



Deloitte & Touche LLP
Ten Westport Road
PO Box 820
Wilton, CT 06897-0820

Tel: +1 203 761 3000
Fax: +1 203 834 2200
www.deloitte.com

Mr. Olivier Servais
Director —XBRL Activities
International Accounting Standards Committee Foundation (IASCF)
30 Cannon Street
GB - LONDON EC4M 6XH

July 16, 2009

Re: Exposure Draft, *Due Process Handbook for XBRL Activities*

Dear Mr. Servais,

Deloitte & Touche LLP, on behalf of Deloitte Touche Tohmatsu (Deloitte), is pleased to respond to the Exposure Draft, *Due Process Handbook for XBRL Activities* (the “Exposure Draft”).

Deloitte supports the efforts of the IASCF to formalize a high-quality due process for its XBRL activities. Rather than responding to specific questions in the Exposure Draft or to each element of the due process, we have identified considerations that we believe are critical both to developing an effective due process and to promoting successful deployment, adoption, and sustained use of the IFRS taxonomy.

Investor Focus

Paragraph 40 of the Exposure Draft states that the “XBRL team . . . evaluates the merits of decisions concerning the Taxonomy mainly by referring to the needs of investors,” and question 10 asks whether investors should remain the primary stakeholders of the IFRS taxonomy. Investors clearly are important stakeholders of the IFRS taxonomy; however, the perspectives of other stakeholders may warrant more immediate consideration by the XBRL team given the current stage of the IFRS taxonomy’s development and adoption.

Specifically, because of the continuing evolution of XBRL standards and architecture and the IFRS taxonomy, stakeholders other than investors will play a significant role in establishing standards, practices, and tools that will drive adoption and implementation of the IFRS taxonomy. These other stakeholders include implementers that develop supporting technology tools and solutions, extenders (i.e., countries, jurisdictions, and others that are building on and extending the IFRS taxonomy), and preparers that provide feedback on the practicability of the IFRS taxonomy’s design. Accordingly, the success of the XBRL team’s activities initially may depend more on addressing the concerns and observations of these other stakeholder groups than on those of investors.

However, once XBRL and related technology standards mature, and global implementation takes hold, it may be appropriate for IFRS taxonomy decisions to be based primarily on the needs of investors. The IASCF should then consider the progress of Phase A of the joint Conceptual Framework project being undertaken by the IASB and the FASB and determine whether the

primary stakeholder considered for IFRS taxonomy decisions should be different from the primary users of financial reporting identified in the Framework.

Extensions

Because the IFRS taxonomy is modeled directly on IFRSs themselves and does not incorporate other common reporting practices, users must create numerous IFRS taxonomy “extensions” to accommodate their financial reporting needs. The creation of numerous extensions significantly increases the complexity and difficulty of creating electronic financial reports based on the IFRS taxonomy. A benefit of XBRL is that its use enables companies to directly compare business and financial data; this comparability is reduced if preparers and other extenders create large numbers of custom elements. Also, if jurisdictions or regulators such as central banks define IFRS taxonomy extensions independently, or with limited collaboration, to meet their reporting needs, global electronic IFRS-based reporting could become fragmented, with different regions using potentially inconsistent and incompatible customized extensions.

To promote better comparability and to accommodate the needs of users of the IFRS taxonomy, the IASCF should consider integrating into its due process the monitoring of significant initiatives related to regulatory or jurisdictional extensions to determine whether such efforts warrant modification of the standard IFRS taxonomy. This could be accomplished by the formation of an advisory panel or the development of other means of soliciting feedback to facilitate these efforts. Furthermore, the IASCF should consider revising its due process to require periodic review of a sample of preparer filings. Such reviews would identify financial reporting extensions commonly used by preparers in different industries or by other broad groups of preparers, and such extensions then could be evaluated for possible inclusion in the standard IFRS taxonomy.

Timing of Annual IFRS Taxonomy Release

Paragraph 9 of the Exposure Draft states, “The Taxonomy development cycle is generally one year, and is aligned with the publication cycle of the Bound Volume of IFRSs as at the beginning of a calendar year.” The IASCF should determine whether the proposed timing of the release of the updated IFRS taxonomy may prevent its use by certain preparers that are required to report under IFRSs. For example, the draft of the 2009 IFRS taxonomy was not released for comment until January 12, 2009 and the final version was released on April 2, 2009. Unless the timing of the release of the updated IFRS taxonomy is accelerated, preparers that have reporting deadlines early in the year may be unable to use the updated IFRS taxonomy for those reports and would have to create extensions for those filings.

Also, the final due process handbook should establish a procedure for updating the IFRS taxonomy more frequently than annually if such updates are needed. There may be circumstances that prompt the IASB or the IFRIC to issue accounting standards or interpretations that become effective mid-year or that allow for early adoption by preparers. Such circumstances are not specifically addressed in the Exposure Draft; however, an inability to update the IFRS taxonomy more frequently than annually could cause preparers to create extensions, which could impair comparability and make the preparation of financial reports more time-consuming.

Sunset of the XAC and XQRT

The appendices to the Exposure Draft indicate that the XBRL Advisory Council (XAC) and the XBRL Quality Review Team (XQRT) are “not expected to continue operating beyond 31

Page 3

July 16, 2009

File Reference: Exposure Draft, *Due Process Handbook for XBRL Activities*

December 2010.” Both the XAC and XQRT appear to play a substantive role in the due process described in the Exposure Draft (e.g., Stages 2 and 4) and add value to the process. The IASCF should either remove the sunset provision for these groups or establish a new formal advisory group that would assume the key due process responsibilities the XAC and XQRT. At a minimum, the final due process handbook should clarify how due process will differ upon the sunset of these two advisory groups.

We appreciate the opportunity to comment on the Exposure Draft. If you have any questions concerning our comments, please contact Yossef Newman at +1-212-436-6424 or Gavin Marais at +27-11-209-8390.

Yours truly,

Deloitte & Touche LLP

cc: Mark Bolton