

ESEF training

– Understanding Sign and Calculations

Today's agenda

Sign

SignLogic

Calculations

Session interactivity – questions

- » Ask a question in the chat
- » I will answer all questions via email if we run out of time
- » If you want support you can send an email to support@ctrlprint.net
- » The presentation and recording will be shared on ctrlprint.net

XBRL Sign

XBRL is like bookkeeping

there are only positive values

the tags have balances Debit or Credit

But in a PDF

(or human readable report)

Note	2020	2019
4	36 122	40 849
	-22 418	-25 547
	13 704	15 302
	-2 817	-3 261
	-2 225	-2 797
	-1 032	-1 035
7	163	130
7	-413	-191
14	2	-12
4, 5, 6, 7, 16	7 382	8 136

Using the IFRS Taxonomy

Section 5—Reporting negative values for IFRS Taxonomy elements

Page 46

	Statement of financial position	Statement of comprehensive income, profit or loss	Statement of cash flows
Debit balance attribute	Assets	Expense	Cash inflows
Credit balance attribute	Equity Liabilities	Income	Cash outflows

SignLogic

Line Item	Shown value (PDF)	Comment	Taxonomy Balance	XBRL Value	SignLogic in Tagger
Revenue	1,000		Credit	1,000	AsReported
Cost of Sales	-1,500	The value is 500. The minus is used to relate it to the revenue, to show that it is deducted	Debit	1,500	Reverse
Profit/loss	-500		Credit	-500	AsReported

Profit/Loss

SignLogic Quick Guide

Balance of applied tag	Income Statement/ Statement of other comprehensive income	Statement of financial position	Statement of changes in equity	Statement of cash flows
Debit	Expense	Increase in asset	Decrease in equity	Cash inflows
SignLogic	Reverse*	AsReported	Reverse*	AsReported
Credit	Income/Profit	Increase in liabilities/equity	Increase in equity	Cash outflows
SignLogic	AsReported	AsReported	AsReported	Reverse**

*Use Reverse if you have a minus in your human readable (PDF) report. If you don't use a minus, use AsReported.

**For the "Profit tag" (e.g. Operating profit) starting your Cash Flow statement, use As-Reported. It has to have the same SignLogic as the "Profit tag" in the Income statement. Otherwise you will get a DuplicateMapping error.

Calculations

Advice to sort out Sign

1. Finish your mapping before starting with Calculations
2. Think of Balance, Period type, Accounting meaning
3. Understand Sign/SignLogic
4. Send a question to our support if you feel uncertain

Many thanks for your interest!

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- » Watch out for our coming webinars about ESEF

Disclaimer:

CtrlPrint are not accounting advisors and we do not provide tagging or regulatory applicability services

ESEF in brief

ESEF rationale and objectives

"The objectives of the provision are to make reporting easier for issuers and to facilitate accessibility, analysis and comparability of annual financial reports."

Source:

<https://www.esma.europa.eu/policy-activities/corporate-disclosure/european-single-electronic-format>

ESEF in brief

- » Affects issuers with securities listed on the EU regulated markets
- » Shall draw up and disclose their annual financial reports in XHTML
- » Issuers that draw up IFRS consolidated financial statements
 - shall mark-up those statements using iXBRL
 - block-tag the notes to the financial statements

ESEF in brief

	IFRS consolidated financial statements	Individual financial statements
Primary financial statements	Mandatory from 2021	Voluntary
Block tagging of notes	<i>Mandatory from XXXX</i>	
Detailed tagging of notes	Voluntary	

Source: The European Single Electronic Format (ESEF) - An introduction to ESMA's draft RTS.
 Presented by Anna Sciortino, ESMA on March 28, 2019 at XBRL Nordic IV Conference, Copenhagen.

Suggested ESEF process by ESMA

- 1 What does ESEF mean for your company
- 2 How does the ESEF taxonomy work

- 3 Mapping the accounts to the taxonomy
- 4 How many extensions do you need?
- 5 Tagging the main accounts
- 6 Taxonomy extensions
- 7 Anchoring the extensions
- 8 Review, validate and export

- 9 Submitting your ESEF report

CtrlPrint
ESEF

The standard label of an element is often longer and more detailed or may be phrased differently to the label being reported in practice within IFRS financial statements.

Rules for marking up disclosures

1. Use the core taxonomy element with the closest accounting meaning to the disclosure being marked up

2. Where there appears to be a choice of core taxonomy elements, select the element with the narrowest accounting meaning and/or scope.

3. If the closest core taxonomy element would misrepresent the accounting meaning of the disclosure being marked up, create an extension taxonomy element

Source: RTS on ESEF, Annex IV, 3-4: https://eur-lex.europa.eu/eli/reg_del/2019/815/2021-

A preparer has to consider the accounting meaning of a taxonomy element when making this judgement

Rules for creating extensions

1. The issuer shall anchor its extension taxonomy element to the core taxonomy element having the closest wider accounting meaning and/or scope to that extension taxonomy element of the issuer.
2. Where the extension taxonomy element combines a number of core taxonomy elements, the issuer shall anchor that extension taxonomy element to each of those core taxonomy elements except any such core taxonomy element or elements, which are reasonably deemed to be insignificant.

Source: RTS on ESEF, Annex IV, 9 a-b): https://eur-lex.europa.eu/eli/reg_del/2019/815/2021-01-01

Rules for creating extensions

Also see the ESEF Reporting Manual

Section 1.4 Anchoring, page 17

Source: ESMA32-60-254rev, 12 July 2021

The essentials

XBRL

Welcome!

Lisa Karlsson, Atlas Copco

Richard Bössen, Amana Consulting

Nina Schüller, Amana Consulting

Elina Koskentalo, XBRL Soumi

Today's agenda, cont'd

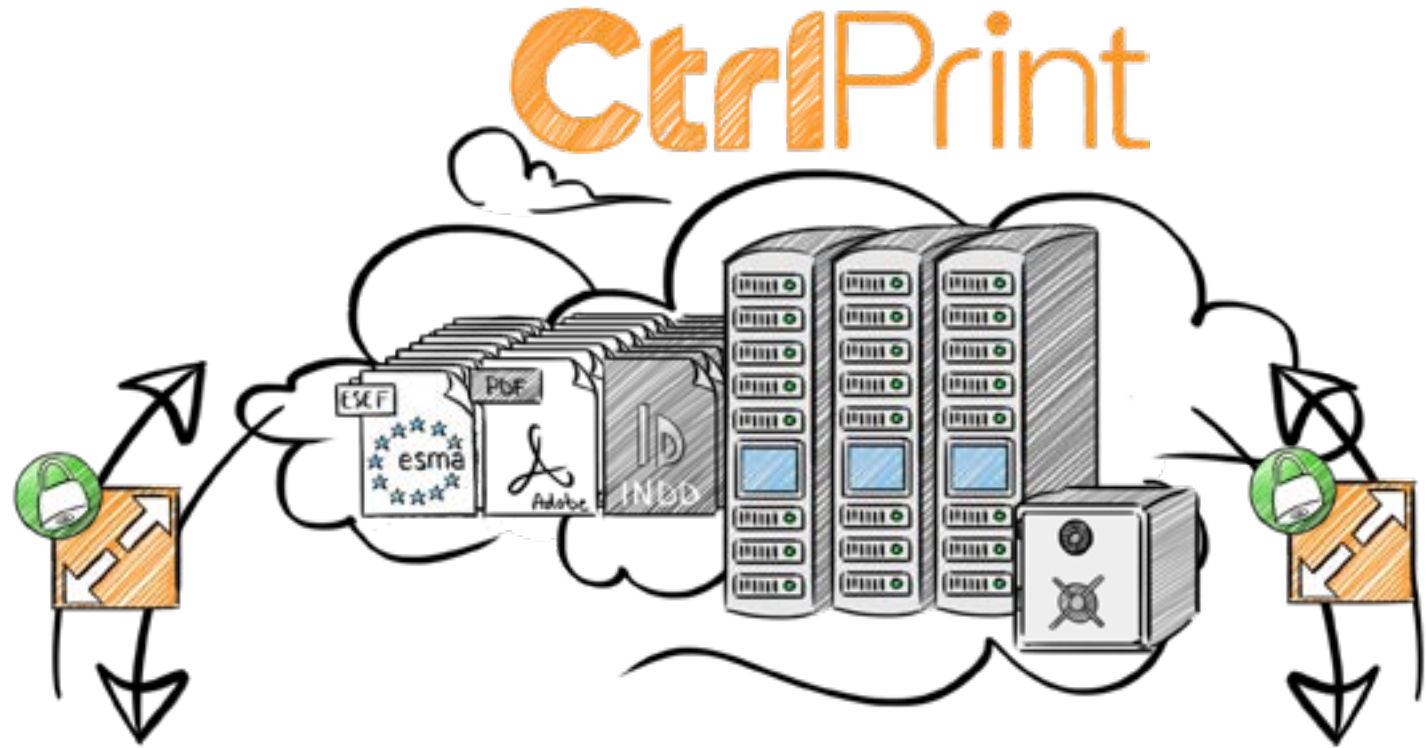
- 10:10 5 things I learned from analysing 70+ ESEF reports
Elina Koskentalo, Project Manager, XBRL Soumi
- 10:30 Get the most out of the Amana XBRL Tagger
Nina Schüller, XBRL Consultant, Amana Consulting
- 10:50 Summary and final questions

About CtrlPrint

- » 850 clients in the Nordics, UK, EU & APAC
- » Annual, sustainability and interim reports - InDesign
- » Accounting, Legal, Sustainability & Investor Relations users
- » ISO 27001:2013 - Information Security Management
- » ISAE 3402 Type I/II - Service Organization Controls report

CtrlPrint

Documents, PDFs and ESEF are version handled and encrypted in the cloud. Content owners edit on their machine.



Typical workgroup:
3-6 users internally
1 designer and
1 translator



ESEF 2020 – challenges and solutions

Karl Magnus Westerberg, CtrlPrint

Background

- » Amana's XBRL Tagger: more than 500 companies within the EU
- » 180 of CtrlPrint's clients worked with ESEF to various extents
- » Germany, Austria, Czech Republic, Slovenia did not postpone

What can we learn from the first year?

- » Survey together with Amana
- » What challenges did you face?
- » How did you solve it?
- » What's your best advice to someone that hasn't started?

European Single Electronic Format

Suggested process from ESMA

- 1 What does ESEF mean for your company
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- 4 How many extensions do you need?
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- 7 Anchoring the extensions
- 8 Review, validate and export
- 9 Submitting your ESEF report

Results

- » 173 responses
- » 16 countries
- » 106 responses filed the ESEF report (mandatory and/or voluntarily)
- » 57 responses filed non-postponement countries

Top 5 challenges, all respondents

Challenge	# of responses
Trusting that the chosen tags are the correct ones	81
Understanding why there was sometimes a minus in the PDF but not in the ESEF report	79
Reviewing the reports (technical validations, PDF and XHTML are the same)	71
A lack of example reports to have learned from	67
Finding information and understanding the ESEF requirements	65

Let's learn from the ones that filed

Country	Postponed	Responses
Germany	No	50
Slovenia, Czech Republic, Austria	No	7
Finland	Yes	28
France	Yes	9
Bulgaria, Italy, Latvia, Lithuania, Poland, Spain, Sweden, UK	Yes	12

Challenges – not postponed (57 responses)

Understanding why there was sometimes a minus in the PDF but not in the ESEF report	33
Reviewing the reports (technical validations, same content in PDF and XHTML)	32
Handling last-minute changes to all different versions (PDF, XBRL and XHTML version)	27
Finding information and understanding the ESEF requirements	22
Trusting that the chosen tags are the correct ones	22
Handling questions from auditors	22
A lack of example reports to have learned from	22

Challenges – postponed, but filed (49 responses)

Trusting that the chosen tags are the correct ones	22
Reviewing the reports (technical validations, same content in PDF and XHTML)	22
Finding information and understanding the ESEF requirements	18
A lack of example reports to have learned from	17
Handling last-minute changes to all different versions (PDF, XBRL and XHTML version)	16
Understanding why there was sometimes a minus in the PDF but not in the ESEF report	16

Challenges – not filed (55 responses)

Trusting that the chosen tags are the correct ones	37
Understanding why there was sometimes a minus in the PDF but not in the ESEF report	30
A lack of example reports to have learned from	28
Finding information and understanding the ESEF requirements	25
Understanding what files to submit, how to file them and how to publish them on the website	18
Reviewing the reports (technical validations, same content in PDF and XHTML)	17

Summary of the differences

Not postponed

Sign/SignLogic; Review; Last minute changes

Postponed, but filed

Mapping; Review; Understanding ESEF

Not filed

Mapping; Sign/SignLogic; Examples; Understanding ESEF

Average number of challenges

» Not postponed:	3,7
» Postponed, but filed:	3,0
» Not filed:	3,2

Solutions and good advice

New demands, formats and tools

Start early, initial mapping when you plan for the annual report.
Review the XHTML early.

Mapping, extensions

Discuss with auditors, internally and industry peers.
Get external help from consultants.
It's important to understand your disclosures in detail.

Last minute changes

Make sure that you know yourself how to handle them.
There is a lack of external resources.

Reviewing (XBRL, XHTML and PDF)
and validations

Keep track of the versions and use your consultants and solution providers.

What about Sign/SignLogic?

- » How XBRL handles minuses and balance (debit/credit)
- » Is confusing initially, but there is a logic
- » Only two SignLogic settings are needed (AsReported/Reverse)
- » The Excel mapping report is the best tool at the moment
- » We'll post new videos

Many thanks for your interest!

- » Ask a question in the chat or send an email to info@ctrlprint.net
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How we prepared (for) our ESEF report

Lisa Karlsson, Group Financial Controller, Atlas Copco



Lisa Karlsson

Group Financial Controller, Atlas Copco AB

» 2010-2014 Senior Accounting Specialist

Atlas Copco AB

» 2005-2010 Auditor

PwC Sweden

» 2005 M. Sc. in Business Administration

Stockholm University, Sweden

The Atlas Copco logo is centered on the left side of the slide. It consists of a solid blue horizontal bar at the top, followed by the company name 'Atlas Copco' in a blue, italicized serif font, and another solid blue horizontal bar at the bottom.

Atlas Copco

Atlas Copco

Home of industrial ideas

Headquarters: **Nacka, Sweden**

Turnover 2020: **10 billion Euros**

Founded: **1873**

Number of employees 2020: **more than 40 000**

Global reach: **customers in more than 180 countries**

Offers: **Innovative compressors, air treatment systems, vacuum solutions, industrial power tools and assembly systems, machine vision, and power and flow solutions.**

The Atlas Copco ESEF report 2020

- » Completed the report but did not file it to the OAM
- » Light assurance of the mapping by the auditors

Using the IFRS Taxonomy - a preparer's guide

Section 5 – Reporting negative values for IFRS Taxonomy elements

Page 46

	Statement of financial position	Statement of comprehensive income, profit or loss	Statement of cash flows
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How to find and use example reports – the Amana XBRL Dashboard

Richard Bössen, Manager XBRL, Amana Consulting

5 things I learned from analysing 70+ ESEF reports

Elina Koskentalo, Project Manager, XBRL Soumi

Get the most out of the Amana XBRL Tagger

Nina Schüller, XBRL Consultant, Amana Consulting

Summary and final questions

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Summing up

- » Evaluate and choose solution
 - ◇ *Collaboration and workflow*
 - ◇ *Information security*
 - ◇ *Training and support*
- » Start now (if fiscal year=calendar year)
- » Use Virginia's method

XBRL Sign