

High Level Concepts and Related Detail

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Report Fragments

- A financial report can be broken into specifically identifiable report fragments.
- One category of fragment is the primary financial statements. Disclosures and policies are categories other fragments.
- Primary financial statement fragments include the **balance sheet, income statement, and cash flow statement.**
- Here is a breakdown of [6005 US GAAP 10-Ks](#) and for [339 IFRS 20-F and 40-F](#) SEC filings into fragments. (These are somewhat large ZIP archives.)

Reporting Styles

- How companies create their primary financial statements can be broken down into specifically identifiable logical patterns.
- I call these “[reporting styles](#)”; they can also be thought of as reporting pallets.
- For example, balance sheet patterns include “classified”, “unclassified” (or order of liquidity), “liquidation basis”, “regulated public utility”, among others.

Fundamental Accounting Concept Relations

- The reporting styles basically organize fundamental accounting concepts into different relations.
- For example, “Assets” is a fundamental accounting concept. Assets is related to Current assets and Noncurrent assets in that “Assets = Current Assets + Noncurrent Assets”.

Fundamental Accounting Concepts

- Fundamental accounting concepts are specifically identifiable.
- Here they are for [US GAAP](#) and [IFRS](#)
- For example, “Assets” is a fundamental accounting concept. As is “Current assets”, “Noncurrent assets”, “Revenue”, “Operating Expenses”, “Net income (loss)”.

Fundamental Concepts and Relations Should be Clear in XBRL Taxonomies

- The definition of high-level fundamental accounting concepts should be clear in the US GAAP and IFRS XBRL Taxonomies.
- For example, “[us-gaap:AssetsNoncurrent](#)” and “[us-gaap:NoncurrentAssets](#)” should be crystal clear so companies understand what concept to use to represent their reports.
- Further, the detailed items into which a high-level concept can be disaggregated should be crystal clear.

Fundamental Concept Details

- For example, “[us-gAAP:AssetsCurrent](#)” can be broken down into “us-gAAP:CashAndCashEquivalentsAtCarryingValue”, “us-gAAP:AccountsReceivableNetCurrent”, “us-gAAP:InventoryNet”, etc.
- One detailed concept cannot generally be used to represent some other fundamental accounting concept.
- For example, “us-gAAP:AccruedLiabilitiesCurrent” is obviously a [current liability](#), not a [current asset](#) or part of [net cash flow](#).
- All such relations should be clear and obvious per the US GAAP and IFRS XBRL Taxonomies.

Pieces of US GAAP and IFRS XBRL Taxonomies are Too Big

- Both the US GAAP and IFRS XBRL Taxonomies tend to be “pick lists” of concepts that are organized into quite large pieces that make it more difficult than necessary to understand concepts, relations between concepts, allowed details of concepts, etc.
- Another way to organize these taxonomies is to create many more, smaller, and specific pieces.
- High level organizations and details can be organized in different networks but can still be clearly hooked together.
- These different types of organizations are not mutually exclusive.

Example of Smaller Pieces

- Here is an example of smaller pieces:
 - ONE PIECE: [US GAAP](#) | [IFRS](#)
 - MANY PIECES: [US GAAP](#) | [IFRS](#)

Line	Label	Object Class	Period Type	Balance	Report Element Name
1	101-Balance Sheet, Classified	Network			http://www.xbrlsite.com/2014/Prototype/fac/BalanceSheetClassified
2	Balance Sheet, Classified [Table]	Table			fac:BalanceSheetClassifiedTable
3	Balance Sheet [Line Items]	LineItems			fac:BalanceSheetLineItems
4	Assets [Roll Up]	Abstract			fac:AssetsRollUp
5	Current Assets	Concept (Monetary)	As Of	Debit	fac:CurrentAssets
6	Noncurrent Assets	Concept (Monetary)	As Of	Debit	fac:NoncurrentAssets
7	Assets	Concept (Monetary)	As Of	Debit	fac:Assets
8	Liabilities and Equity [Roll Up]	Abstract			fac:LiabilitiesEquityRollUp
9	Liabilities [Roll Up]	Abstract			fac:LiabilitiesRollUp
10	Current Liabilities	Concept (Monetary)	As Of	Credit	fac:CurrentLiabilities
11	Noncurrent Liabilities	Concept (Monetary)	As Of	Credit	fac:NoncurrentLiabilities
12	Liabilities	Concept (Monetary)	As Of	Credit	fac:Liabilities
13	Commitments and Contingencies	Concept (Monetary)	As Of	Credit	fac:CommitmentsAndContingencies
14	Temporary Equity	Concept (Monetary)	As Of	Credit	fac:TemporaryEquity
15	Equity [Roll Up]	Abstract			fac:EquityRollUp
16	Equity Attributable to Parent	Concept (Monetary)	As Of	Credit	fac:EquityAttributableToParent
17	Equity Attributable to Noncontrolling Interest	Concept (Monetary)	As Of	Credit	fac:EquityAttributableToNoncontrollingInterest
18	Equity	Concept (Monetary)	As Of	Credit	fac:Equity
19	Liabilities and Equity	Concept (Monetary)	As Of	Credit	fac:LiabilitiesAndEquity

SUMMARY: High Level to Details

