SESSION 6
REPORTING IN THE AGE OF DISRUPTION:
XBRL ADOPTION IN MALAYSIA AND AROUND THE WORLD

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XBRL AND BENEFITS

What?

eXtensible Business Reporting Language (XBRL) is an open international standard for digital business reporting.

It is in the family of "XML languages" – a digital-type language that communicates business and financial information.

XBRL allows for the contents of Financial Statements (FS), Annual Return (AR), Exemption Application (EA) and Key Financial Indicator (KFI) to be represented by clearly defined taxonomies.

Benefits?

Reduces time and cost of gathering financial and non-financial information.

Captures financial information in various formats into a common digital language.

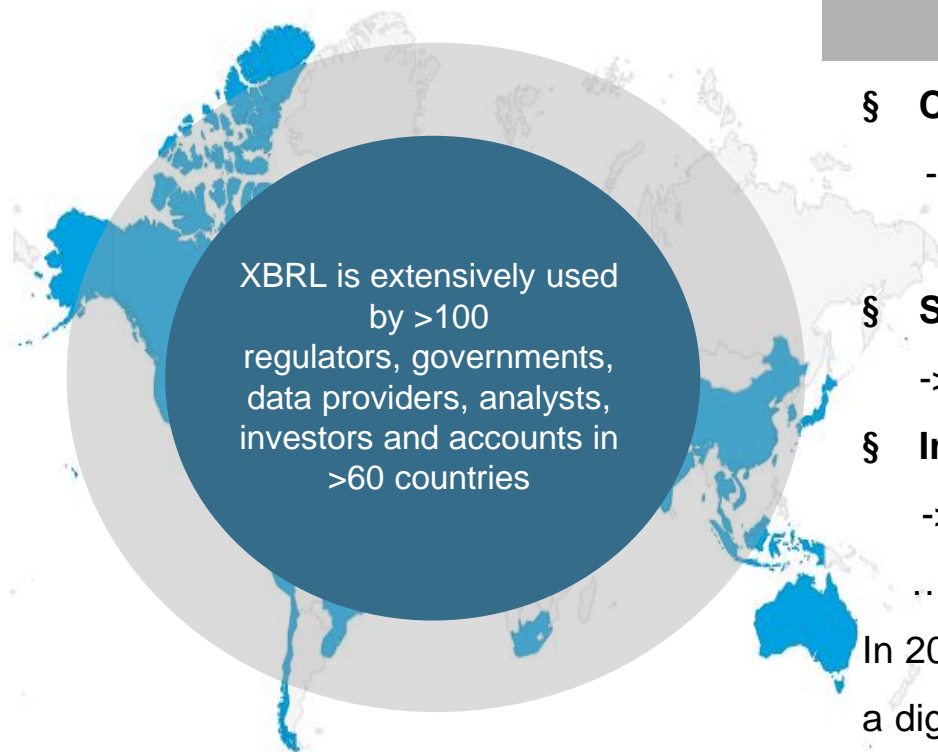It does not change the prevailing accounting standards or regulations.

Enhances corporate compliance processes and improves data analysis and quality of information.

Enhances data integrity and reliability.

ADOPTION OF XBRL AROUND THE WORLD

XBRL is extensively used by >100 regulators, governments, data providers, analysts, investors and accounts in >60 countries

Implementation of XBRL in Malaysia

§ **Central Bank of Malaysia** – 2012

-> Collect data from banking and development financial institutions.

§ **Securities Commission Malaysia** -2015

-> Reports submission for Malaysian Capital Market.

§ **Inland Revenue Board of Malaysia** (coming soon)

-> Submission of tax computation working sheets.

………………………………………………………………………

In 2018, Companies Commission of Malaysia is introducing a digital submission platform based on XBRL format known as the **Malaysian Business Reporting System (MBRS).**

XBRL @ BNM

BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

¡ With effect from 2012, the BNM has implemented an online reporting system leveraging on XBRL. Currently, this system is being used to collect data from banking and development financial institutions, and will be further extended to include insurance companies in the near future. XBRL filing is issued at the same time as the printed version.

¡ Continuous upgrade was made to the platform since then.

XBRL @ LHDN

XBRL LHDNM

membolehkan LHDNM menerima penyata kewangan dari pembayar cukai dan agensi lain seperti Suruhanjaya Syarikat Malaysia (SSM), Suruhanjaya Sekuriti (SC), Bank Negara Malaysia (BNM) dll.
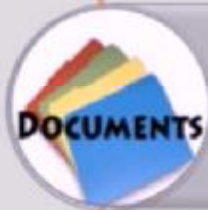
XBRL @ LHDN

Mempermudahkan Borang Nyata Cukai Pendapatan (BNCP)

DOCUMENTS
Memperluaskan penghantaran secara digital maklumat berkaitan kewangan dan maklumat lain seperti pengiraan cukai, jadual elaun modal, tuntutan insentif dan lain-lain mengikut format standard yang ditetapkan oleh XBRL International

Penggunaan platfrom XBRL yang standard bagi penyata kewangan yang dikemukakan kepada satu agensi kerajaan dan membolehkan LHDNM menerima penyata kewangan daripada pembayar cukai lain termasuk syarikat asing

XBRL @ LHDN

Penyata Kewangan
- Suruhanjaya Syarikat Malaysia (SSM)
- Bank Negara Malaysia (BNM)
- Suruhanjaya Sekuriti (SC)
- Bagi pembayar cukai non-FRS dan non-PERS (Private Entity Reporting Standard)

Helaian Kerja
- Pembayar Cukai
- Ejen Cukai

SME Templat
- Pembayar cukai yang tidak tertakluk kepada penghantaran maklumat penyata kewangan kepada SSM, BNM dan SC

XBRL @ SC

Enterprise Analytics Roadmap

Be the central leadership for **advanced analytics** at the SC and **empower frontline** business with superior insights through advanced predictive analytics and be the **single point** for data warehousing across functions

Data Efficiency	Enterprise Intelligence	Insights
Straight-through processing - End-to-end processing with accurate data captured at source	**Enterprise approach** – A consolidated single source of the truth derived from multiple data sources	**Advanced Analytics** - An artificial intelligence engine to provide better insights
- A unified, complete, standard digitalised information disclosure system		• Text mining (Natural Language Processing),
Common Reporting Platform - ComRep	Enterprise Data Warehouse / Enterprise Information Repository	• Entity network relationship (Graph Database); and
- An automated web data collection robot		• Predictive modeling on Sentiment Analysis and Correlation Indexing
Web Crawling Robots	**Empowering users** – Enterprise Analytics Platform to access and visualize data	**Regulator Intelligence & Analitics (RegIA) Platform**
Data Governance - Establish organizational policies, procedures and standards to manage data and empower users	*i*cube — **Enterprise Analytics Platform (Business Intelligence)**	

Superior Data ❯ Empower Frontline ❯ Advanced Analytics

INTRODUCTION TO MBRS

Malaysian Business Reporting System (MBRS) is a submission platform based on the eXtensible Business Reporting Language (XBRL) format.

The MBRS allows companies for the submission of:

¡ Financial Statements and Reports (FS);

¡ Annual Return (AR); and

¡ Exemption Applications (EA) related to the FS and AR applications.

REASONS FOR XBRL ADOPTION

1) Reduce time and cost of gathering financial and non-financial information, reduction on data entry by SSM and conversion of data formatting due to less human intervention.

2) Facilitate the analysis of financial reports for decision making (stakeholders).

3) The move to XBRL will provide SSM and other regulators with detailed data which can be aggregated and aid investigative efforts and compliance purposes.

COMPONENTS OF MBRS

Taxonomy — **mTool** — **mPortal**

SSM XBRL Taxonomy (SSMxT) is a dictionary of financial or non-financial reporting element of FS, AR and EA embedded in MBRS Preparation Tool (mTool).

A standard reporting format for numeric or textual facts controlled by SSM.

mTool is a preparation tools based on Microsoft Excel that allow Company Secretary/ Company Agent:
§ Prepare documents online and offline and generated AR, FS and EA in XBRL format; and
§ Delegate preparation of FS, AR or EA.

mPortal is a submission platform to lodge FS, AR and EA to SSM.
Functions available:
§ User role registration;
§ Data validation and verification of result;
§ Digital signature;
§ Payment gateway; and
§ Application status dashboard.

SSM TAXONOMY CONSULTATION PROCESS

Taxonomy Review Cycle	Start date	End date
SSM released the taxonomy known as SSMxT 2017 reporting concept templates for Regulators.	27/07/2017	18/08/2017
SSM released SSMxT 2017 for public consultation.	21/08/2017	15/09/2017

SUMMARY OF ELEMENTS IN SSM TAXONOMY

Type of taxonomy	Companies Act or Standards	Based on IFRS 2017	Based on IFRS for SME 2017	SSMxT	Total
Exemption Application	CA 2016	-	-	98	98
Annual Return	CA 2016	-	-	278	278
Financial Statements	MFRS	4,604	-	936	5,540
	MPERS	-	1,211	1,153	2,364
Reports under Financial Statements	CA 2016	-	-	251	251

SSM TAXONOMY IN XBRL TAXONOMY REGISTRY

https://taxonomies.xbrl.org/taxonomy/67

SSMxT - FINANCIAL STATEMENTS (FS)

Taxonomy
Malaysian Financial Reporting Standards (MFRS) Taxonomy
Malaysian Private Entity Reporting Standards (MPERS) Taxonomy
Company Limited By Guarantee (CLBG) Taxonomy
Exempt Private Certificate
Foreign Company (Statutory Declaration)
Malaysian Financial Reporting Standards (MFRS)
Malaysian Private Entity Reporting Standards (MPERS)
Company Limited By Guarantee (CLBG)
Foreign Company (Statutory Declaration)

Financial Statements (FS) Taxonomy

Financial Key Indicator (KFI) Taxonomy

SSMxT - ANNUAL RETURN (AR)

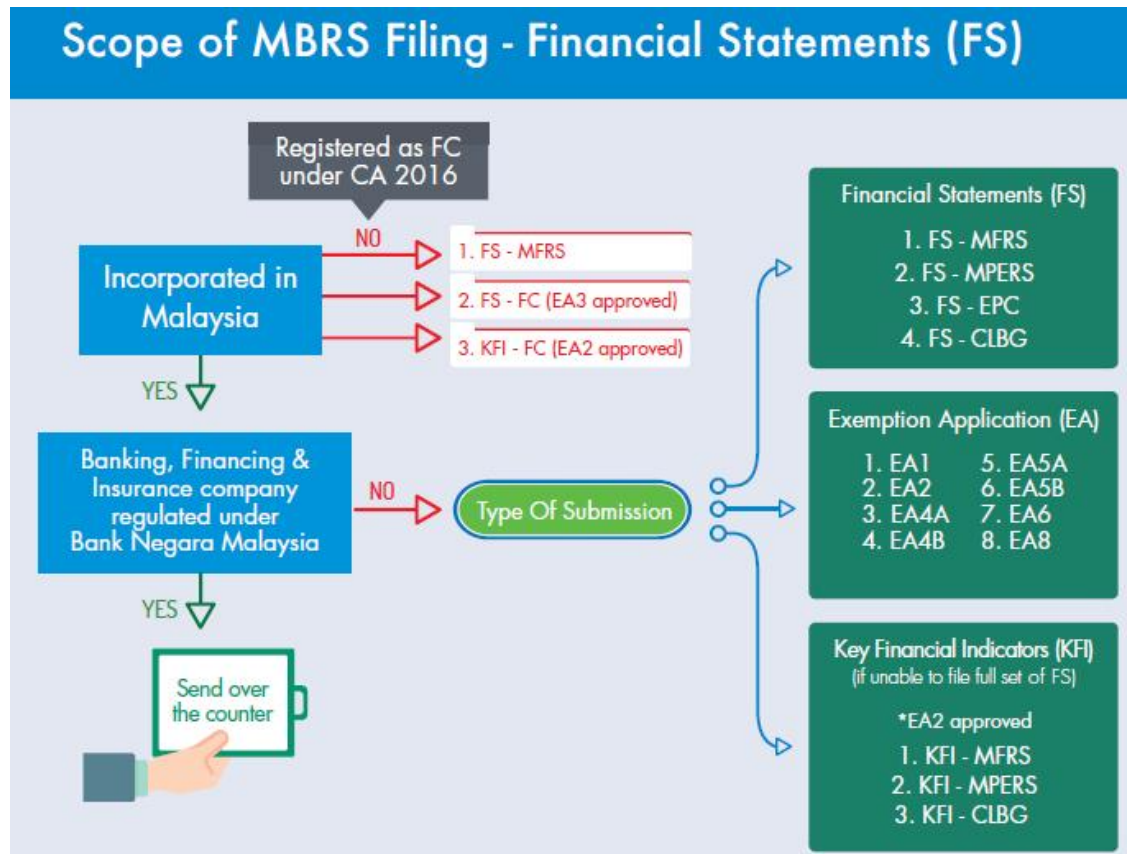| Annual Return (AR) Taxonomy	
	AR1 - Annual return for companies having share capital
	AR2 - Annual return for companies not having share capital
	AR3 - Annual return for foreign companies
	AR4 - Annual return for unchanged particulars

SSMxT - EXEMPTION APPLICATION (EA)

Exemption Application (EA) Taxonomy

EA1 - Application for exemption from coinciding foreign subsidiary financial year end with holding company

EA2 - Application for exemption from filing financial statements in full XBRL format

EA3 - Application to waive lodgment of financial statements by foreign company

EA4A - Application for relief from requirements as to form and contents of directors' report

EA4B - Application for relief from requirements as to form and contents of financial statements

EA5A - Application for extension of time for circulation of financial statements and reports

EA5B - Application for extension of time to lodge financial statements and reports

EA6 - Application for extension of time for holding annual general meeting

EA7 - Application for extension of time to lodge annual return

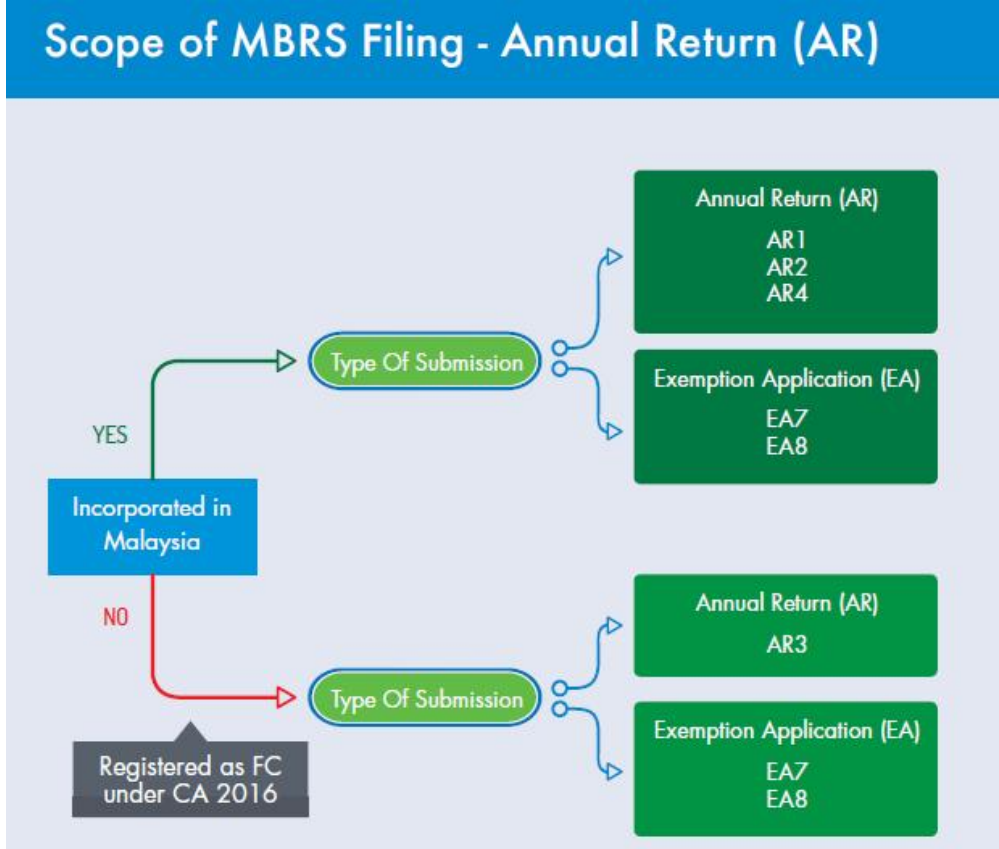EA8 - Application to Minister (with relation to Financial Statements and Reports or Annual Return)
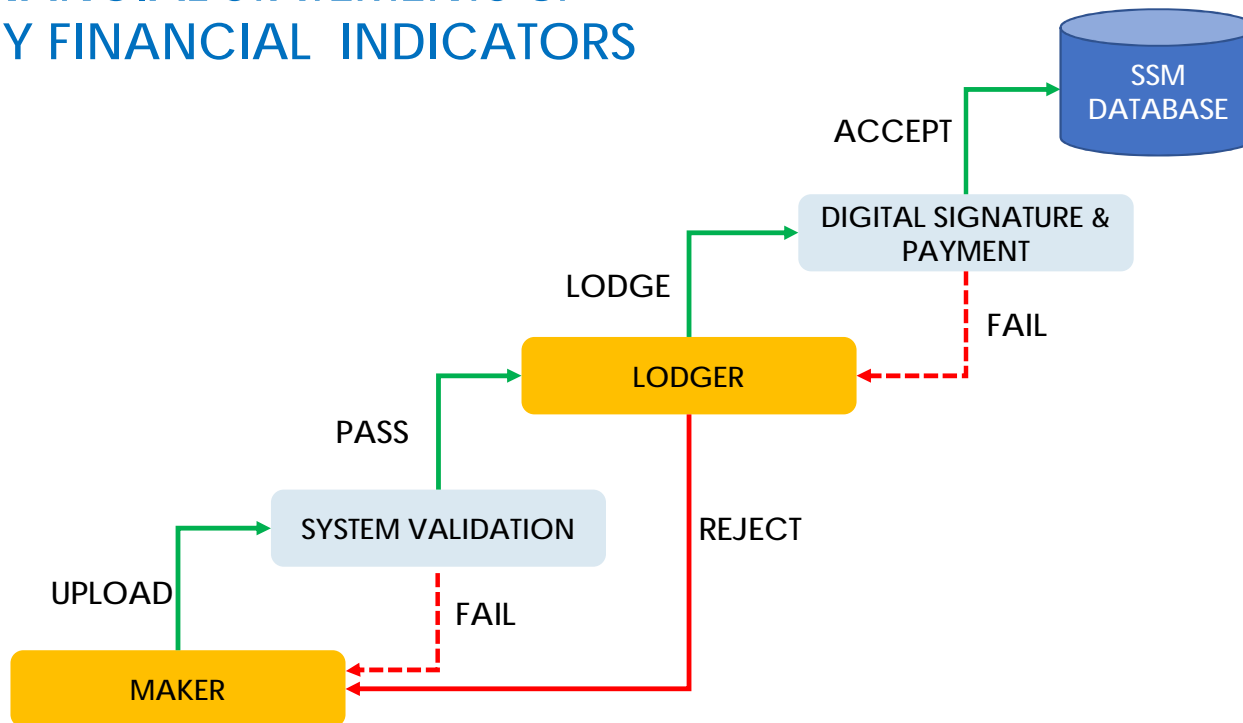
SCOPE OF MBRS

Scope of MBRS Filing - Financial Statements (FS)
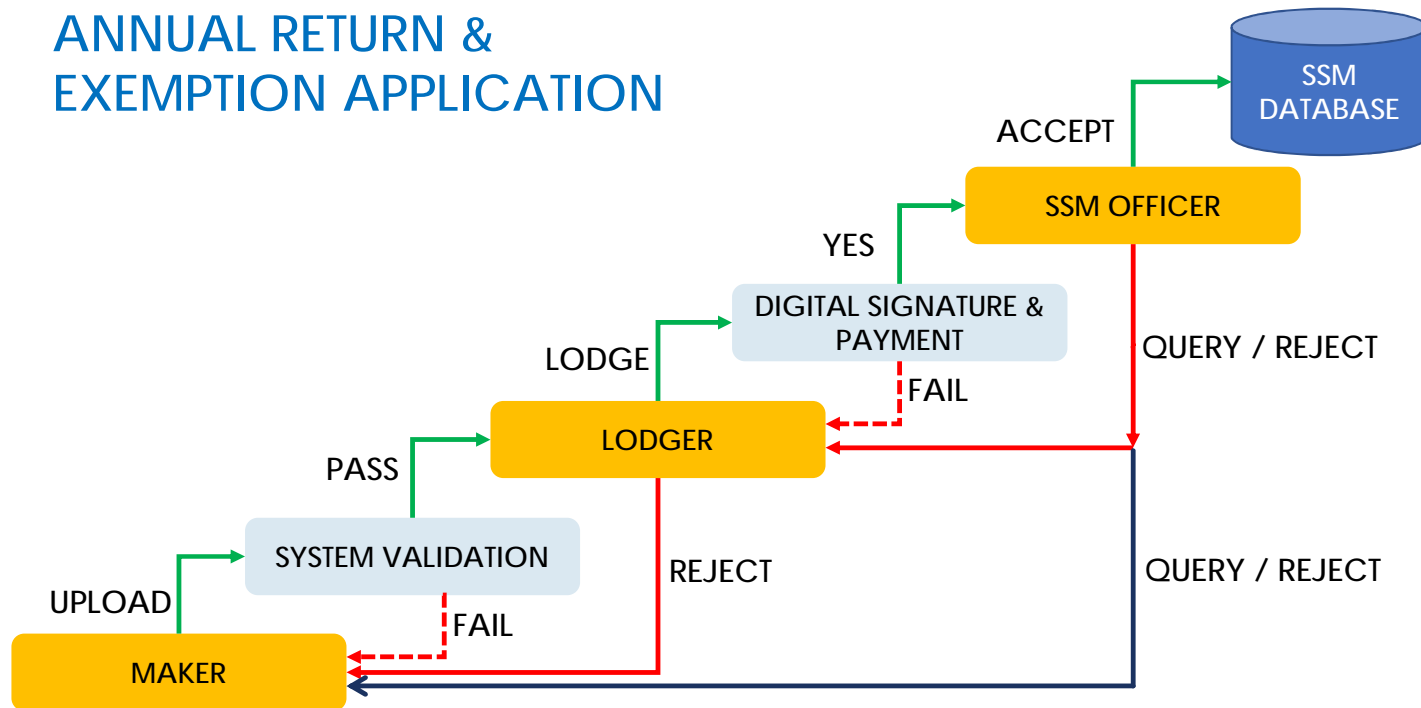
SCOPE OF MBRS

Scope of MBRS Filing - Annual Return (AR)

MBRS SUBMISSION WORKFLOW

ANNUAL RETURN &
EXEMPTION APPLICATION

MBRS IMPLEMENTATION PLAN

July – September 2017

Consultation Process
- SSMxT 2017.

January 2018

Release 1: MBRS Prep. Tool (mTool).

2 July 2018

MBRS Go Live
(Pilot companies)

September 2018

Voluntary submission
(All companies)

November 2018**

Mandatory submission
(In stages)
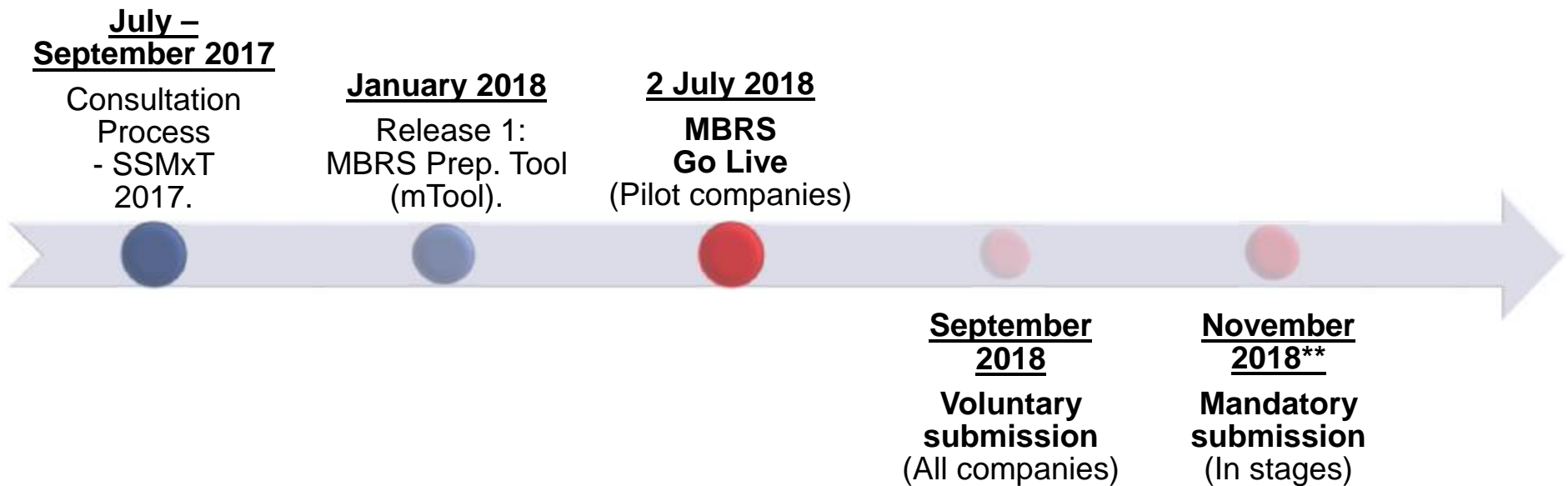
MBRS PROPOSED IMPLEMENTATION PLAN

Mandatory submission through the MBRS for **Annual Return**, **Exempt Private Certificate (EPC)** and **Financial Statements (Unaudited)** will be implemented in stages as below:

Zone	State	Implementation Date
Central Zone	W.P. Kuala Lumpur dan Selangor	November 2018
East Zone	Pahang, Kelantan dan Terengganu	December 2018
North Zone	Perlis, Perak, Kedah dan Pulau Pinang	
Southern Zone	Negeri Sembilan, Melaka dan Johor	
East Malaysia	Sabah, Sarawak dan W.P. Labuan	

Note:
Mandatory submission for Financial Statements (Audited) will be determined by SSM based on user readiness.

MBRS TRAINING PROGRAMME

MBRS Training Programmes

MBRS training programmes offered by SSM and jointly with the MBRS Training Partners and MBRS Training Service Providers:

§   Introduction to MBRS (1-day)

Overview of MBRS. How to optimize the use of the preparation tool (mTool). Compulsory digital signature registration. How to prepare and submit Annual Returns under MBRS.

§   MBRS for Preparers – Financial Statements (2-day)

Hands-on training for Preparers in using preparation tool (mTool) for submission of Financial Statements and Key Financial Indicators.

THANK YOU