



Netherlands Experience Community perspective

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Jan Pasmooij RE RA RO

Manager ICT Knowledge Center Koninklijk NIVRA

Deputy Program Director Postgraduate Curriculum IT-Auditing, EUR, Rotterdam

Chair XBRL Netherlands

Member Executive / Steering Committee XBRL Int.

Chair Assurance Working Group XBRL Int.

Chair International Innovation Network

Agenda

- Background Royal NIVRA
- Overview Netherlands landscape
- Why Royal NIVRA is supporting SBR?
- Why NIVRA is supporting NTP?
- Consequences for the accounting / audit profession
- Do not forget to

Background Royal NIVRA

- Founded 100+ ago
- Professional body Certified Accountants
- Approx 14.000+ members
 - 4.400 in Public Practise
 - 2.000 internal
 - 5.500 in business
 - 2.200 not active
 - 900 audit firms
- Member of XBRL Int. since y 2000
- Founding member of XBRL Netherland (y 2002), now 50+
- With XBRL NL initiators of **NTP** in 2003

Overview Netherlands landscape

- **Businesses**
 - 1.000.000+, most SMEs
 - 600.000+ need to file financial statements
 - 10.000 with an audit opinion (statutory audit)
- **95 – 99%** of the business use financial intermediaries like
 - Accountants / Auditors / Tax advisors
- **Professional bodies**
 - 2 for accountants / auditors: Royal NIVRA / NOvAA (6.500)
 - 3 for tax advisors (around 12.000 professionals in total)
- **All corporate tax filings** are mandatory electronically
 - since 2005 (proprietary standard)
- **200+ software vendors** for accounting / reporting / tax filings

In general Agencies / Accountants / Businesses do not like change!!

Why Royal NIVRA is supporting SBR?

- Because of globalization reporting need to be
 - Standardized (IFRS – US GAAP / IFRS for SMEs)
 - Harmonized
 - Minimized (what is needed, based on law)
 - Tailored information
 - Electronic available all over the world and easy to access
 - Cost efficient / effective
- Less labour-intensive (aging problem, shortish of people)
- Innovates the Information Reporting Supply Chain
- XBRL is only the enabling technology

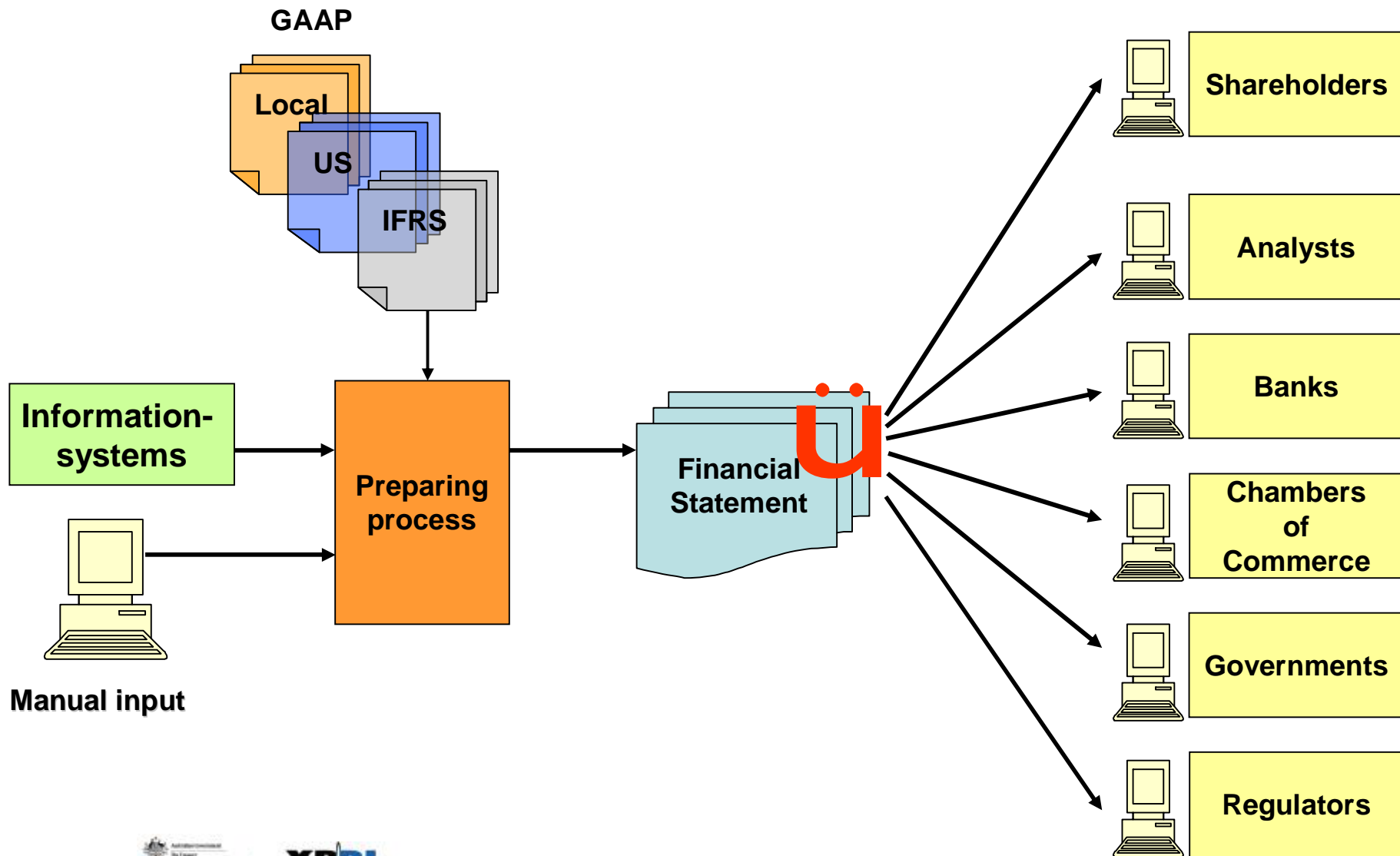
Why NIVRA is supporting NTP?

- NIVRA (and XBRL NL) proposed the project
- NTP realizes the views / needs of Royal NIVRA on reporting (SBR)
- NTP supports the objectives of cost reduction, standardization and digitization
- XBRL taxonomies should be developed / maintained by the Standard Setters / Regulators / Stakeholders
- Dutch Government takes responsibility for the completeness and correctness of the NT
- The approach of the project.
 - The Dutch Government took the lead in close collaboration with stakeholders:
 - Governmental organizations
 - Accounting / Auditing/ Tax profession
 - Software vendors
 - Commercial users of (financial) information like Financial Services / Insurance companies / Rating agents
 - Branch associations
 - XBRL Covenant to express commitment (80+ signed so far)
 - Cooperates with the IASB/IASCF (IFRS)

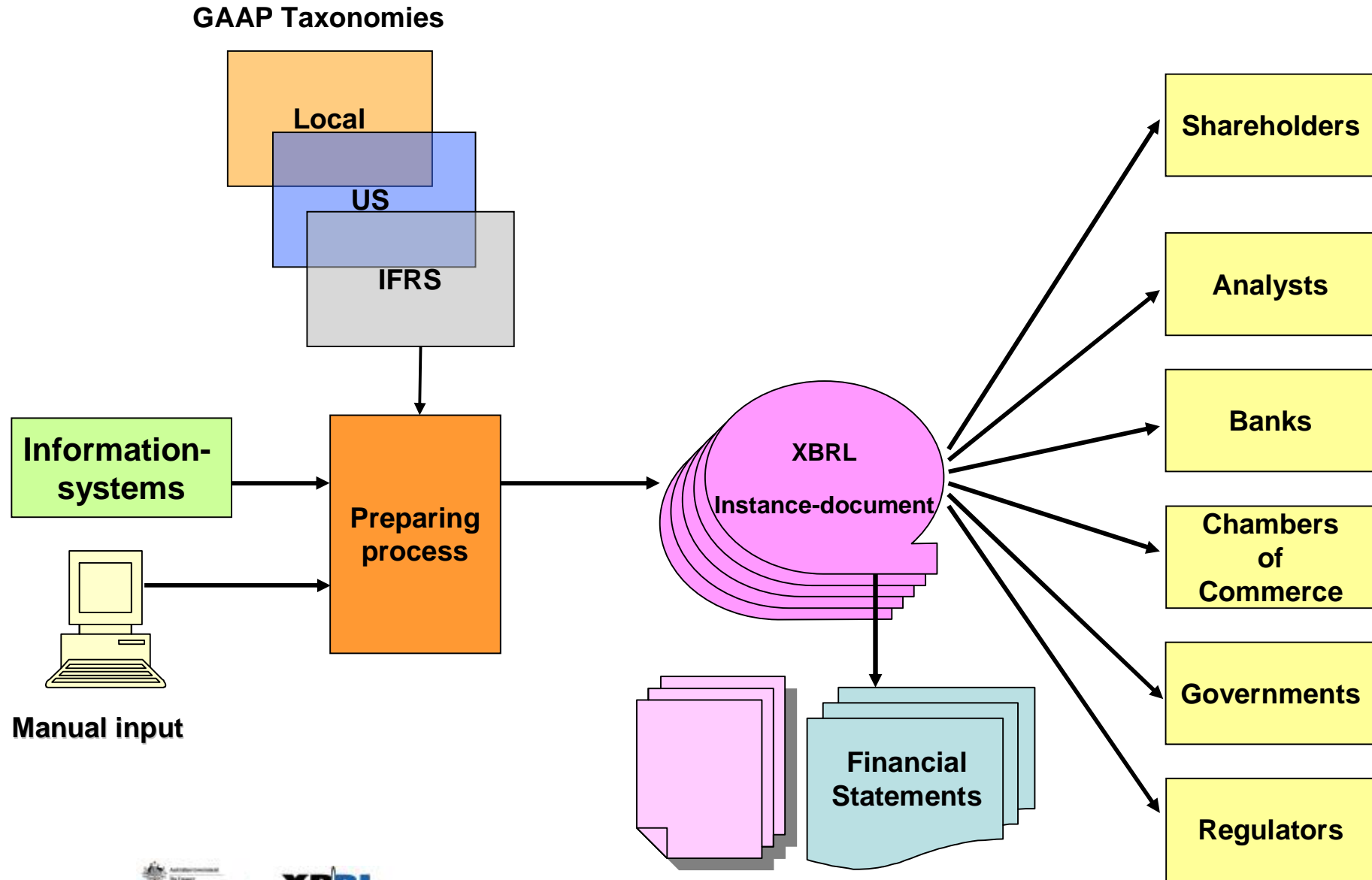
Consequences for the accounting / audit profession (1)

- **The use of XBRL will affect:**
 - Accountants, Auditors, Tax advisors, but also
 - CFOs, Controllers
- **Because, SBR will change**
 - the Information Reporting Supply Chain
 - the preparing of financial statements, tax filings, statistical reports, they will be a commodity
 - the current business model of accounting / audit firms
- **Direct consequences for:**
 - integration current processes
 - need for suitable XBRL enabled software (support)
 - need for more information security
 - need for identification, authentication mechanism (use of digital signatures)
 - electronic communications with clients
 - 'new' financial audit
 - 'different' approach, activities, audit opinion and report
- **But also opportunities**

Current reporting model



The reporting model based on XBRL



Consequences for the accounting / audit profession (2)

Opportunities

- Providing new services like:
 - Internet bookkeeping
 - Handling / processing (E-)invoices, E-payments
 - Analysis / Advice / Consulting (SMEs)
 - Supporting corporate finance, Basel 2 (SMEs)
 - Credit risk rating, Basel 2 (SMEs)
 - Tax assurance (SMEs)
- Outsourcing / off shoring of processes of SME's or SMPs
- Providing advice / support / assurance on
 - Data (sets) in XBRL format
 - XBRL preparing processes (internal control)

Role / activities NIVRA

- Providing information to members, with XBRL NL and NTP
- Start developing one 'XBRL' portal for members in cooperation other professional bodies, NT and governmental bodies
- Initiator Assurance Working Group XII
 - published Research Paper
 - now on the agenda of the IAASB
- Start developing 'new' audit approach / guidance for information in XBRL format
- Start developing credit rating service for members
- Start providing digital signatures for secure communications and to be able to sign audit opinions, documents, etcetera
- Participate actively in the XBRL community and NTP

Do not forget to

- SBR project
 - Cooperate with all stakeholders
 - Provide a level playing field for all stakeholders
 - Be transparent all the way
 - Communicate, communicate, communicate!!!
- Accounting / auditing profession
 - Participate actively in the project / XBRL community
 - Provide information / guidance to your members
 - Support members to change