

# Toen en straks

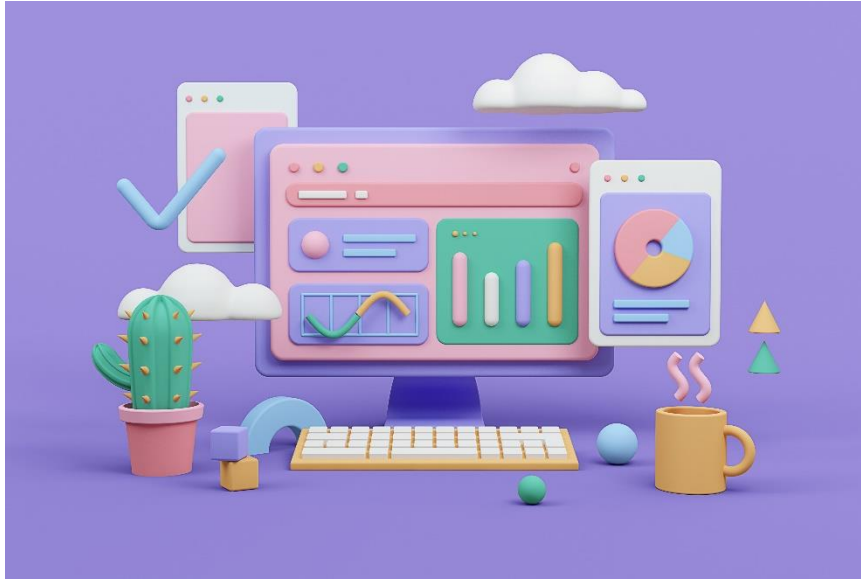
(then and later)

Terugblik en update door de AFM – Review and update by the AFM

Jerry Wouterson

# Agenda

- A few statistics and some new old requirements
- Most common WARNINGS and more
- Again some statistics, but now the content
- Extensions and tagging, some interesting cases
- Wrap-up

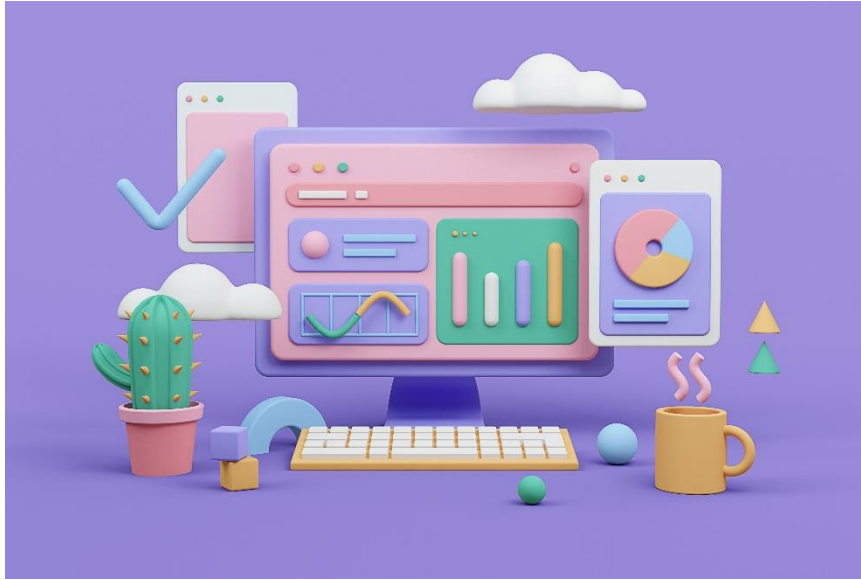


## A few statistics (as per 3rd qrt 2022) and some requirements

In total we received 176 ESEF filings for FY starting 1 January 2021, of which:

- 136 ZIP files
- 40 XHTML

Some XHTML packed as ZIP!



## A few statistics (as per 3rd qrt 2022) **and some requirements**

Please note that we expect only the following formats:

- ZIP according to XII TP package specification
- or
- (X)HTML

Other formats will not be accepted. Plain (X)HTML files packed in a ZIP will also be rejected.



## A few statistics (as per 3rd qrt 2022) and some requirements

Average file size (based on 128 accepted filings)  
approx. 23 MB.

Smallest filing 0,2 MB

Largest filing 146,4 MB



## A few statistics (as per 3rd qrt 2022) **and some requirements**

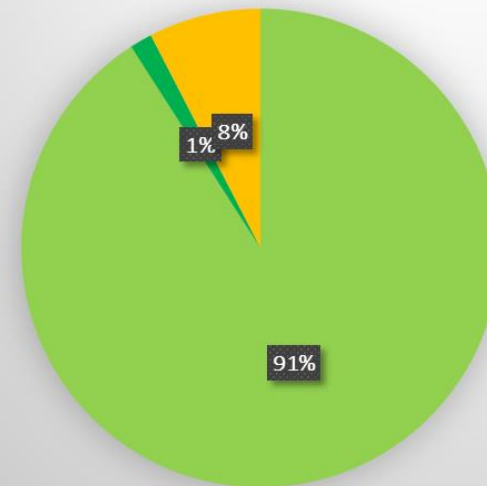
Please note that your filing should not exceed 100 MB (packed).



## A few statistics (as per 3rd qrt 2022) and some requirements

Do you remember our questionnaire in 2020?

Do you expect to publish your annual financial report 2020 in ESEF  
around the same period as you have published your annual  
financial report 2019?



Yes, around the same period

No, earlier

No, later but within 4 months  
after year-end



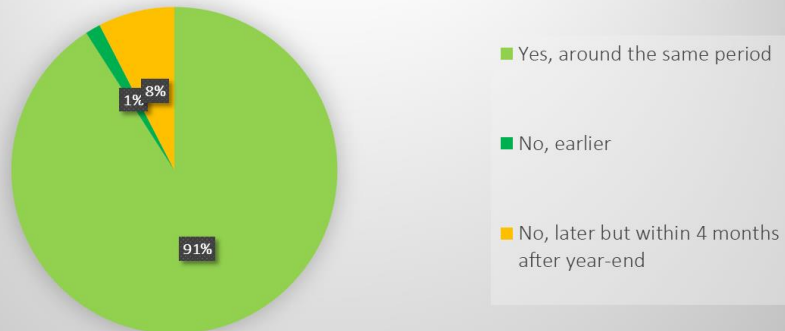
## A few statistics (as per 3rd qrt 2022) and some requirements

The fastest filing was 47 days earlier than one year before

The latest was 161 days later than previous year!

Majority was around the same time.

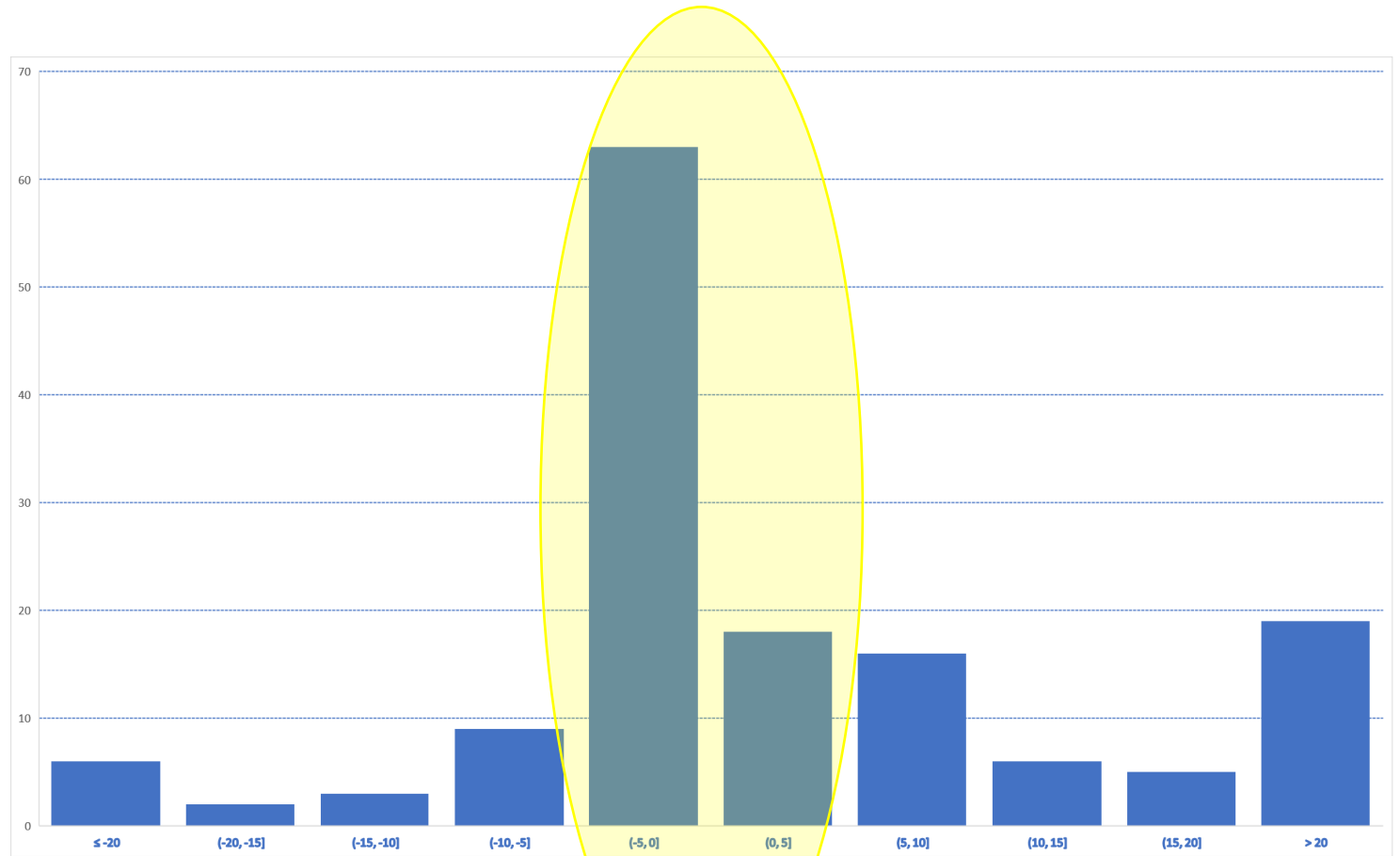
Do you expect to publish your annual financial report 2020 in ESEF around the same period as you have published your annual financial report 2019?







## A few statistics (as per 3rd qrt 2022) and some requirements





## A few statistics (as per 3rd qrt 2022) and some requirements

No detailed statistics on fatal errors, however fatal errors normally occur for two reasons:



1. Corrupt/badly coded XML
2. TP package specification not followed

We only accept filings that are in line with the XBRL TP specification (see guidance 2.6.1) or plain (X)HTML.

# Minimum (technical) requirements summary

1. Valid XML/XHTML document
2. Packed according to XII TP specification
3. Correct LEI format
4. No executable code
5. File size < 100 MB (packed)



# Most common WARNINGS



- **xbml.efr.esef.esma.missingMandatoryMarkups** - relates to Annex II disclosures, if disclosure not present than ignore
- **xbml.core.consistency.SummationItemCalculationMismatchError** – relates in most cases to rounding differences, may be mitigated in Calculations 2.0
- **xbml.efr.esef.esma.extensionConceptsNotAnchored** - if subtotal or abstract than anchoring not required and warning can be ignored
- **xbml.xiif.AssertionUnsatisfied.positive** - may pop up if a positive number is expected, most of the times can be ignored, however a second check is recommended

## Other WARNINGS



- **xbrl.efr.esef.esma.reportFileNameDoesNotFollowNamingConvention**
  - we strongly recommend that guidance 2.6.3 is followed, preferably using the LEI code
- **xbrl.efr.esef.esma.inconsistentLanguageOfReport** – normally coding issue, to be discussed with software vendor

# Cancelled WARNINGS



- `xbrl.efr.esef.esma.extensionTaxonomyElementNameDoesNotFollowLc3Convention`
- `xbrl.efr.esef.esma.abstractConceptDefinitionInExtensionTaxonomy`

Both WARNINGS should not pop-up anymore since guidance has been deleted (if it does, you can ignore)



## Again a few statistics but now on the content

We analyzed 106 ESEF filings on the presence of extension elements:

	Statement of financial position	Statement of profit or loss and other comprehensive income	Statement of changes in equity	Statement of cash flows	Total
Total number of extension elements	181	356	204	640	1381
Average number of extension elements	1,7	3,4	1,9	6,1	13
Median number of extension elements	1	2	1-2	5	12-13
Highest number of extension elements overall	14	13	12	21	33
Highest number of extension elements with one Issuer	12	8	4	9	33
Lowest number of extension elements with one issuer	0	0	0	1	1



## Some observations - extensions

An Issuer anchors

*extension\_element:CurrentRoyaltyAdvances*

to the core element:

*ifrs-full:CurrentAssets.*

But there is also the core element

*ifrs-full:CurrentPrepayments*

which has the label:

*The amount of current prepayments. [Refer: Prepayments]*

And where prepayments has the label:

*Receivables that represent amounts paid for goods and services before they have been delivered.*

Which is the closest wider anchor?





## Some observations - extensions

*ifrs-full:CurrentAssets*

*extension\_element:OtherCurrentAssetsExt*

*ifrs-full:CurrentPrepayments*

*ifrs-full:OtherCurrentAssets*

But there is also available the ifrs-full element:

*ifrs-full:CurrentPrepaymentsAndOtherCurrentAssets* (closest wider element)

or

*ifrs-full:OtherCurrentAssets* (as used in human readable primary statement)

The question here is what prevails, (i) the closest wider element or (ii) line item used in primary statement?



## Some observations - extensions

In the CFS of the Issuer there is a line item called 'Purchases of capitalised software'. The Issuer tagged this line item with:

*ifrs-full:PurchaseOfIntangibleAssetsClassifiedAsInvestingActivities*

One might consider that part of the information content of the human readable AFR has been lost by using this tag (namely: which class of intangible asset).

In this case one might consider an extension element, for instance:

*extension\_element:PurchaseOfSoftwareClassifiedAsInvestingActivities*

Which can be anchored to:

*ifrs-full:PurchaseOfIntangibleAssetsClassifiedAsInvestingActivities*

## Some observations - tagging

An Issuer had to tag the line item:

*Equity settled share-based payment expense*

And used the following Common practice element:

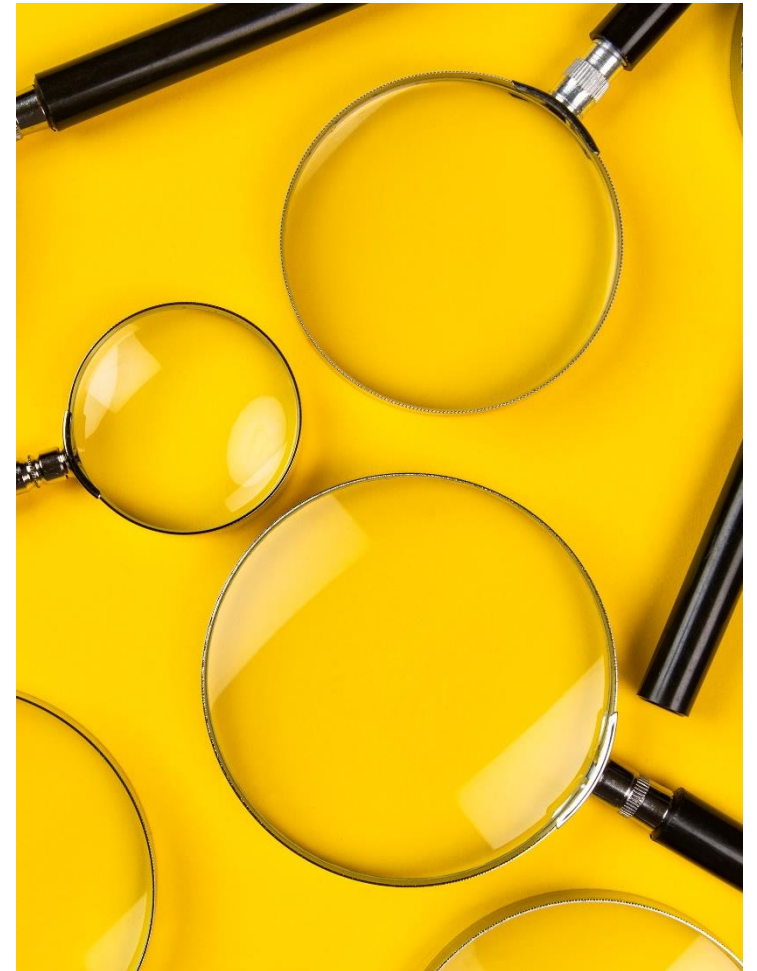
*ifrs-full: IncreaseDecreaseThroughExerciseOfOptions*

But there is also the Disclosure element:

*ifrs-full: IncreaseDecreaseThroughSharebasedPaymentTransactions*

Question: Considering the text of the line item, which tag fits the best?

(note: both tags are referring to IAS 1.106 d (iii))



## Some observations - tagging

An Issuer tagged the line item

*Net profit attributable to holders of ordinary shares*

with the element

*ifrs-full: ProfitLossAttributableToNoncontrollingInterests.*

(and the line item *Net profit attributable to non-controlling interest* with the element *ifrs-full: ProfitLossAttributableToOwnersOfParent*)

Obviously a tagging error but may have big implications when data is retrieved by a machine and entered into data warehouse for further processing.



## Some observations - tagging

Changes in cash and cash equivalents (sum of Operating, Investing and Financing)	X
Net cash and cash equivalents at 1 January	Y
Currency results on cash and cash equivalents	Z
Net cash and cash equivalents at 31 December	X+Y+Z



An Issuer tagged the line item *Changes in cash and cash equivalents* with the element *ifrs-full:IncreaseDecreaseInCashAndCashEquivalents*

While it probably should have been:

*ifrs-full:IncreaseDecreaseInCashAndCashEquivalentsBeforeEffectOfExchangeRateChanges*

Did the Issuer rightly used the tag with the closest accounting meaning?



## Some observations - tagging

An Issuer tagged the line item *Net cash and cash equivalents at 31 December* with the element *ifrs-full:CashAndCashEquivalentsIfDifferentFromStatementOfFinancialPosition*

However this common practice element is based on the disclosure requirement of IAS 7.45 which requires a reconciliation of the cash and cash equivalents if this item is not the same as in the statement of financial position. This Issuer had no difference between the cash and cash equivalents in the statement of financial position and the cash-flow statement for all reported periods.

A better tag would **probably** have been (as it was used in the statement of financial position): *ifrs-full:CashAndCashEquivalents*

Of course in combination with the right (preferred) label roles.

# Looking back and forward

## What went good

- Almost all Issuers were aware of new regulations and filed directly in ESEF format
- Substantive amount of Issuers used our test facility (and encountered little or no technical blockings with their official filing)
- Most Issuers identified on their website the official AFR and put disclaimer on other versions (like PDF version)
- Completeness of tagging

## What can be better

- Naming of the TP filed with the AFM
- Following the XII Taxonomy Package specification
- Do not ZIP or otherwise pack plain XHTML filings (without tagging)
- Filing within the set deadlines (max. 4 months after year-end)
- Be more critical if an extension element is really needed
- Be more concise in anchoring extension elements

## Challenges and recommendations

- Start designing from a web based design instead of PDF first and than transform.
- Consider more detailed tagging of the notes
- Publish on the company website both the TP as well as a stand alone XHTML with inline viewer
- Try to achieve that the information content of the human readable version is comparable to the machine readable version
- Block tagging the 2022 AFR



**Dank voor uw  
aandacht  
Thank you for your  
attention**

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