



# THE FUTURE OF BUSINESS REPORTING FOOD FOR THOUGHT

SBR IN SWEDEN  
4 OCTOBER 2016

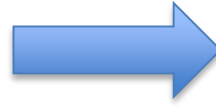
JOHN TURNER  
CEO XBRL INTERNATIONAL

# GOAL: Expand Collaboration

- ① Big Picture: Digital is the New Black
- ② Long Term: Embedded Collaboration
- ③ Medium Term: Enhanced Collaboration
- ④ Short Term: Improved Collaboration
- ⑤ Your Next Steps

# BIG PICTURE DIGITAL IS THE NEW BLACK

# Prerequisites to Transformation

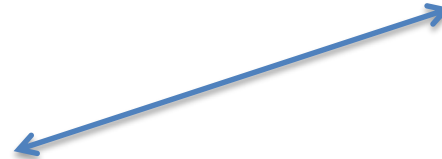
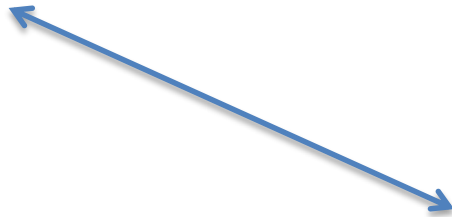


STANDARDISATION

AUTOMATION

PLATFORMS/ORCHESTRATION

ROI



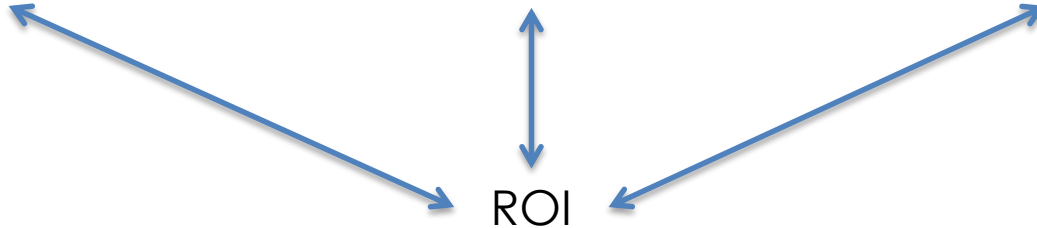
# Prerequisites to Transformation



STANDARDISATION

AUTOMATION

PLATFORMS



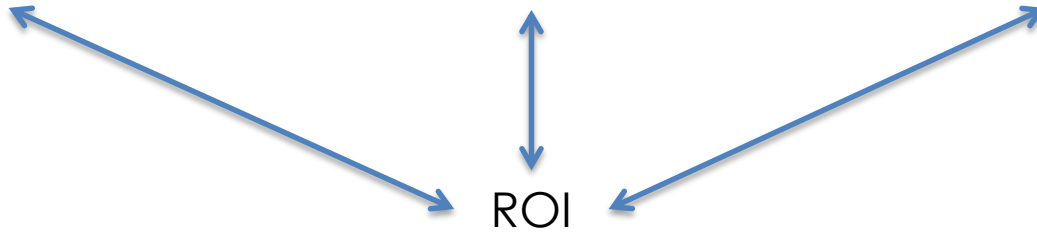
# Prerequisites to Transformation



STANDARDISATION

AUTOMATION

PLATFORMS

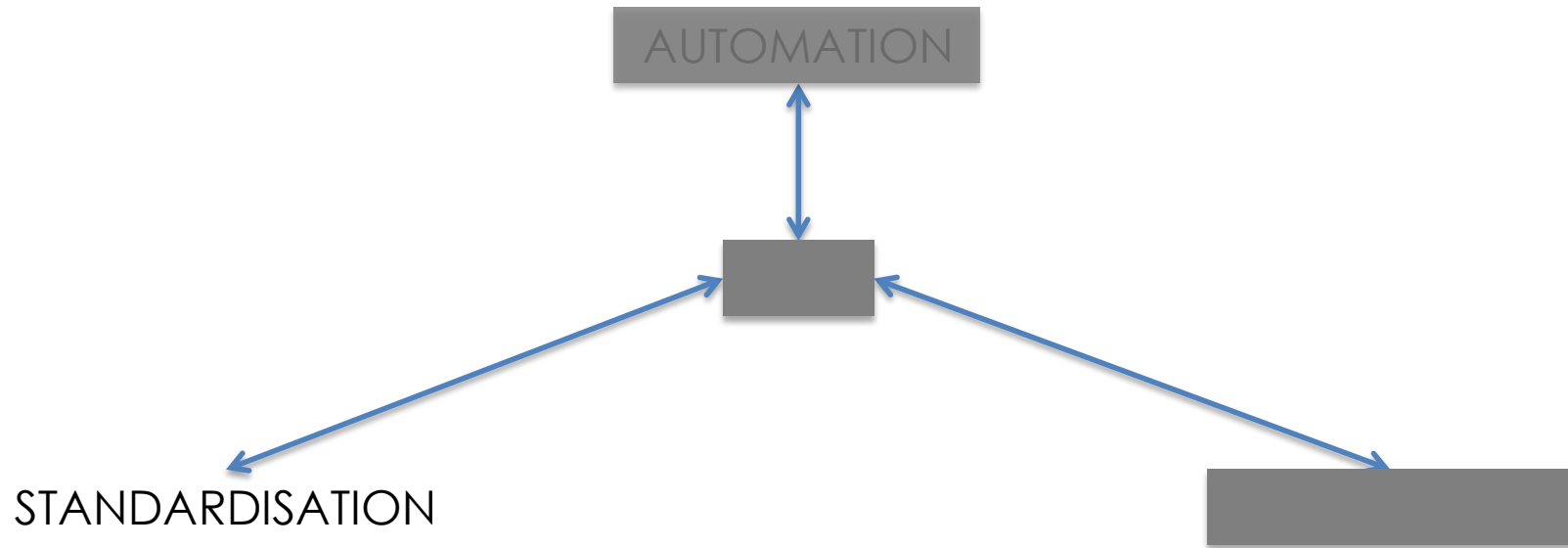


# PROFOUND CHANGE : DIGITAL REALITY

THE DIGITAL MODEL REPRESENTS THE REAL WORLD

DIGITAL IS THE REAL WORLD

# WHAT ABOUT REPORTING?



# JUST OVER THE HORIZON...

DLT/BLOCKCHAIN  
RESHAPING FINANCE  
INFRASTRUCTURE

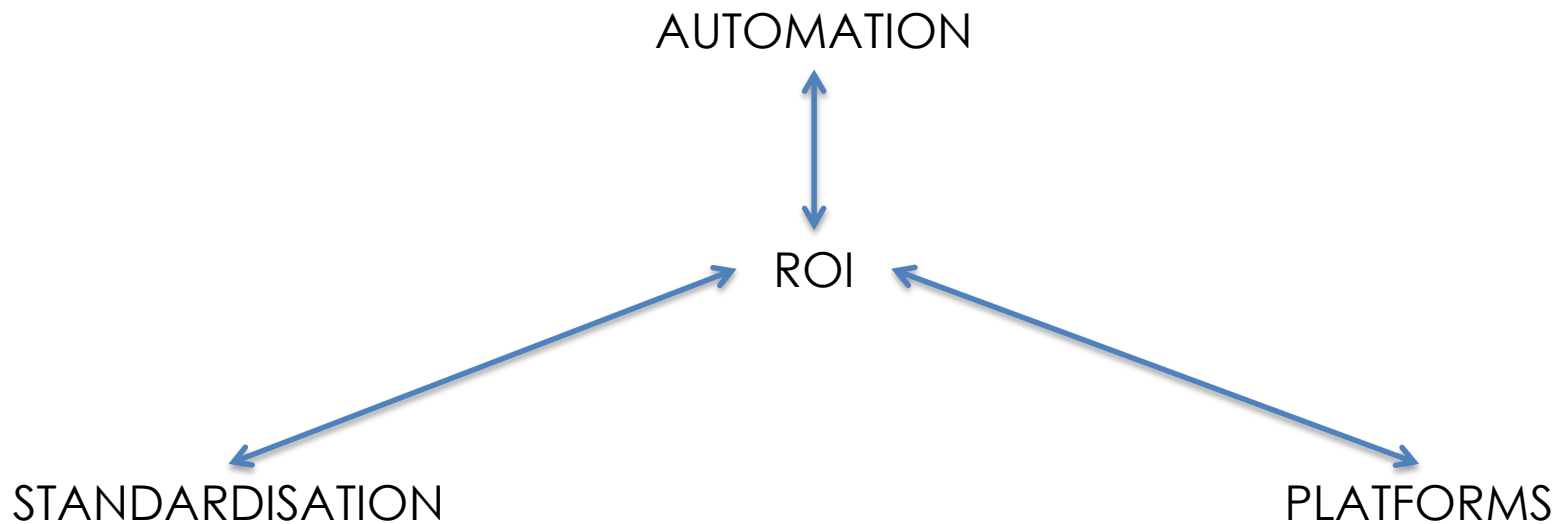
UNLOCKED  
ENTERPRISE  
REPORTING  
RESHAPES MI

## ROI

REGULATORY  
IMPEDENCE CREATES  
DEMAND FOR  
ALTERNATIVE CREDIT

CONTINUOUS AUDIT &  
AI ENHANCES TRUST

# WHAT ABOUT REPORTING?



- We want to do our part to ensure that the standardisation aspect of reporting is available, to support the innovation and new business models that will rapidly get developed.

# LONG TERM EMBEDDED COLLABORATION

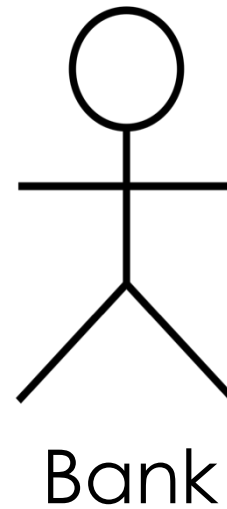
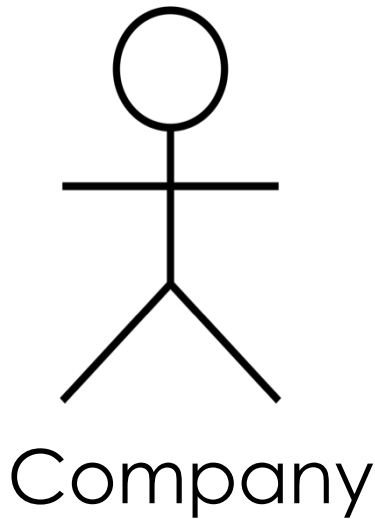
# EXAMPLE 1: RESHAPING FINANCE

- The next 2-5 years will see a wholesale set of changes to traditional finance.
- Blockchain, or Distributed Ledger Technology will be a key driver.

# Loan Covenants

NET CASH FLOW:DEBT SERVICE LIABILITY

- a. The ratio of Net Cash Flow to Debt Service Liability shall not be less than 1.2:1



# Loan Covenants

## NET CASH FLOW:DEBT SERVICE LIABILITY

- a. The ratio of Net Cash Flow to Debt Service Liability shall not be less than 1.2:1



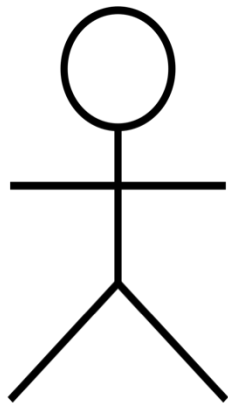
		2014	2013	2012
<b>SALES</b>	4	18,828.9	19,029.8	17,264.2
Cost of sales	3	(1,721.8)	(1,629.1)	(1,629.2)
Research and development costs	5	(276.0)	(294.0)	(276.0)
Selling and administrative expenses	6	(849.3)	(897.2)	(859.0)
<b>OPERATING INCOME (LOSS)</b>		<b>6,001.8</b>	<b>909.5</b>	<b>1,460.0</b>
Other non-operating income	6	3.1	4.8	15.5
Other non-operating expense	6	(91.6)	(111.6)	(109.7)
Income on loans, cash investments and marketable securities		9.0	9.0	10.2
Finance expense		(215.1)	(198.0)	(225.4)
Other financial income and expense	7	(85.5)	(46.4)	(21.8)
<b>INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES</b>		<b>5,116.7</b>	<b>569.3</b>	<b>1,128.3</b>

xBRL These samples have been prepared by XBRL International as a technology demonstration, and the accuracy of figures and information contained within this sample should not be relied upon for any purpose whatsoever.

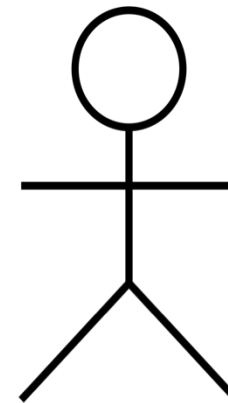
## EXAMPLE 2: CAPITAL ALLOCATION

- Around the world, SMEs provide the backbone of employment, core services to their communities and (occasionally) provide the innovation that changes entire economies.
- Capital provision to SMEs continues to fall thanks to de-leveraging.
- Standardisation, Big Data and AI will change the sources of credit wherever digital reporting is widely available.

# SME Lending & Credit Origination

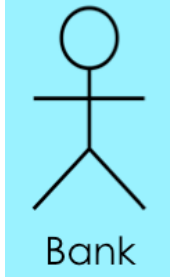
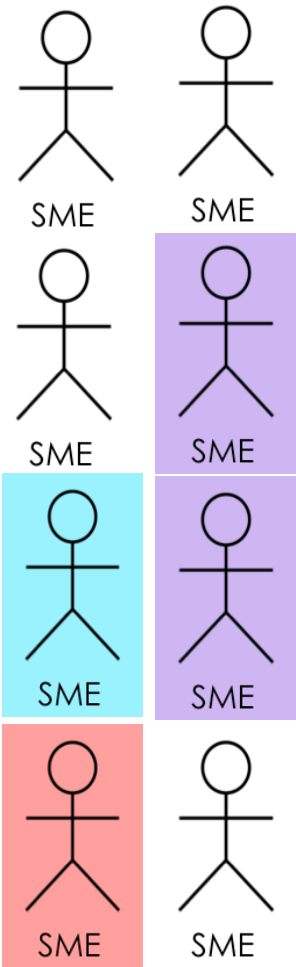


SME

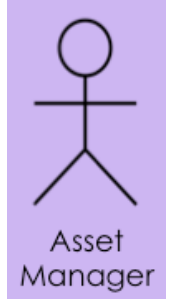


Bank

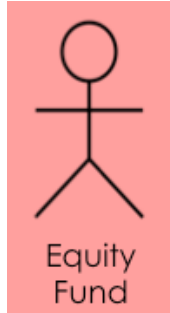
# SME Lending & Credit Origination



Discover profitable firms with > €500K in borrowing @ >7.2%



Discover profitable retail firms in Northern Europe with > SKR750K turnover exhibiting cash flow problems.



Discover loss making software firms with >10 and <25 staff.

# Pre-requisites for change...

1. Digital, structured, performance data is accessible and reliable.
2. High quality, agreed, comparable and relevant machine readable definitions underpin that data.
3. Relevant new technologies (DLT, Big Data, AI) harden and are accessible.
4. Regulatory response to pending change is compatible with that modernisation.
5. Multi-stakeholder public/private collaboration deepens and normalises.

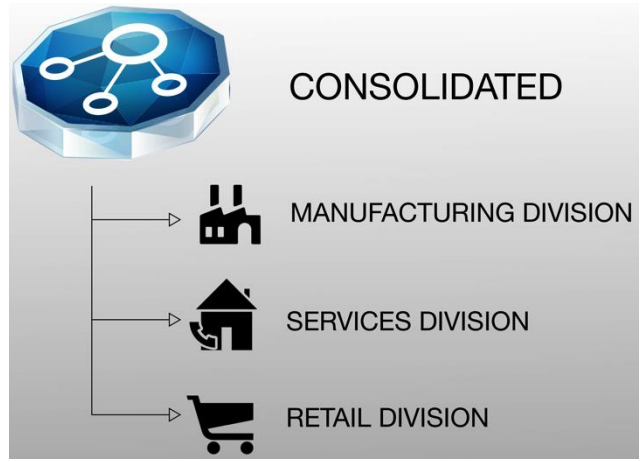
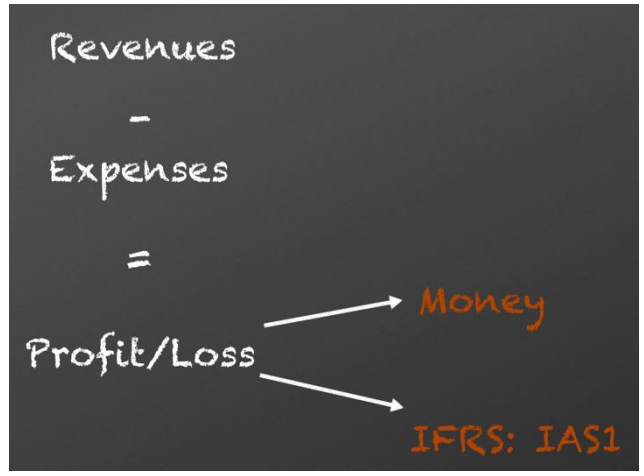
# MEDIUM TERM ENHANCED COLLABORATION

# EXAMPLE 1: ENTERPRISE REPORTING

- XBRL has proven that regulatory reporting can be greatly enhanced through structured data, in terms of quality, consistency, timeliness and in terms of the change framework.
- A typically regulatory framework involves reporting on specific, well defined areas *from* hundreds, thousands or millions of firms to a central regulator, in digital form.
- Enterprise reporting exhibits all of the problems associated with regulatory reporting, just at a different level of detail.

# BUSINESS DEFINITIONS

- Central to all of these systems are authoritative *taxonomies* or machine readable **dictionaries** of terms.
- In addition to official **concept** definitions, they incorporate *company-specific* definitions, especially for issues like **structure** and segments.
- CHINA has taken this to the logical next step.



# UNLOCK ENTERPRISE DATA

Chinese projects in large SOEs such as **PetroChina** and **SPDB Bank** have:



- Created company-specific taxonomies that extend an official taxonomy for **management and governance** purposes.
- Created open data repositories of individual transactions, with XBRL **tags added** to each transaction.
- Use open source **big data technology** to allow business users to query this data repository.

# RESULTS

These cutting edge projects:

1. **Empower management**, as business experts (not IT experts) control the business definitions and rollups.
2. **Unlock data** from proprietary software systems.
3. Provide data used by management at all levels and **across business silos**.
4. Provide data that can be aggregated at all levels: from cost centre to the enterprise.
5. Provide data in **near real time**.
6. Are highly **cost effective**.



## We want to:

- Develop standards, blueprints and other mechanisms that will support ways for all kinds of enterprises to unlock their data.
- Develop ways to integrate standardised reporting for internal and external reporting.
- Open up the way to allow collaboration between the public and private sectors to allow re-use and comparison of data definitions.

## EXAMPLE 2: SBR

- The Netherlands and Australia have shown the way that large scale collaboration both on an inter-and-intra agency basis can simplify and harmonise reporting.
- Real cost savings, enhanced information and a platform that creates a set of reusable assets that can also benefit the private sector.

## We want to:

- Find ways to better demonstrate the benefits of the SBR approach and do our part to publicise these successes.
- Support SBR efforts with relevant standardisation where needed.
- Investigate ways that public/private collaboration on high quality, consistent and harmonised definitions can be accelerated.

# SHORT TERM IMPROVED COLLABORATION

# Open Information Model

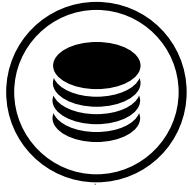


## OIM PWD

Open Information Model paves way to decouple XBRL from XML. Initially OIM merely covers republishing of known good instances.

- Providing new ways to interact with XBRL semantics makes structured data more accessible.
- Decouples the standard from specific syntax – future proofing.
- Opens up a range of possibilities.

# Taxonomy Registry



Taxonomy Registry  
Creates a way to discover other taxonomies. Baseline infrastructure for comparison. Baseline for Taxonomy Approvals.

<https://taxonomies.xbrl.org>

The Standard | The Consortium | Members

**xBRL**  
THE BUSINESS REPORTING STANDARD

MANAGE | ADD | ABOUT

XBRL Taxonomy Registry

Search

Taxonomy	Version	Date	Publisher	Region
Corporate Actions Taxonomy	2012	31 Mar 2012	XBRL US, Inc	US
Solvency II XBRL Taxonomy	2.1.0	30 Aug 2016	EIOPA	EU
The annual US-GAAP Taxonomy	draft-2017-01-31	1 Sep 2016	Financial Accounting Standard Board	US

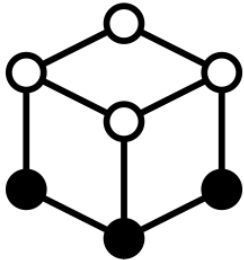
- Makes XBRL semantics more discoverable and more accessible.
- Will assist with comparison.
- Will assist with certification.



## Software Certification

Enhance interoperability and software quality with conformance-based certification.

- Going out to consult very shortly.
- Review software validation and processing against XBRL conformance suites.
- Obliges “write only” software to validate prior to filing.
- Cost-recovery basis.



DPM +  
Table  
Linkbase  
Multi-dimensional  
templates for  
consistent reporting.

- Increasingly using a “Data Point Model” and the Table Linkbase.
- Useful basis for lowering the cost of implementation.
- Some modeling differences likely for some time.
- Some standardisation enhancements will be necessary.



Inline XBRL  
Different presentations  
supported through use  
of HTML.

- WYSIWYG mechanism increasingly the norm.
- Stakeholders understand the approach. Avoids “dual filing” problems.
- All FS filings continue to face questions about audit/assurance approach.

Part I. Financial Information  
Item 1. Financial Statements

**Lennar Corporation and Subsidiaries**  
Condensed Consolidated Balance Sheets  
(Dollars in thousands, except shares and per share amounts)  
(unaudited)

	May 31, 2016 (1)	November 30, 2015 (1)
<b>ASSETS</b>		
<b>Lennar Homebuilding:</b>		
Cash and cash equivalents	\$ 601,192	893,408
Restricted cash	5,713	13,505
Receivables, net	45,000	74,538
Inventories:		
Finished homes and construction in progress	4,269,767	3,957,167
Land and land under development	5,245,422	4,724,578
Consolidated inventory not owned	134,514	58,851
Total inventories	9,649,703	8,740,596
Investments in unconsolidated entities	785,883	741,551
Other assets	646,555	609,222
	11,734,046	11,072,820
<b>Rialto</b>	1,171,987	1,505,500

Part I. Financial Information  
Item 1. Financial Statements

Lennar Corporation and Subsidiaries  
Condensed Consolidated Balance Sheets  
(Dollars in thousands, except shares and per share amounts)  
(unaudited)

	May 31, 2016 (1)	November 30, 2015 (1)
<b>ASSETS</b>		
<b>Lennar Homebuilding:</b>		
Cash and cash equivalents	601,192	893,408
Restricted cash	5,713	13,505
Receivables, net	45,000	74,538
Inventories:		
Finished homes and construction in progress	4,269,767	3,957,167
Land and land under development	5,245,422	4,724,578
Consolidated inventory not owned	134,514	58,851
Total inventories	9,649,703	8,740,596
Investments in unconsolidated entities	785,883	741,551
Other assets	646,555	609,222
	11,734,046	11,072,820
<b>Rialto</b>	1,171,987	1,505,500

**Labels**

**Cash and Cash Equivalents, at Carrying Value**

Definition	Amount of currency on hand as well as demand deposits with banks or financial institutions. Includes other kinds of accounts that have the general characteristics of demand deposits. Also includes short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Excludes cash and cash equivalents within disposal group and discontinued operation.
------------	--

Labels

# YOUR NEXT STEPS

# Some Next Steps

1. Recognise that making reporting fully digital is a complex process that requires ongoing collaboration between the public and private sectors. Design and manage it carefully.
2. Recognise the benefits are significant even though the journey isn't trivial.
3. Actively support collaboration, harmonisation and standardisation at national, EU and international level.



data   
amplified™

Join Us!

Our purpose is to improve the accountability and transparency of business performance globally, by providing the open data exchange standard for business reporting.

Our standards are freely licensed. We operate in the public interest as a not-for-profit global consortium.



<https://www.xbrl.org>



## LEGAL NOTICES

The information contained in this presentation represents the opinions of the speaker and may not represent the views of XBRL International, the Board of XBRL International or the consensus opinions of the XBRL Standards Board or Best Practices Board. Nothing in this presentation should be taken to be investment advice and all data representations are merely indicative. The reader should note that only XBRL Specifications that have reached Recommendation status are considered final and suitable for use in software and mission critical systems and must then be used in line with the XBRL International License Agreement.

XBRL®, Inline XBRL™, Table Linkbase™ and the XBRL mark are Registered Trademarks or Trademarks of XBRL International Inc in the European Union, United States, China, Japan, India and internationally and may not be used without the permission of XBRL International, Inc including through its Trademark policies and agreements

Copyright © 2001-2016 XBRL International Inc. All rights reserved. No part of this presentation file may be reproduced in any form or by any means without written permission from XBRL International Inc.