

# ACCOUNTING 2020

**Stig Enevoldsen**

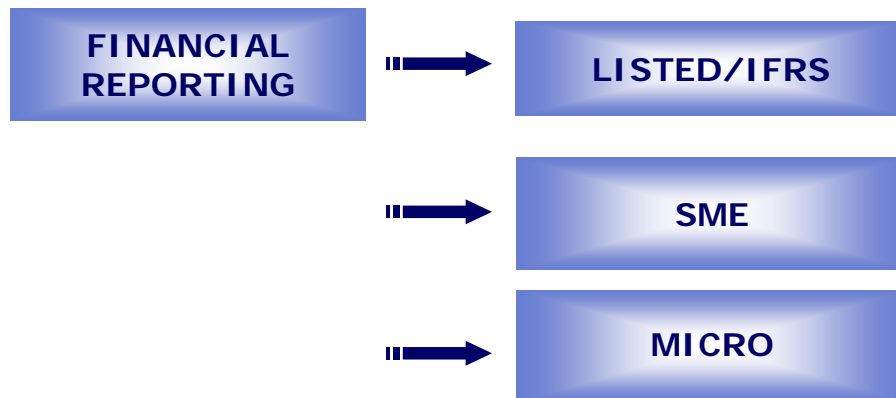
**Chairman**

**Copenhagen - 05. September 2008**

Copenhagen 05 September 2008

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## FINANCIAL REPORTING



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# FINANCIAL STATEMENTS



## ACCOUNTING 2020

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# FINANCIAL REPORTING



- Should we prioritise information?
- Notes in different levels?
- Too much focus on improving measurement of line items rather than on material issues such as **Management Commentary?**

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## SME (not listed)

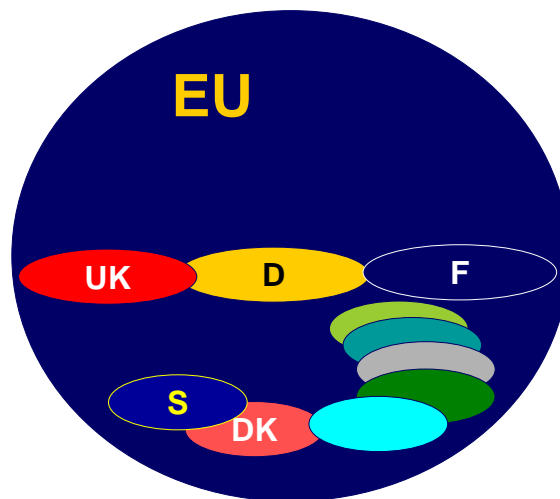
### Options:

- Directives/ Local laws
- Local standards or guidelines
- IASB standard for SME
- New EU-rules

**How many set of rules can we cope with?**

- **Must every country use resources on making local rules?**

## SME



## **SME - Frequency of reporting**



- How often should SME report?
- Annually – is that good enough?
- Delays in filing allowed?
- How old is the information?
- How often do you get news?
- Do you get it on paper only?

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## **USER NEEDS**



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# USER NEEDS



**What are the needs of SME users?**

**Should be explored!!!**

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# TECHNOLOGY



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# TECHNOLOGY



Information to

**"MARKET PLACE"**

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# TECHNOLOGY



Information to

**MARKET SPACE**

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# TECHNOLOGY



**REAL TIME REPORTING**

**REAL TIME AUDIT**

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# TECHNOLOGY



**TECHNOLOGY is driving**

- **Globalisation**
- **Enhanced wealth globally**

**But technology has NOT  
really improved  
accounting**

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# TECHNOLOGY



**Do you think that SME reporting will not be affected by technology?**

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# TECHNOLOGY



**Preparation has been automated**

**•Presentation and content has not developed in line with development in technology?**

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# ACCOUNTING IN 2020

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## ACCOUNTING 2020

**One single simple standard for SME in  
all the EU / World**

**All F/S filed on the entity's website**

**Financial reports issued every 3 month**

**Preparation automated**

**Technology driven presentation**

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## ACCOUNTING 2020 - XBRL



### PROSPECT:

- Very positive initiative
- Many good ideas
- Utilisation of the internet's capacity
- Help when filing electronically

# XBRL

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## ACCOUNTING 2020



- Interactive reporting
- Utilise the potential of the internet
- Future reporting will be on the internet

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## ACCOUNTING 2020



### **INTERACTIVE** REPORTING

- Financial information may be communicated better if supported by **speaking, animation and interactive functions**
- The user may **“personalise”** financial information by selecting figures relevant to him/her

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## ACCOUNTING 2020



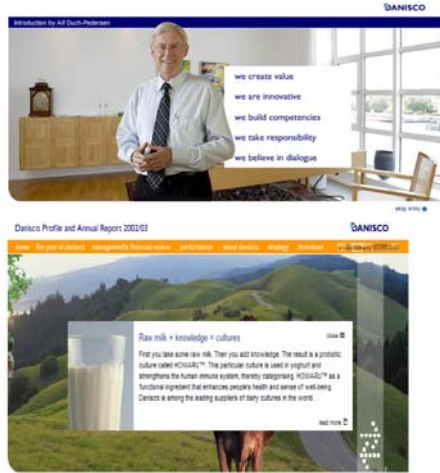
### **INTERACTIVE** REPORTING

- Distribution is improved and more economical efficient
- Users expect usage of the internet and use of **all** its potential

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# Example

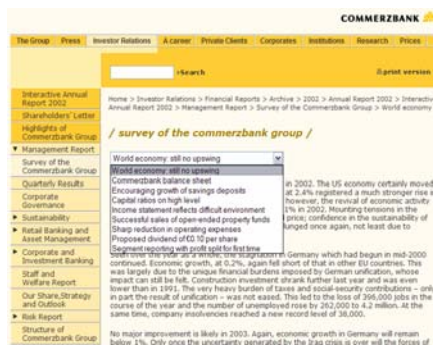


- Create connection from business to financial figures for a normal user
- Focus on visual and audio communication
- Internal and external communication

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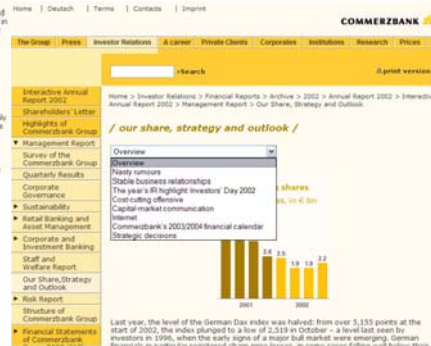
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# Example



- Usage of the internet as reporting tool, and the user may select specific info of interest.

- Focus on presentation of financial key figures.
- Real time information



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# ACCOUNTING 2020



Who drives the IT technical development?

**Today it is driven by IT freaks!!!!**

**Where is the audit profession?**

**• I believe we as accounting experts and professionals are the ones to drive the new ideas forward**

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**WWW.EFRAG.ORG**

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# www.IASPLUS.com

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Thursday, 4 September 2008

*International Accounting News  
- IAS Plus is One Step Ahead*

**5 September 2008: Financial instruments with characteristics of equity**

**Deloitte Comment Letter** Deloitte has submitted a [Letter of Comment](#) (PDF 277k) on the IASB's Discussion Paper: Financial Instruments with Characteristics of Equity. We strongly support development of a standard addressing how to distinguish between liabilities and equity. We do not support any of the three approaches outlined in the [Discussion Paper](#), but we believe that the basic ownership approach is a suitable starting point. Here is an excerpt from our letter:

Because of the pervasiveness of these issues, we strongly encourage the IASB, jointly with the FASB, to develop a new classification approach. Given the high degree of interdependence between this project and the joint projects on financial statement presentation and the conceptual framework, we recommend that these projects be closely coordinated. In addition, because the classification and measurement of certain instruments under the basic ownership approach would be a significant change to - and present more variability in - the statements of position and performance, the effects of these changes on regulatory guidance should be studied further, particularly when regulatory guidance is globally promulgated.

While each of the three classification approaches outlined in the Discussion Paper addresses some of the problems with existing accounting literature, we do not support any of these approaches in their current form. As more fully discussed in the attachment to this comment letter, we believe that each approach currently has a number of fundamental conceptual and operational deficiencies that need to be addressed before it can be an effective classification principle.

Although the basic ownership approach in its current design has certain fundamental deficiencies, we believe that approach - appropriately modified - is a suitable starting point for a project to improve and simplify IAS 32.1 In the Appendix, we propose certain modifications to the basic ownership approach that we believe are necessary to create an effective conceptual, measurable, reliable and verifiable approach to the ownership approach operational and useful to financial statement users.

**World Standard Setters Conference**  
11-12 September 2008, London

**IASB STRUCTURE**  
What is the IASB?  
Structure Diagram  
IASB Foundation  
2008 Constitution Review  
IASB Members  
IASB Photos  
IASB Due Process  
IASB Contact Details  
Advisory Council  
Interpretations Committee  
Constitution  
IASB Chronology

**IASB PROJECTS AND MEETINGS**  
IASB Projects Timetable  
IASB Meeting Notes  
IASB Effective Dates  
Next Meeting Agenda  
Future Meeting Dates  
Imminent Deadlines

**IASB PROJECTS AND MEETINGS**  
IASB Projects  
IASB Meeting Notes  
IASB Effective Dates  
IFRIC Issues Not Added  
Future Meeting Dates  
Comment Deadlines

**IASB LINKS**  
Go to IASB Website

**RESOURCES**  
Past News by Month  
Reference Materials  
Credit Crunch  
Statistics Database  
IFRSs in Europe  
Recursos en Español  
Use of IFRSs  
IAASB Auditing Standards  
IPSASB Public Sector Standards  
IVSC Valuation Standards

**TOOLS**

# ACCOUNTING/AUDITING



	REPORTING	AUDITING
LISTED	IFRS	ISA
SME ENTITIES	LOCAL / SME IFRS?	LOCAL GAAS/ ISA ?
MICRO ENTITIES	TAX/LOCAL LAW?	AUDIT OR NO AUDIT??

???????

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