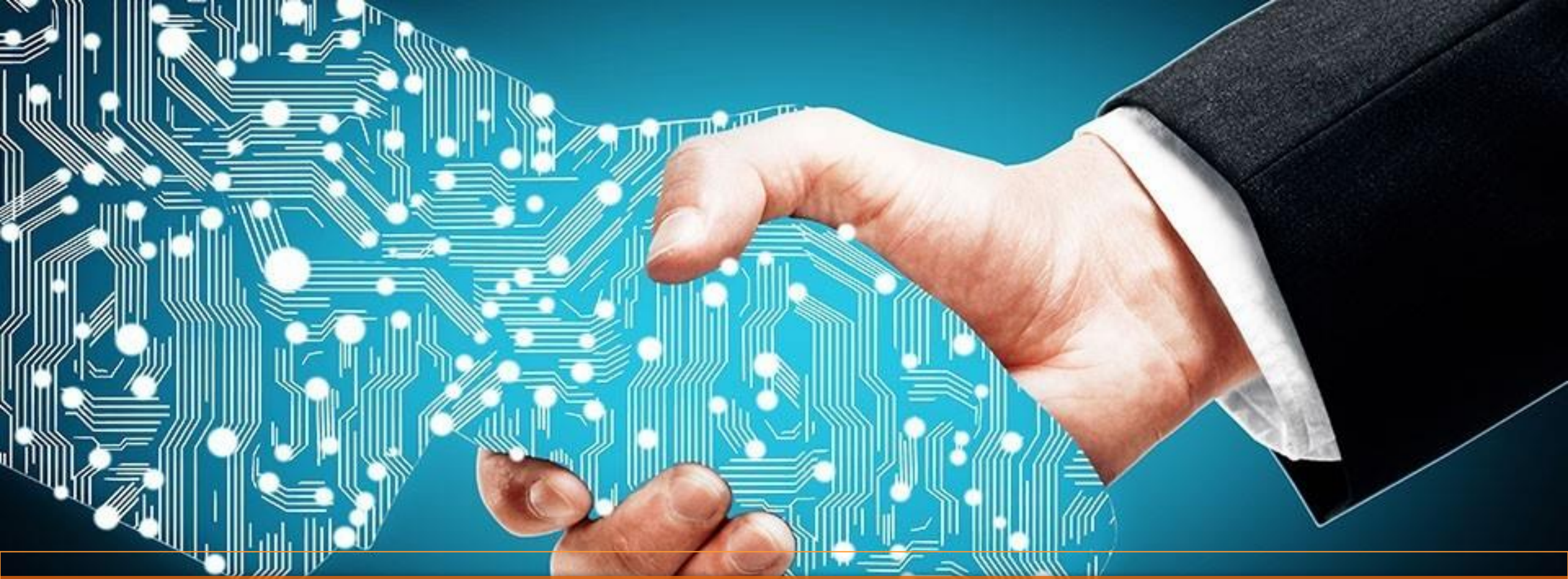

SBR and the auditor, update from the NBA

Enrico Evink

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Nederland rekent op zijn accountants.

Agenda

1. Digital reporting
2. SBR- Assurance: XBRL Files
3. SBR- Assurance: xbrli / zip files
4. Q&A

Enrico Evink
Partner EY Accountants B.V.
Board Member XBRL Netherlands,
Member NBA work group digital assurance

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Digital Reporting

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Digital reporting

Based on the current proposal in the legislation large companies (and related mid-size companies) will have two options to file their financial statements at the Chamber of Commerce:

1. Using the SBR method (already used for Micro – Medium sized)
2. Using the European iXBRL method (Already used for listed clients under ESEF)

Companies that fall under the CSRD directive for reporting are required to use option 2.

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Digital reporting (2): key terms

- SBR: Standard Business Reporting= Dutch program for digital reporting
- Taxonomy: 'Dictionary' of all concepts that can be reported, updated yearly
- Concept: Individual item to be reported
- Instance: document drafted in XBRL-format to report
- Rendering: making an Instance readable for people
- Entry point: Part of the taxonomy that shows a subset of reportable concepts to include in an Instance.
- 'Consistente presentatie' (CP)= Dutch sets of agreements how to render a XBRL-instance to ensure a 'true and fair view'
- ESEF: digital reporting format from the EU based on ixbrl
- Ixbrl: (X(html (webpage) human readable format, with embedded tagging
- ESEF-RTS: Contains the requirements for the ESEF reporting

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SBR- Assurance: XBRL

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SBR Assurance: XBRL (1)

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SBR Assurance: XBRL (2): process flow (rendering)

Geconsolideerde winst- en verliesrekening

Geconsolideerde winst-en-verliesrekening

Bedragen in (Euro)

	Huidig	Voorgaand
Brutomarge	14.000.000	14.000.000
Lasten uit hoofde van personeelsbeloningen	150.000	145.000
Afschrijvingen op immateriële en materiële vaste activa	90.000	90.000
Bijzondere waardeverminderingen van vlottende activa	100.000	100.000
Overige bedrijfskosten	110.000	110.000
Som der kosten	450.000	445.000
Bedrijfsresultaat	13.550.000	13.555.000
Opbrengst van vorderingen die tot de vaste activa behoren en van effecten	100.000	100.000
Waardeveranderingen van vorderingen die tot de vaste activa behoren en van effecten	200.000	200.000
Financiële baten en lasten	200.000	200.000
Resultaat	13.650.000	13.655.000
Belastingen	100.000	100.000
Resultaat uit deelnemingen	150.000	150.000
Resultaat na belastingen	13.700.000	13.705.000

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SBR- Assurance: xbrli / zip files

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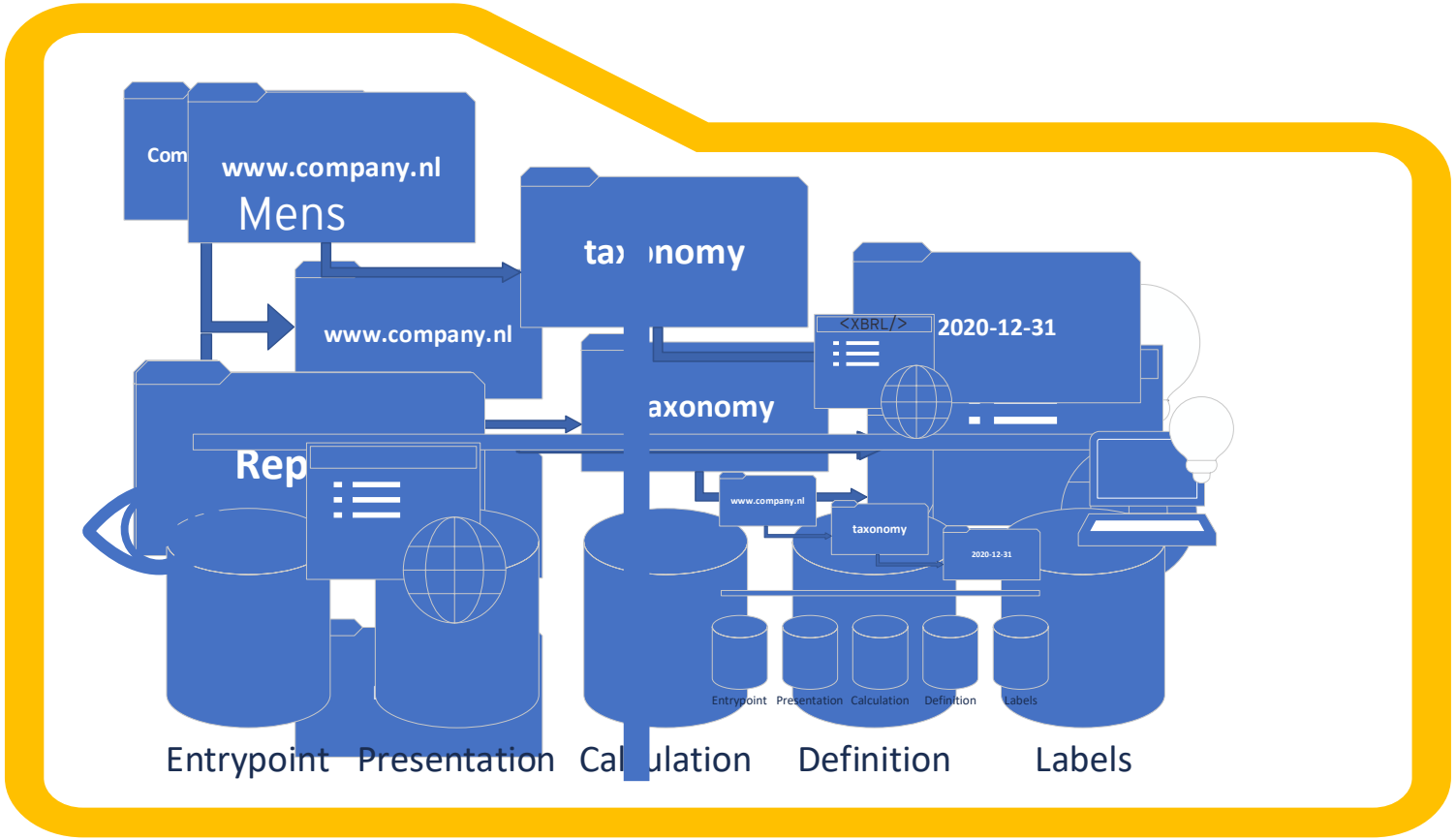
Reporting Package: How does it work



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Ixbrl Tagging
Technical principle of Inline XBRL

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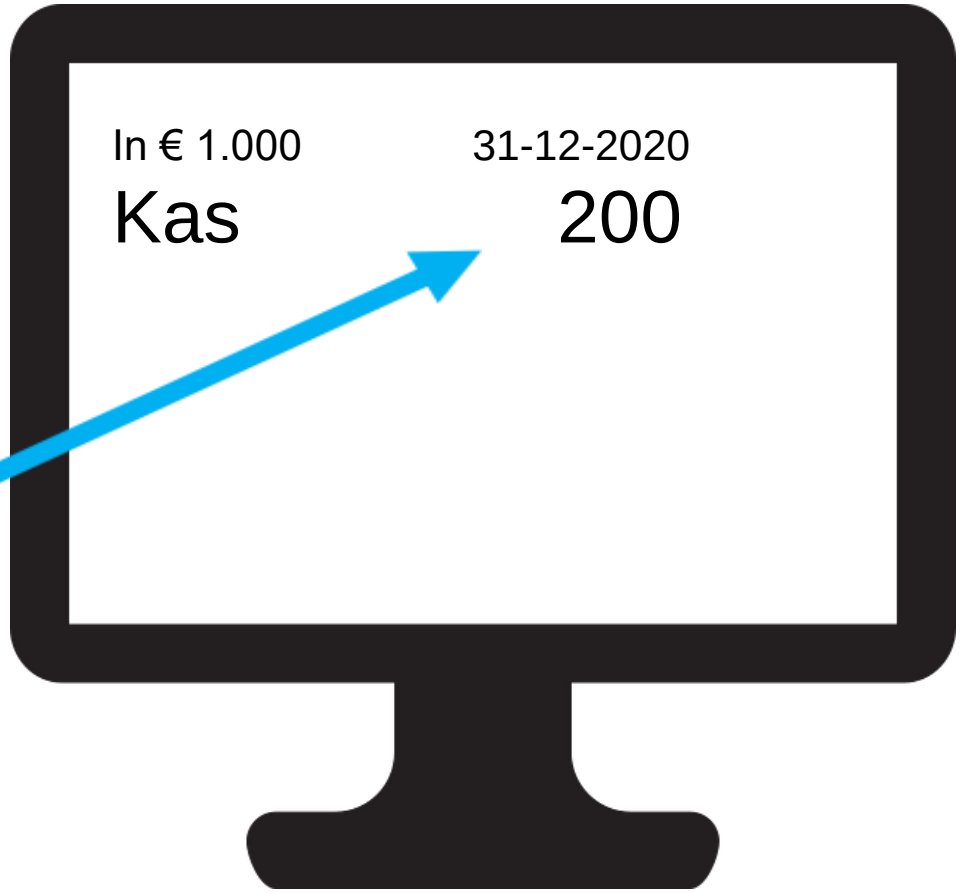

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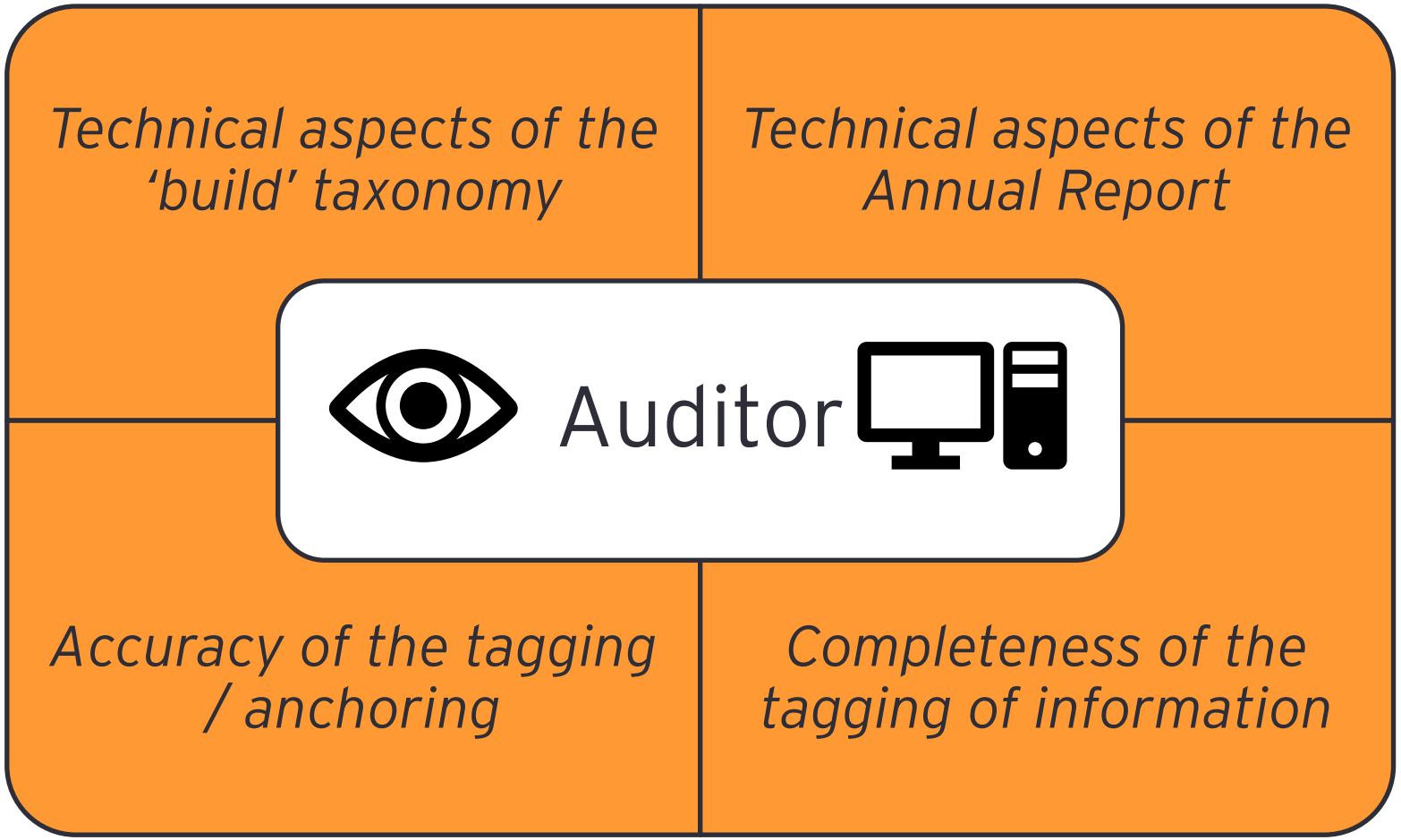
Ixbrl and the Auditor

NBA standard 3950N - work to be performed by the auditor

Ixbrl audit work relates to:



Source: https://www.NBA.nl

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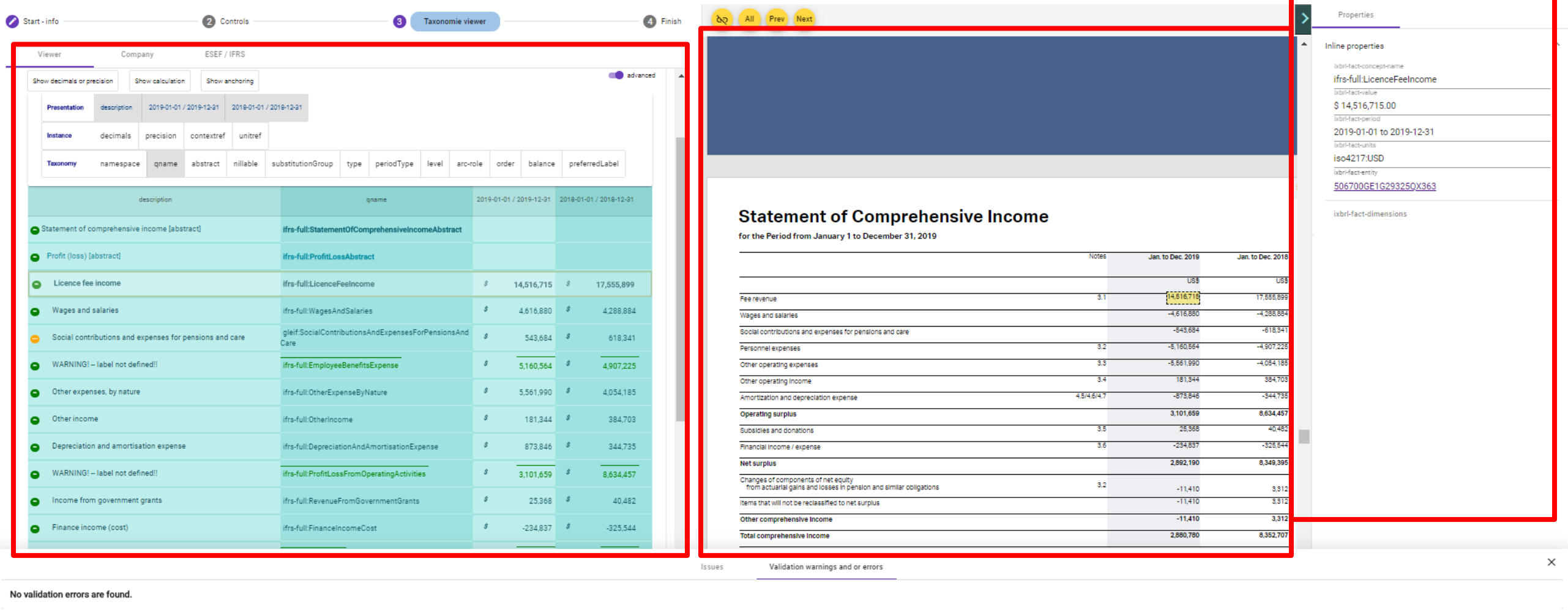
Viewing the 'tagged' financial statements and compare with the XHTML



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Updates to the Assurance Standard

NBA standard 3950N – Update released October 2024

The NBA has updated the assurance standard 3950N

- Why the update:
  - to include the option for limited assurance, as the CSRD information is for the first years only subject to limited (instead of reasonable) assurance; and
  - to fix current issues/clarify wording were needed.
- What does this mean in practice
  - With a limited assurance engagement, the auditor validates that there are no indicators that the tagging is wrong. For example the auditor will review that the used tagging is appropriate, but will not validate if there is no better (narrower) tag available
  - The technical validation still is performed in full (usually as part of the regular financial statement audit) as an invalid file cannot be processed.
- What is new for current financial statement audits
  - No major change only some minor (wording) clarifications

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Digital Reporting: summary advantages per type

XBRL Instance

Advantages

- Known technology in NL
- No need to make your own taxonomy package
- Standardized reporting
- Always the same information human and machine readable

Ixbrl / ZIP-File

Advantages

- International standard
- Directly human readable
- More flexibility in presenting including additional information
- Allows for CSRD reporting

Recap

Key takeaway

- Determine which type of digital reporting is applicable (and in some cases which choice is made). If CSRD is applicable then iXBRL is required.
- Start discussion between the company and the auditors on a timely basis to ‘dry run’ the new method of reporting to prepare for 2025. Ensure to update timelines were needed, especially in combination with CSRD
- Agree on a timing of the work on the SBR-financial statements. Take into account that the SBR financial statements needs to be final before the auditor’s opinion can be signed.
- For IXBRL financial statements use the XHTML as basis in the process (and not any other format such as PDF).
- Approach the SBR-Audit in line with standard 3950N as any other part of the audit and plan ahead.

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Q&A

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