettomat oikeudet							
25		10300	Aineettomat oikeudet	x	400		832	838	
26		10301	Lisäykset	x	400		833	838	
27		10302	Vähennykset	x	400		834	838	
28		10303	Katettu jälleenhankintavarauksella tai avustuksella	x	400		835	838	
29		10304	Poistot	x	400	364, 365	839, 836	838	
30		10305	Lisäpoisto	x	400	364, 365	837	838	
31		10306	Poistoeron muutos	x	400	364, 365	859 tai 860	838	
32		10307	Poistoero	x			861		
33	104	Liikearvo							
34		10400	Liikearvo tilikauden alussa	x	401		840	844	
35		10401	Lisäykset	x	401		841	844	
36		10402	Vähennykset	x	401		-841	844	r
37		10404	Poistot	x	401	364, 365	845, 842	844	
38		10410	Fuusioaktiiva						F
39		10411	Lisäykset						
40		10412	Vähennykset						

XBRL in a nut shell

- eXtensible Business Reporting Language
 - XML-based markup language
- Financial (+) data in a structured and machine readable format
 - Automated formation and processing of reports
- Benefits:
 - Data availability
 - Data quality
 - Comparability
 - Usability
 - Economical transparency
 - Real-Time Economy

Finnish SBR Taxonomy

- Applicability for different reporting scenarios in tandem and separately
 - Financial statements -, statistics - and tax reporting
- Making use of the Standard business reporting code set (raportointikoodisto.fi)
- Applicability for different types of businesses
 - Legal reporting requirements differ to some extent for different types of businesses
- Complying with XBRL International recommendations and best practices
- Usability
 - Aiming to minimize the effects of versioning

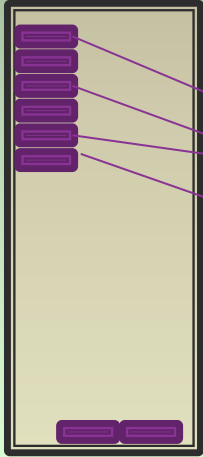
Company A – the reporter

Report receiving entities

Company A
chart of
accounts

Company A system

Standard Business Reporting



Aineet, tarvikkeet ja tavarat	
Ostot tilikauden aikana	
Aine-, tarvike- ja tavaraostot	
4000	Ostot
4001	Aineiden ja tarvikkeiden hankinta (pl.
4002	Kauppatavaroiden hankinta
4003	Pakkausaineiden hankinta
4004	Sähkön hankinta omaan käyttöön
4005	Lämmön hankinta omaan käyttöön
Tavaraostot	
4100	Tavaraostot Ahvenanmaalta
4200	Yhteisöankinnat
4201	Palveluiden ostot yhteisöstä

Receiving entity systems

Report receiver "X" (?)

Business registry

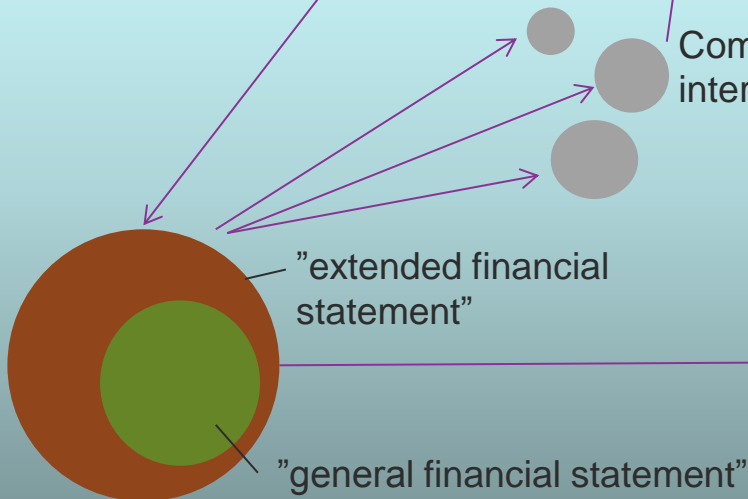
Tax administration

Statistics Finland

Company A system

SBR-enabled processes

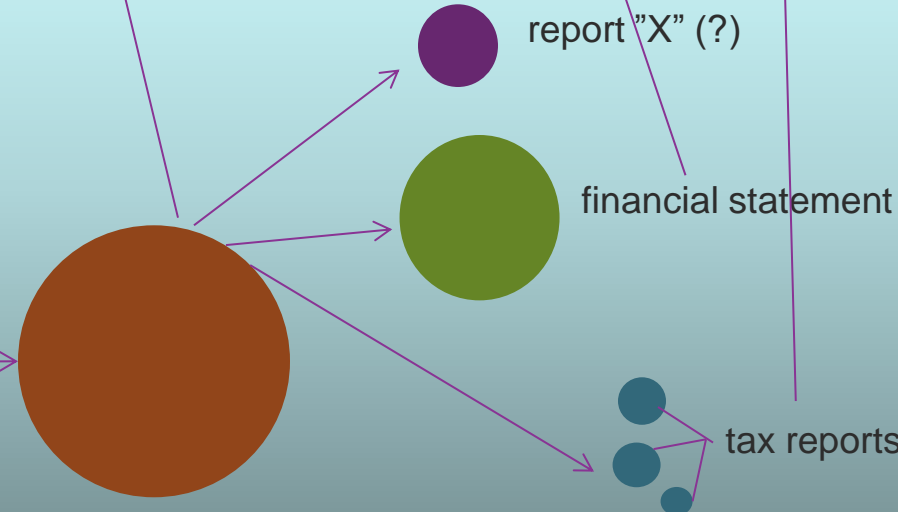
Government gateway



Company A
internal reports

"extended financial
statement"

"general financial statement"



report "X" (?)

financial statement

tax reports

Timeline

Work started on April 2012

First draft released February 2013

Public review

Final version release June 2013

Building the report
submission architecture

XBRL
reporting
begins

04/2012

09/2013

2014

Lessons learned & future challenges

- Data contents before technology
 - ...is not to implement XBRL just for the sake of XBRL
- Keeping in mind the main goal
 - ...diminishing the administrative burden for companies
- SBR is not just about standardizing the reported data
 - ...requires an integrated report submission architecture
- Public-private cooperation
 - ...the support of both is required

XBRL projects all over the world



Thank you.

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