



REPORTING FROM THE FUTURE THE LONG VIEW OF STANDARDS FROM 2032

TODE 2017
MADRID

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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.

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POLITE HEALTH WARNING

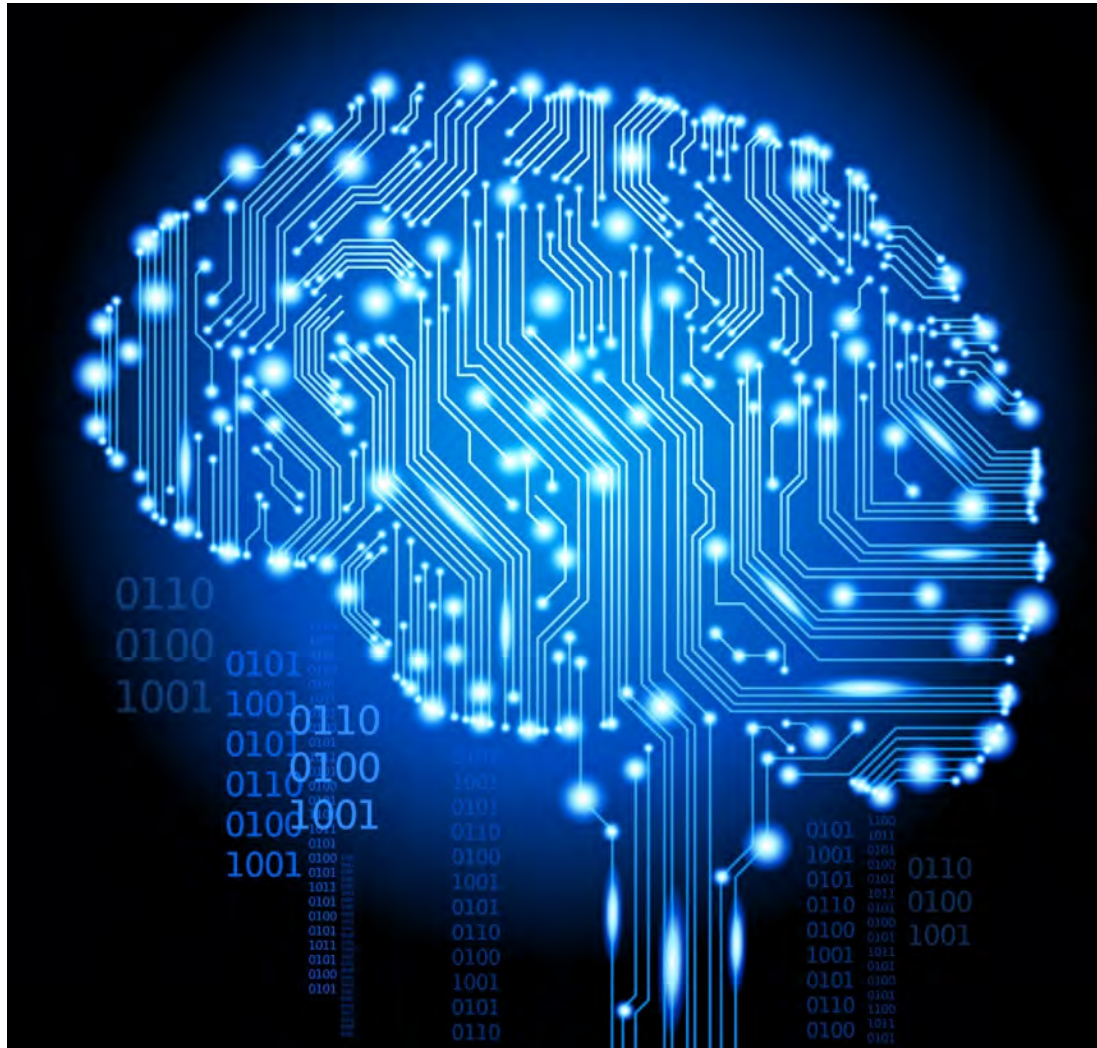


Everything you are about to hear could be true. Or all of it could be conjecture. You need to decide. And you need to work to define the future of reporting. Today.

A WRINKLE IN TIME



What did we get?



WHAT DOES REPORTING LOOK LIKE?

A look back

- 15 years ago the idea that structured digital reporting with XBRL wasn't just helpful but was essential was just beginning to take hold around the world. The idea that it wasn't syntax, but *meaning* that lay behind this reporting still wasn't well understood.
- With the recent advent of Black Hole Communications, it only seems sensible to try to help inform that debate and to provide some insights into the changes that have happened, and continue to happen now in 2032.
- Extraordinary improvements in technology have driven unrelenting change in financial services, in capital allocation, in risk analysis, in governance and in behaviour.
- Key areas to understand relate to Financial Safety, to Capital, to Identity, to Granular Data, to Dictionaries, the central importance of Platforms, Interoperability and Discovery.

Safety



Safety in Financial Regulation

- Next generation Digital Currencies have made payments and deposits both more transparent and safer, while also more international.
- At the same time, now with nearly 35% of deposits held not in banks but in wallets managed by FinTech “agents”, investing cash daily, and based on risk profiles of wallet holders, regulators have had to expand what they license and how they track behaviours of these agents.
- Regulatory AI is in something of a neural war with these agents: the Agents develop new ways of making money and the regulatory systems develop new ways of monitoring them and measuring safety.
- Even now, it turns out the models don't always capture the long tail risks that exist.
- Especially true for long tail insurance – the climate change models, unfortunately, still assume a 2C change and we are nearly at 3C.
- Real time settlement of risk positions is something that can be tracked, and regulators can now put the brakes on when necessary.
- Standardised and in some areas much more frequent data collection turns out to be essential. The good news is that much of this is standardised “Data Fumes”.



Capital



Capital

- Capital formation and securities regulation have been through some dark times, but the new frameworks are starting to work.
- The first rounds of Smart Contracts involved the securitisation of a range of assets, often the future cash flows of unlisted companies. The resulting Great CryptoCrash destroyed a lot of wealth.
- The boundary between public and private companies, and even between debt security and equity have blurred, but “Radical Transparency” works. If you want other people’s money, you need to open up your operations to external oversight.
- It helps that increasingly AI assigned independent audit is paid for by investors directly, usually as a dividend tax. The auditors get real time access to transaction-level or end of day business activity and they can cause financial statements to be issued into the marketplace whenever there are material changes.
- None of this is possible without standardised definitions and clear pathways for disclosure.



Identity

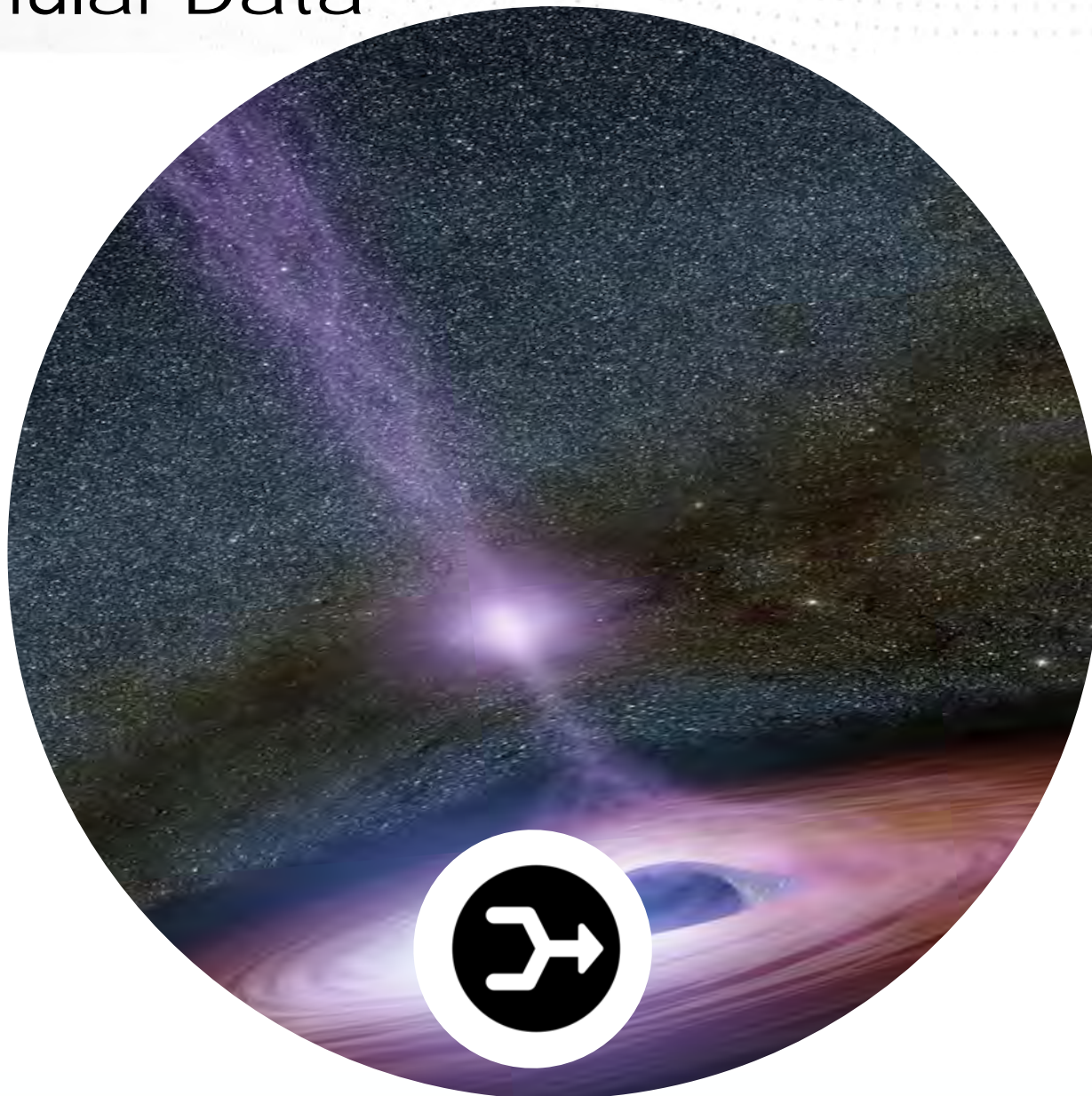


Identity

- The phishing storm of 2022 wiped 11 trillion off the markets and destroyed nearly 40,000 companies that we know about. The related deaths in hospitals meant the “The Internet of Things” will never reach healthcare.
- Thankfully, the LEI was starting to really gain traction around the same time, and now all e-commerce, every email between companies and every messaging platform insulate us from much of this kind of chaos by requiring clear corporate identity before systems will talk.
- Really secure, really trustworthy open identity is at the heart of all reporting today. In theory, only the people allowed to see specific reports are able to – and this usually works really well.
- Clear identity has also allowed trans-national tracking of funds, enhanced investment, lower levels of financial crime and simplified tax.
- Of course, many integrated and supplementary financial performance reports are available to everyone, but we know where they come from!

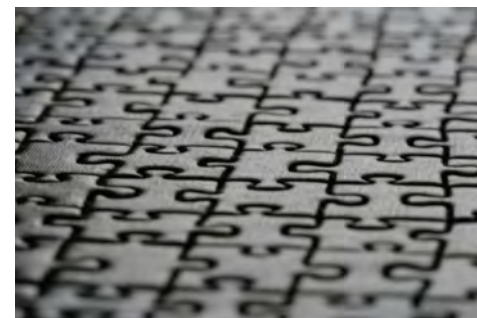


Granular Data



Granular Data

- It turns out that in order to monitor today's financial markets, and the health of individual companies, you need an awful lot of data.
- The hack of what we thought was the best protected central bank in the world, led to extraordinary profits for the hackers in 2027. It's nice to know that they were scooped off a beach in Mauritius last year and have been sentenced to consecutive life terms.
- That episode has meant that quite a lot of granular information never leaves home, but is pulled together in near real time according to the rules and requirements specified by the regulators and auditors and those reports are what's pulled from each company. Of course, that's all still a work in progress.
- The initial definitions for granular data have been standardised very significantly – and most are now baked into key software systems.



Platforms

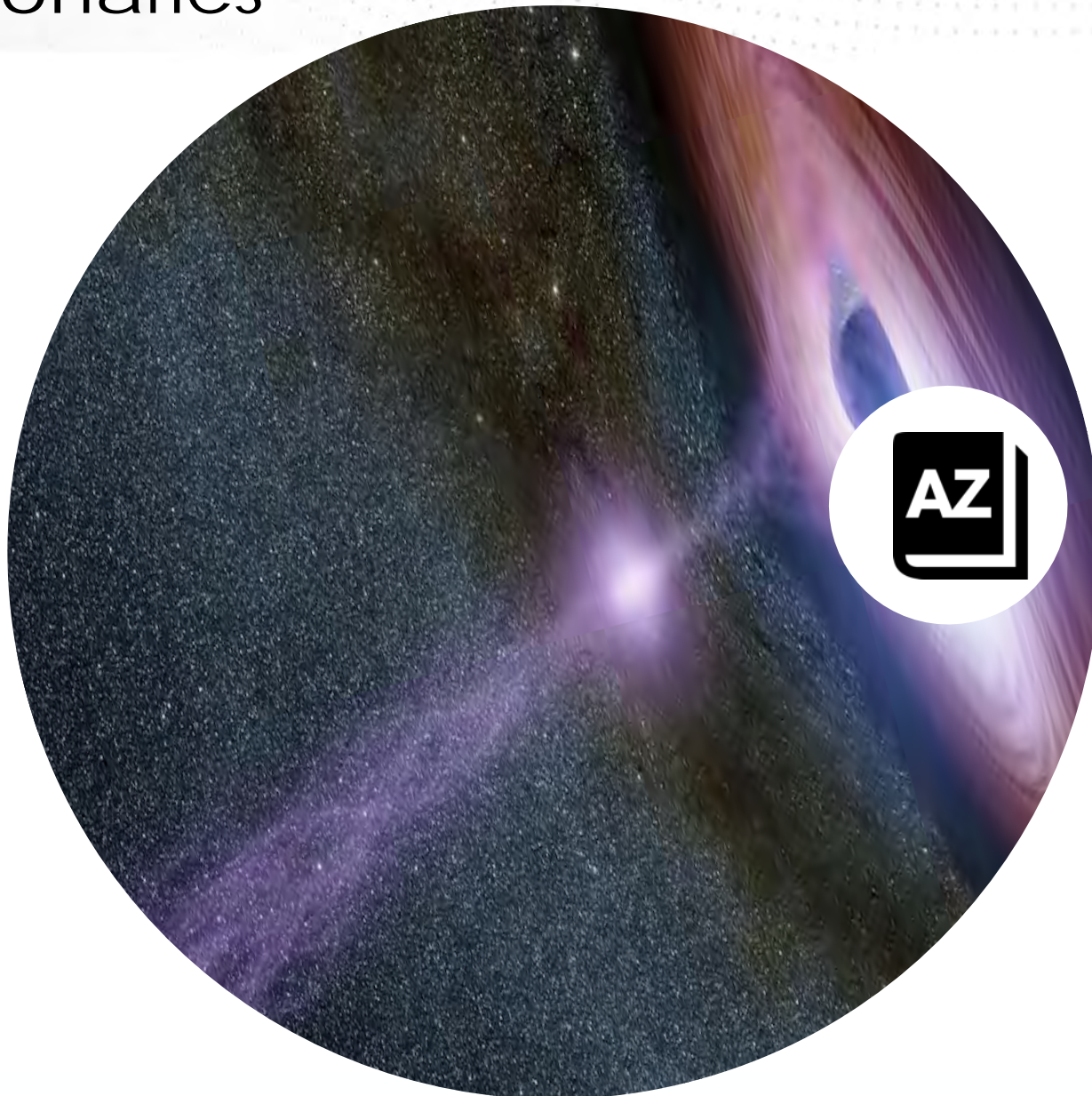


Platforms

- The *UN Declaration on Individual Rights To Data Ownership and Network Access* has been the most important development in the last 10 years. It was in part a response to the Trust busting actions of the US congress in the early 2020s – the technology firms made monopoly profits and social networks were too often used for PsyOps.
- Opening up those platforms, and making individuals responsible for the way their own data gets accessed is creating a dramatic change in many aspects of 21st century life.
- It has also created a culture and appetite for open, interoperable platforms for exchanging data and data definitions, with low barriers to entry meaning that there is phenomenal competition. Some of the most important of these are in the financial sphere.
- Financial Reporting platforms work with strong specifications, open collaboration and agreed governance that allows interoperability.
- They enable data interchange between regulators, they enable investment through discovery and matching of related organisations and needs, nationally and internationally.

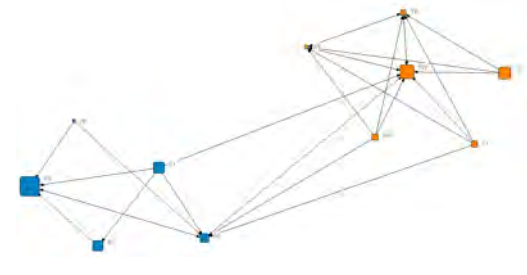
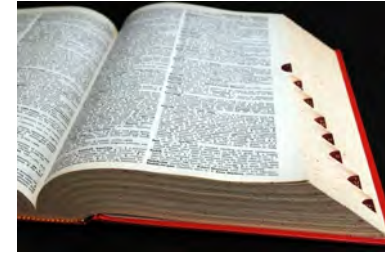


Dictionaries

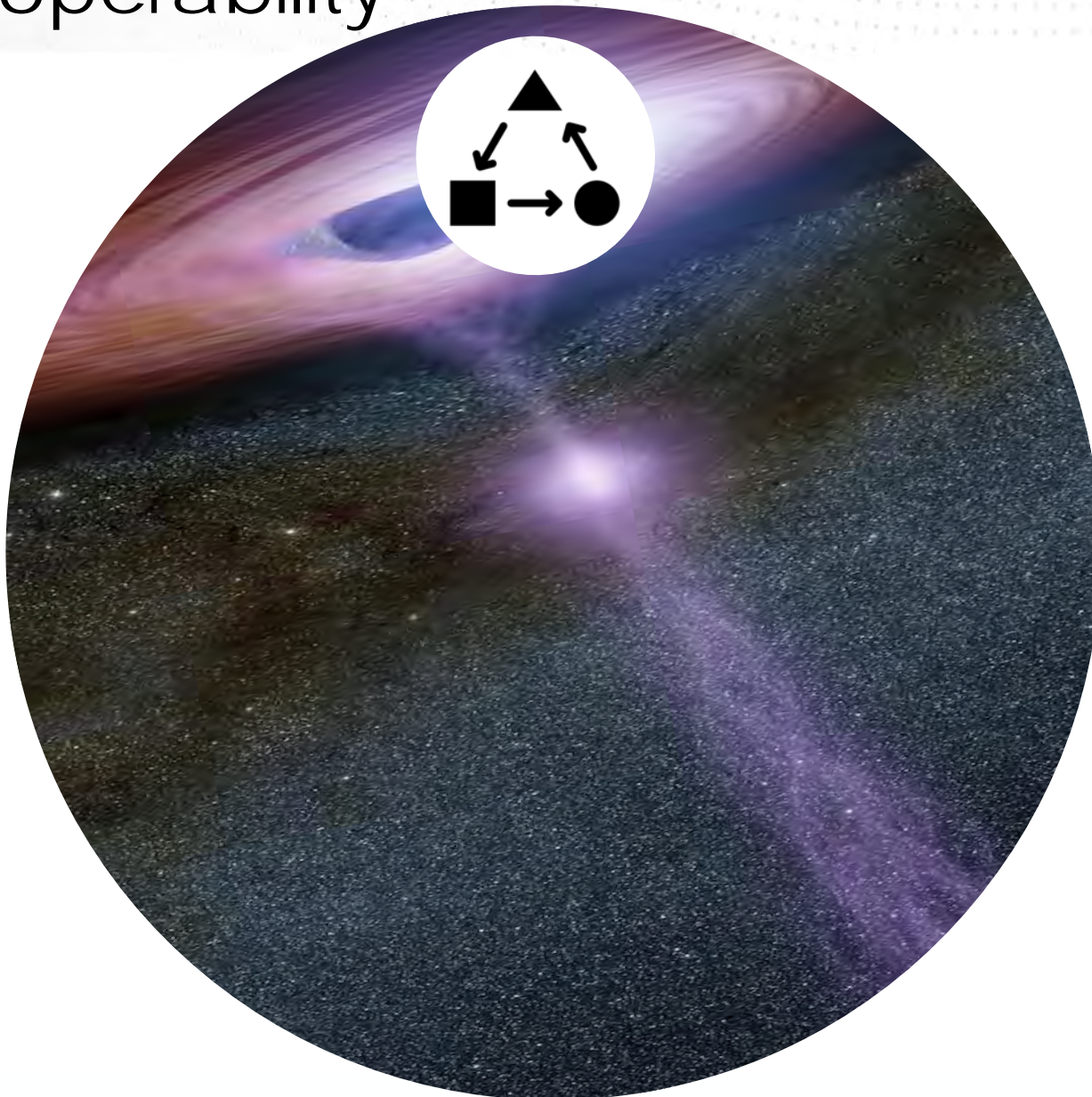


Dictionaries

- Shared understanding turns out to be one of the most powerful ways that reporting is changing in a digital age.
- Whether it's complex financial terms, non financial terms, tax, risk, project finance: you name it, they all need careful definition, most need governance through international or national standards, but most of all, they need to be shared, reused and compared.
- Encouraging the re-use and sharing of terms, between regulators, between accounting and finance fields, and even just within companies is the key way that you can improve data quality while lowering the cost of data production.
- Way back in 2016, someone coined the term "data is the new oil". In 2032, we know that data is worth far more than that. But only with clear definitions, shared and reused as far and as wide as possible.



Interoperability

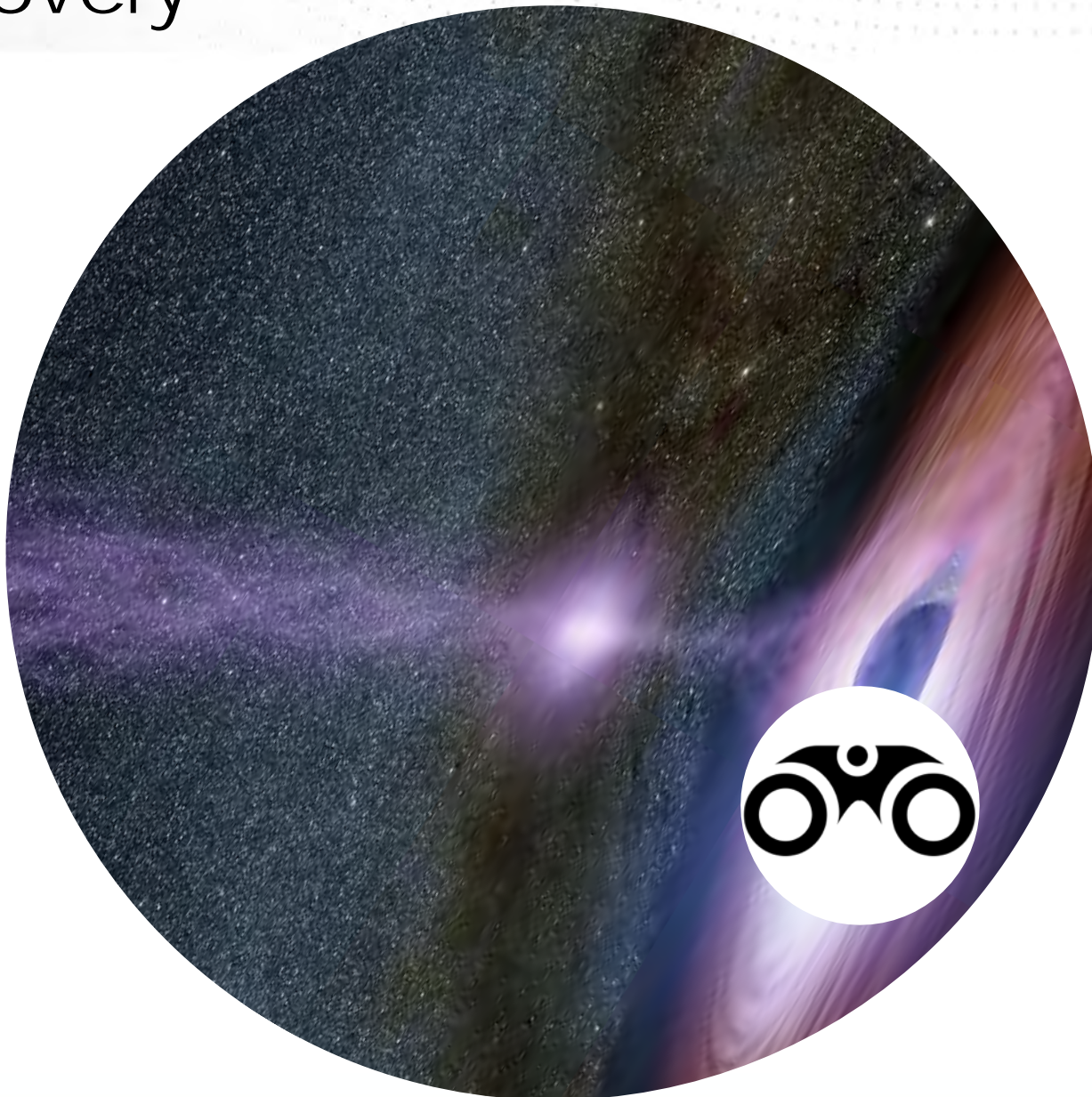


Interoperability

- Different systems of reporting are developed for different purposes. The information sought by economists is different to information needed by auditors, and the information used by business people is different again.
- But open platforms and well constructed, reusable dictionaries mean that data definitions can be connected and intersect.
- It hasn't always worked – in 2029 it seemed that there were 6 times as many repos outstanding as underlying securities!
- Ensuring that data definitions get reused and properly connected between different government agencies, different disciplines and within the private sector is largely a question of collaboration, rather than technology.
- It's only recently that we've found ways to properly fund and really accelerate this kind of collaboration, but it is a vital part of the relevance and utility of standards in the 2030s.



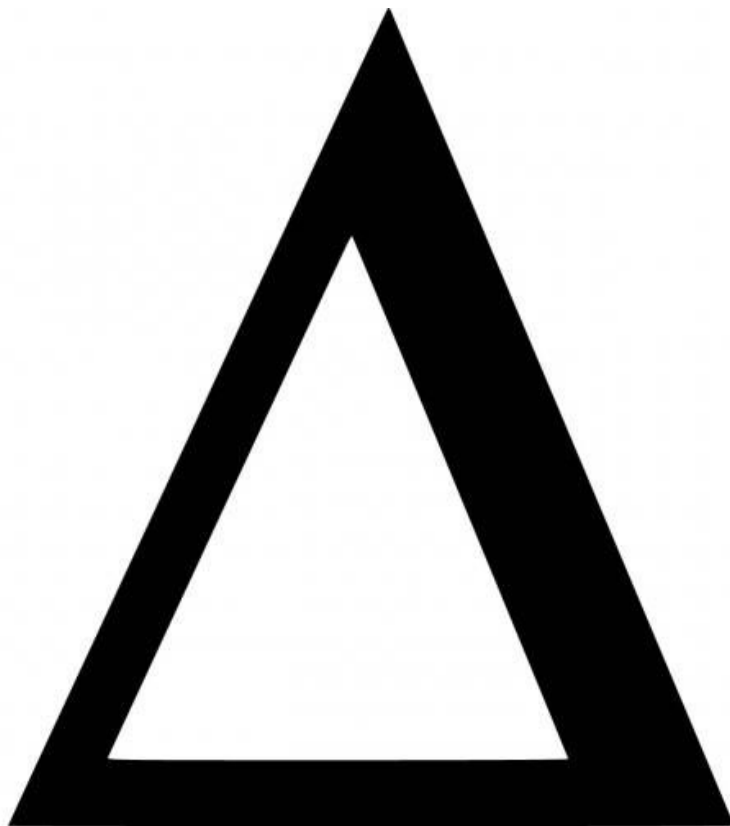
Discovery



Discovery

- Last, but not least, for many kinds of reporting, it's not the fact that it has occurred but the fact that it can be found that matters.
- Over the last decade we've seen a coming of age in this area. Clear identity, accessible dictionaries and open, trustable, distributed platforms that provide access to and indexes of data of all kinds is breaking down barriers to investment, and changing behaviours.
- ESG reporting was amongst the first to benefit – now that ESG reports are truly accessible, digital, and fully indexed, it's possible to interpret a range of risks that were previously stuck on individual websites.
- But open discovery of financial reports and Pillar III reports has proven a powerful tool for reporting, opening up investment and economic links of all kinds.
- Standards, collaboration and embracing new technologies are all part of the picture that is driving economies forward today





So what's changed?

- Everything! And nothing.
- The XBRL standards are relied on by businesses, regulators and a host of other organisations to help ensure that data conforming to clear definitions is prepared and provided accurately and consistently.
- The XBRL framework provides a trusted and effective way for definitions to be created and maintained.
- The syntax has largely changed, although backwards compatibility means there are still some XBRL 2.1 based installations around the world.
- Industry, regulatory and policy maker collaboration is a very significant focus, to allow definitions to be reused and compared in an interoperable way is a much larger part of the standard in 2032.
- And finally, the standards provide key parts of the open technologies that underpin the Reporting Discovery platforms that are a huge part of regulation and investment around the world.

But wait!

Many physicists believe that we are part of a multiverse – infinite parallel universes.

So perhaps the presentation isn't from the future – perhaps it's just from a future.

You decide. Literally. It's your work that decides what the future of reporting turns out to be.

Want more?

Don't miss [Data Amplified 2017](#) for presentations, demonstrations, discussion and debate on the future of XBRL, the Business Reporting Standard.



The banner features the text "data amplified™" in a white, lowercase sans-serif font, with a colorful bar chart icon to its right. Below this, it says "2017 | the future of business reporting" in a smaller white font. The word "PARIS" is written in large, bold, dark grey capital letters. To its right, a vertical dark blue bar contains the year "2017" in white. Further right, a dark blue box contains "NOV 6-8" in white, and an orange box below it contains "REGISTER" in white. The background is a soft-focus image of the Eiffel Tower at night with bokeh light effects.

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