



# TUTORIAL: ANCHORING IN ESEF

ANDROMEDA WOOD  
SENIOR DIRECTOR OF  
DATA MODELING  
WORKIVA

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# ESEF — EUROPEAN SINGLE ELECTRONIC FORMAT

## Key facts:

All issuers of EU regulated markets must prepare their annual financial reports in XHTML

Where the annual financial report contains IFRS consolidated financial statements, these shall be labeled with XBRL® tags using Inline XBRL®

The ESEF Taxonomy is the core taxonomy that is used—this is an extension of the IFRS taxonomy

# EXTENSIONS?

Structured additions to a base taxonomy

Under ESEF:

*If the closest taxonomy element misrepresents the accounting meaning of the disclosure, issuers shall create a so-called extension taxonomy element*

For example a report might include a form of revenue or asset specific to that company (or a small group of companies) or other specific item that is not included as a standard element in the ESEF taxonomy.

eg

Flight equipment

Software licences

and **anchor** such extension



# ANCHORING?

*extension taxonomy elements always have to be anchored to elements of the ESEF taxonomy, except for elements corresponding to subtotals*

- ESMA is the first regulator to introduce such a requirement
- Aiming to give XBRL extensions more context for investors and other data users
- Asks for preparer extensions to be linked back to the known elements in the ESEF taxonomy

# WIDER AND NARROWER?

It's all about the accounting meaning of the extension

*the issuer shall anchor its extension taxonomy element to the core taxonomy element having the **closest wider accounting meaning** and/or scope to that extension taxonomy element of the issuer.*

*the issuer may anchor the extension taxonomy element to the core taxonomy element or elements having the **closest narrower accounting meaning** and/or scope to that extension taxonomy element concerned*

*issuers do **not need to anchor** to another core taxonomy element an extension taxonomy element [...] that is a **subtotal** of other disclosures in the same statement.*

# WHAT TO CONSIDER?

- The context of the financial disclosure for which the extension concept has been created since it might be also reflected in the presentation of the ESEF Taxonomy.
  - For example, classified vs unclassified, 'by nature of expenses' vs 'by function of expenses'.
- Any guidance provided in the relevant IFRS standard as per the reference included in the taxonomy for this concept.
- The ESEF taxonomy concepts standard labels.
- The ESEF taxonomy concepts documentation labels.
- The 'Period type' ('duration' vs 'instant') and 'data type' of the concept (the extension concept 'period type' and 'data type' should match the target/source ESEF taxonomy concept used in anchoring)
- The location of the concept in the presentation tree of the ESEF taxonomy.



# EXAMPLES

- One to one anchor
- Disaggregation
- Subtotal
- Combination

Property plant and equipment

ESEF Taxonomy

Flight equipment

Extension

# ONE TO ONE ANCHOR

Extract

Consolidated balance sheet	20XX	20XX
Assets ...		
<i>Flight equipment (excluding aircraft)</i>	10	20
<i>Other property, plant and equipment</i>	3	7

Statement

Period etc. Reference

[210000] Statement of financial position, current/non-current		
Statement of financial position [abstract]		
Assets [abstract]		
Non-current assets [abstract]		
Property, plant and equipment	X <sub>instant, debit</sub>	IAS 1.54 a Disclosure IAS 16.73 e Disclosure
[800100] Notes - Subclassifications of assets, liabilities and equities		
Subclassifications of assets, liabilities and equities [abstract]		
Property, plant and equipment [abstract]		
Land and buildings [abstract]		
Land		IAS 16.37 a Example
Buildings		IAS 16.37 Common practice
Total land and buildings		IAS 16.37 b Example
Machinery		IAS 16.37 c Example
Vehicles [abstract]		
Ships		IAS 16.37 d Example
Aircraft		IAS 16.37 e Example

Other property, plant and equipment

Documentation label

The amount of property, plant and equipment that the entity does not separately disclose in the same statement or note. [Refer: [Property, plant and equipment](#)]



# ONE TO ONE ANCHOR

Extract

Consolidated balance sheet	20XX	20XX
Assets ...		
<i>Flight equipment (excluding aircraft)</i>	10	20
<i>Other property, plant and equipment</i>	3	7

Property plant and equipment

Wider

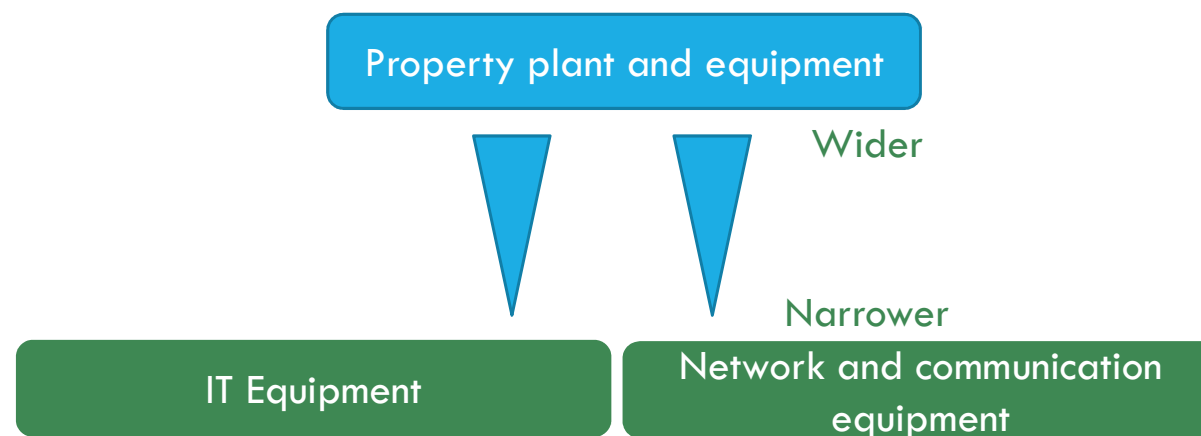
Narrower

Flight equipment

# DISAGGREGATION

Extract

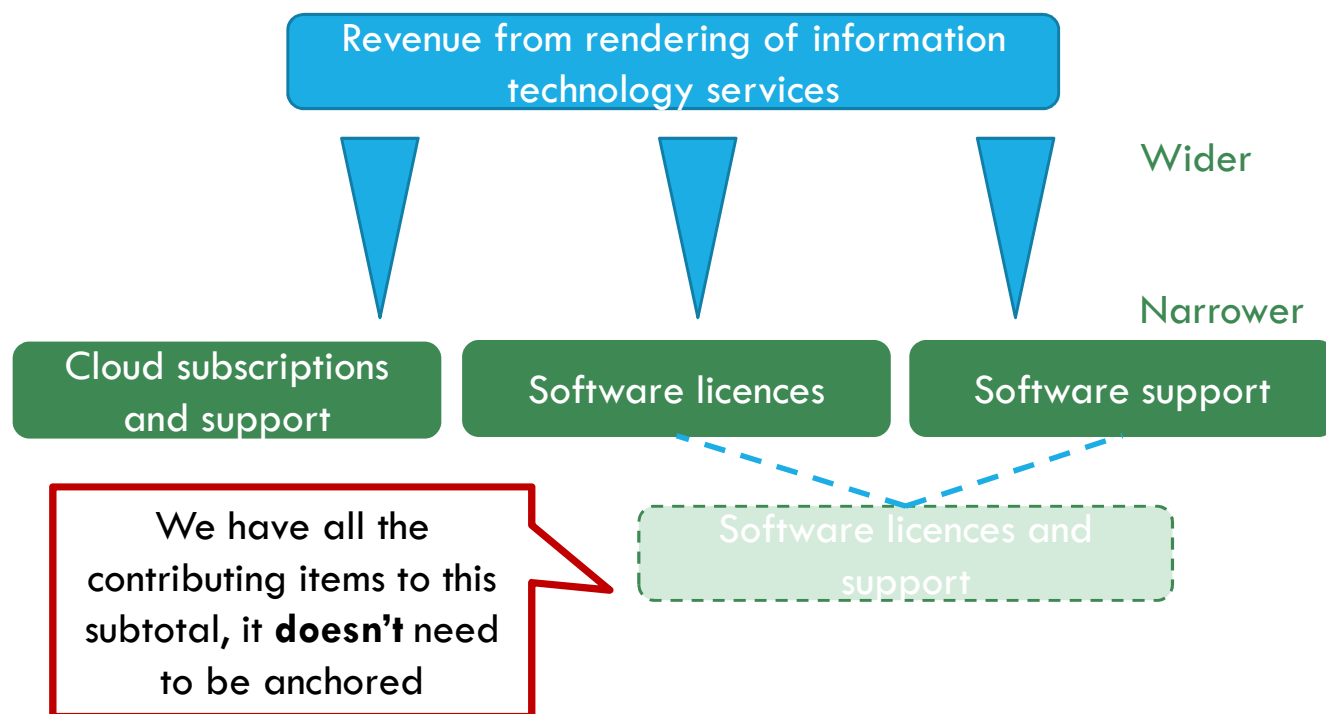
Consolidated balance sheet	20XX	20XX
Assets ...		
<i>IT equipment</i>	10	20
<i>Network and communication equipment</i>	3	7



# SUBTOTAL

Extract

	Statement of Comprehensive Income	20XX	20XX
	Revenue ...		
	Cloud subscription and support	10	20
	Software licences	3	7
	Software support	5	7
	Software licences and support	8	14
	Total Revenue	18	34



# COMBINATION

Extract

	Statement of Equity	20XX	20XX
	...		
	Non-controlling interests	10	20
	Share capital and share premium	8	14
	Treasury shares	2	3
	Total Equity	20	37

