Open Competition on IT Architectures for XBRL Open Source

Abstract:

XBRL Spain is looking for IT Architectural proposals suitable to be potentially developed as Open Source deliverables by way of Public Fundraising.

The goal is facilitate the capture, analysis, creation and viewing of XBRL reports, to be used by citizens, small investors, IT SMEs and academia, as well as a help for implementing XBRL within supply chains while reducing regulatory burden. This is an initiative to complement and collaborate with existing solutions in the areas in which the current offerings are limited or inexistent, especially on dimensional taxonomies.

The correct IT architecture is a critical success factor in any IT development. Therefore, XBRL Spain, via this Inaugural IT Architectural Competition, invites XBRL IT experts worldwide to propose IT architectures to be potentially used as basis for future developments.

Five awards of 1,000 € each and public recognition of excellence are awaiting the winners on September 9th 16:30 UTC, in the Conference on Financial Reporting in the 21st Century: Standards, Technologies and Tools, live broadcast www3.gotomeeting.com/register/168334014

Call for proposals.

Submissions are sought for proposals **by September 1st, 2011, 23:59 UTC**, to address the topics described in the following five categories:

1. IT architecture to develop an open source converter from legacy formats to XBRL reports. It must be customizable for each XBRL taxonomy.

2. IT architecture to develop an open source downloader from XBRL instance documents into a relational database. It must be easily customizable for each XBRL taxonomy.

3. IT architecture to develop a generic open source human–computer interface for viewing XBRL reports. Proposed interfaces: HTML and Spreadsheet.

4. IT architecture for guidance to Supervisors and Reporting Entities on XBRL implementation for Primary Reporting.

5. Free choice: Any other IT relevant topic related with the business case described in the role of XBRL solutions (see below).

Awards.

XBRL Spain will provide an award of 1,000 € (one thousand Euros) to the winning proposal within each of the 5 categories (total 5,000 Euros).

The second and third selected proposals in each category will receive honorific awards.

The awards may be enhanced by potential sponsors. Applicable taxes will be discounted form the awards.

In addition, in order to facilitate those who, for whatever reason, don't wish to submit a proposal into this inaugural competition, but have proposals they would like to have considered outside the formal competition, XBRL Spain will gladly accept any proposals made in this way.

Call for sponsors.

Sponsors are warmly invited to enhance the awards, or suggest and sponsor additional categories. Please contact info@openfiling.info

Call for volunteers to join the Adjudication Panel.

IT architects are warmly invited to join the adjudication panel, co-chaired by Prof. Dr. Enrique Bonsón, XBRL Spain Vice-President, IJDAR editor, and Herm Fischer, XBRL Standards Board, XBRL Formulae WG Chair, with the participation of Aditya Sharma, Director in Consulting Practice; Roland Hommes, XBRL Standards Board, XBRL Quality Review Team Chair and Eduardo González, Open Source IT entrepreneur. As Secretary of the Panel is serving Ignacio Boixo, OpenFiling President.

Please send a letter to info@openfiling.info with a short relevant biography.

Final Adjudication Panel composition will be published after the decision.

In addition to seeking submissions as described above, there is other additional facet to this inaugural competition. Volunteers are sought to help with the ancillary documentation for those proposals that will go forward for development with Public Funding.

Winners online Notification.

The winners will be announced, online, via a live webinar held in the *First Conference on Financial Reporting in the 21st Century: Standards, Technologies and Tools* frstt.unimc.it

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First Conference on

Financial Reporting in the 21st Century: Standards, Technologies and Tools.

With a Special Issue of IJDAR

Faculty of Economics - University of Macerata
Macerata, Italy, 8th and 9th September 2011

Intellectual property:

As all the proposals are to be posted in full for public domain, a Creative Commons BY (*CC BY*) license or equivalent is a mandatory requirement.

Organization

These Open Awards are organized by the non-for-profit organization XBRL Spain with the help of the non-for-profit organization OpenFiling.

Rules

All the rules and other relevant information will be published in www.xbrl.es and www.openfiling.info. Questions to info@openfiling.info

The proposals should be submitted in English, identified with a keyword, but on an anonymous basis to info@openfiling.info

The authors (people around the world are welcomed) should send an independent e-mail with the keyword and identification of the authors (or with instructions of not be identified) to info@xbrl.es

The decision of the Adjudication Panel is final. Some categories may be declared as having no submissions of value by the Adjudication Panel.

All the proposals with merit (as decided by the Adjudication Panel) will be published in www.xbrl.es and www.openfiling.info for public domain with CC BY license or equivalent

The proposals are oriented to description of IT architectures. Implementation/programming is allowed, but is NOT part of the competition.

The architecture documentation reader is expected to have programming, technologies and frameworks knowledge. Even the IT architecture Awards are oriented to implementation, may be that very innovative solutions, even not ready to be implement in short term, gain the acknowledgement of the adjudication panel.

The deadline of September 1st, 2011, 23:59 UTC is final, as the winners will be announced in the Conference on Financial Reporting on September 9.

Disclaimer:

The organizers are not responsible for lost, late or misdirected entries and reserve the right to cancel this competition at any time. The organizers will assume no responsibility for any damages incurred by your participation at this event. Your participation at such event is voluntary and will in no way hold the organizers responsible for any claim arising from your participation. The organizers may change the rules in any moment. The interpretation of the rules by the organizers is final.

The role of XBRL: eXtensible Business Reporting Language

Regulators and Authorities in Financial and Accounting fields around the world have engaged in a huge effort harmonising, implementing and developing methods for the reporting and disclosure of Business Reports by using the open standard XBRL. This standard is based on two kinds of documents, instance documents (with actual data) and taxonomies (data model). Instance documents are the business reports, to be interpreted using taxonomies as a guide. Taxonomies are defined by regulators, such as the International Financial Reporting Standards Foundation, the USA Securities and Exchange Commission or the European Banking Authority.

Taxonomies are the guidelines which capture the hierarchy of concepts, their meanings, dimensional interrelations and validation rules. Many of the reports filed to the regulators are available to the public on the Web, in XBRL format.

The method in which each national supervisory authority or regulator receives, validates, and accepts the regulatory information is quite similar country to country. As the functionality is basically the same, the IT solutions in place are not very different. The formats, however, are as variable as human nature. Each programmer feels superb reinventing the wheel of Digital Content format. Basically, the objective of the XBRL harmonisation is creating a "lingua franca" in financial business reporting to avoid that each Digital Content will be transmitted using a difference format.

However, there are two speeds, thus creating a Digital Divide. Some financial sectors are more advanced than others, for instance, the European Banking Regulators already started the XBRL initiative in 2005 while the European Business Register is quite incipient. But the main Digital divide is among countries. The empirical evidence demonstrates that a country with higher GDP (in absolute or relative terms) obtains benefits from XBRL in different supply chains, such as enhanced financial reporting or improved regulatory reporting. Some sectors and less favoured countries are still out of the XBRL initiative for Digital Content. The implementation of the XBRL standard for harmonisation in Digital Content for regulatory reporting requires a vision extending beyond the commercial vendors alone, as the IT collaboration and help from the public sector clearly mitigates risks. The collaboration between the private sector improving the existing advanced solutions and creating new ones, oriented to advanced sectors and countries shall be compensated with a public initiative oriented to mitigate the Digital Divide and provide equal opportunities, compensating less favoured sectors and countries.

It will also be studied how to include XBRL teaching in Financial Management curriculums both at Universities and Business Schools and how to create and disseminate openly XBRL knowledge in an effective way, using easily accessible XBRL IT tools.

The last, but not the least, topic is an open question about XBRL: **how to lower the barrier to entry in providing advanced services via XBRL to citizens and SMEs?**

Open Source as facilitator and complement of XBRL solutions

In recent years, Free / Libre / Open Source Software (FLOSS) have developed as a novel form of collaborative production. Since its origin as collaboration between individual volunteers, it has seen tremendous success, both in terms of the commercial and technical strengths of the produced software itself, but also as a model of organisation and development. In particular, it has received much attention for two reasons: the software itself may be cheaper to use and support than proprietary software applications; and free software may be a novel, cost effective and highly responsive way to develop and sustain applications specific to specific needs. The second point takes advantage of the modifiable nature of free software, which makes it suitable for adaptation to local, regional or nationwide needs.

Building a community of local ICT sector, users and developers (community of practice and development) is the best way to disseminate it and achieve project sustainability and evolution around this project. This proposal is oriented to investigate IT architectures as the first step to the creation of a suite of open source XBRL tools and an off the shelf IT skeleton which is easily customizable for help to closing the Digital gap in Primary reporting, from the reporting entity to the supervisor, from the website to the citizen, from the supervisors to the small investor.

Such a solution should be easily customised in different countries, languages, context for the National Supervisory Authorities and Regulators as a front-end between the reporting entities and the supervisor. This would create a huge economy of scale by reusing the same resource, made available by way of taxpayer's money, in different contexts. No generic/commercial "off the shelf" solutions are widely available, because each big regulator has their own needs. The small regulators don't have sometimes the financial resources to develop equivalent modern Digital Content frameworks.

While big countries or financial sectors with mature markets have an abundant supply of XBRL knowledge and solutions, other countries or sectors lack an equivalent supply. One of the reasons is also the lack of open source XBRL code available for academic investigation. Most of the research is carried out in commercial companies, oriented to create products for the market. The lack of open source proof of concept material is not contributing to the investigation of XBRL in academia. This also creates delays in the adoption of XBRL in non-financial sectors and less favoured countries.

By its very nature, the best approach for the development of these tools is an open source research project, as it provides the maximum flexibility as each case is customized via the code being adapted to the particular conditions. Some formal investigations may have a role here to formally describe the transformations needed between the free data formats and the XBRL taxonomies containing meta-data. This kind of tools has proved extremely successful in the implementation of XBRL in several reporting frameworks, and the goal is creating a suite of open source viewers, skeletons and tools to be reused in different scenarios by citizens, entrepreneurs and SMEs.

Collaboration as critical success factor

The collaboration between the private sector improving the existing advanced solutions and creating new ones, oriented to advanced countries shall be compensated with a public initiative oriented to mitigate the Digital Divide and provide equal opportunities, compensating less favoured sectors and countries. An open source IT skeleton for primary reporting infrastructure shall leverage local IT industry for implementation and customisation local requirements. Using this solution as the backbone, the national supervisory authorities shall be in a position to implement harmonised reporting using XBRL standards on time and budget.

The collaboration of IT architects is of the utmost importance in this initiative, with the ultimate goals of improving the transparency in financial markets and a fair access to the financial information to citizens and SMEs.