

35th UN CEFAC forum
Accounting & Audit Domain
Introduction and project overview

October 12, 2020

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Welcome and introduction

Welcome from the Vice Chair, Accounting & Audit domain

UN CEFACT overview

- Structure
- About our work

About the Accounting & Audit domain

- About our work
- Team
 - Michel Biezunski
 - Eric Cohen
 - Frederique Danjon
 - Liliana Fratini, VC
 - Elina Koskentalo
 - Anita Patel, DC
- Reference Data Model (RDM) project

Recap of agenda topics

- RDM project overview
- Walkthrough of mappings completed to date and use of the topic maps methodology
- Nordic Smart Government use case: mapping between XBRL-GL and SAF-T
- French use case: mapping between XBRL-GL and Core Components
- Conceptual Q&A related to current mappings

RDM project overview

About the project

- The project is about mapping data standards that are used for accounting, tax, auditing, financial management and financial reporting
 - These data standards enable accounting software packages and Enterprise Resource Planning (ERP) systems to represent and exchange accounting data
- The mapping will be performed at the semantic (its precise meaning) and structured data levels
 - Structured data elements are organized to allow data to be searchable and machine readable, which will help to make the project deliverables easier to implement

Standards to be mapped

- Core components Library (UN CCL)
- XBRL GL
- SAF-T

Mapping approach

- Topic maps have been created to organise and perform the mapping
- Data elements in each in-scope standard will be categorized into a topic map
- This approach enables further standards to be added in the future

RDM project overview

Project proposal

- Project proposal was approved in 2018
- Project proposal is available at <https://uncefact.unece.org/display/uncefactpublic/Accounting+and+Audit+Reference+Data+Model>

Project goals

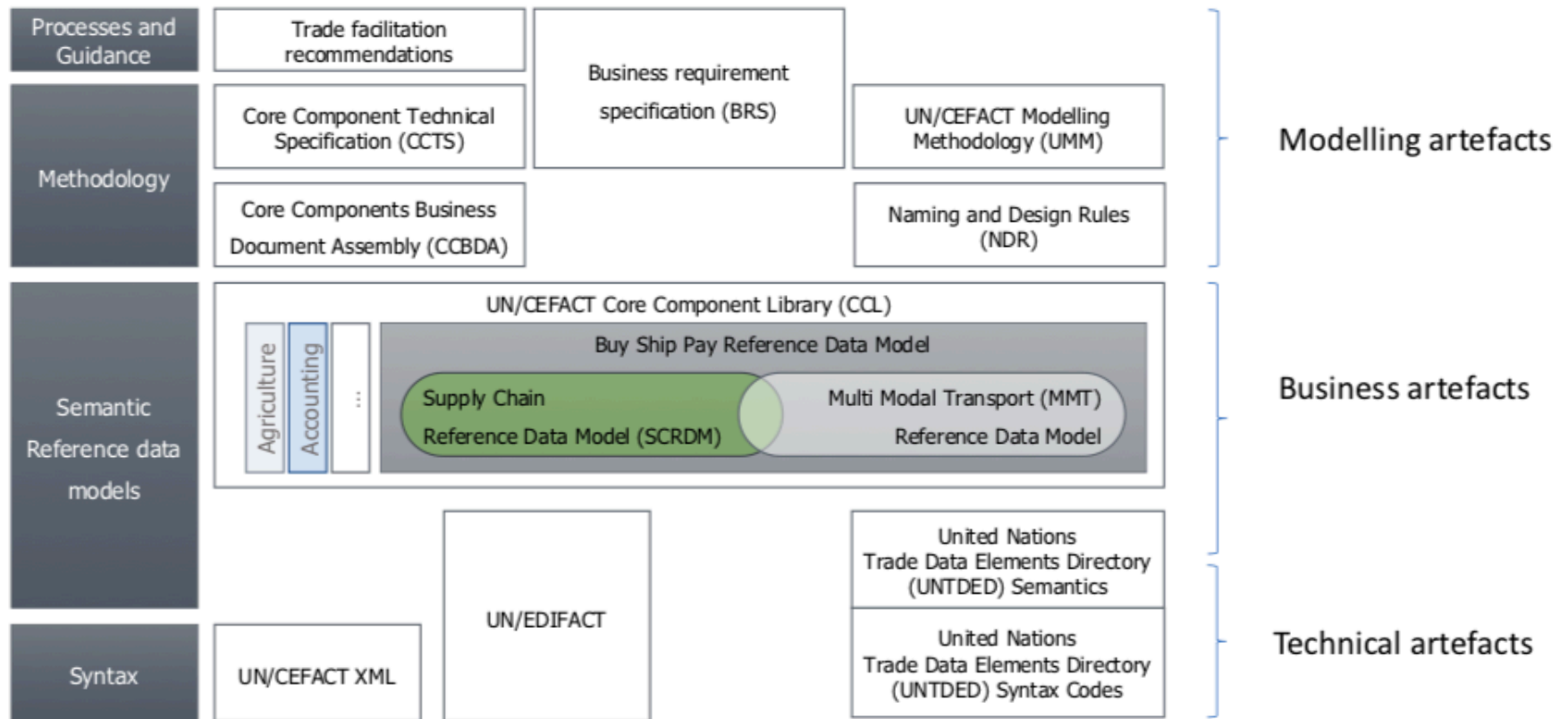
- “Develop a high-level semantic Reference Data Model in the area of Accounting and Audit under the principle of our Prospective Directions document of 2016: “UN/CEFACT shall be the semantic hub for all of our internal deliverables and will also aim to coordinate and bring together the needs of other organizations.
- Map an initial Reference Data Model with common specifications considered by tax administrations, financial and tax auditors and enterprises for audit data representation purposes.”

Project deliverables

1. A Business Requirements Specifications (BRS) document within CEFACT’s Accounting Bundle Collection
2. An Accounting & Audit Reference Data Model (RDM) that will provide the standardized dataset for the Accounting Bundle within deliverable 1, including:
 - Mappings at the structural and semantic level between UN CCL and XBRL-GL
 - Mappings at the structural and semantic level between UN CCL and SAF-T
3. Implementation guides for deliverable 2

Project context within the UN CEFACT framework

UN/CEFACT Modelling Framework



Credit: Andreas Pelekies

Why does this project matter

In a nutshell, system interoperability

- International data standards help companies bridge national and localized data models and connect the dots in a new way
- This project will make it more efficient, faster and easier for users of different accounting software packages and ERP systems to share digital data seamlessly and reliably
- For example, a company in the US that has mapped its accounting package or ERP system to XBRL GL will be able to send invoices and purchase orders electronically to a company in France that has mapped its accounting package or ERP system to UN CCL

Why does this project matter

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- Small to medium sized businesses that want to trade internationally have to navigate a myriad of accounting regulations.
 - Tax authorities request data from many jurisdictions and locations in order to assess data for compliance purposes.
 - Auditors gather, consolidate, reconcile and review audit evidence across a range of jurisdictions.
 - Suppliers, business partners and customers evaluate the financial health of companies before transacting with them.
 - Law enforcement agencies are becoming more active in tackling financial crimes and holding companies accountable for prevention and detection of illicit financial activity. Money laundering, terrorist financing and proceeds from bribery and corruption often involve transactions across international borders.
 - Markets, regulators and investors are increasingly demanding access to more detailed financial data for deep data analytics, near real-time data to mitigate financial reporting lags and more regular and ad-hoc financial reports from companies.
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- An RDM that enables them to translate and navigate through international standards will help save time and cost.
 - An RDM will help to ensure that data is comparable, reliable and can be quickly and accurately shared.
 - A mapping between data models will allow auditors to summarise and consolidate audit data faster and with greater accuracy.
 - An RDM enables a wide variety of users to extract and aggregate relevant data from different systems and jurisdictions.
 - An RDM that facilitates an understanding of the treatment of financial transactions across different jurisdictions may also aid anti-financial crime efforts.
 - An RDM can help to speed up the preparation of financial statements and reports.
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How to get involved

- Spread the word. Share information with organisations that will benefit from this project.
- Volunteer your expertise and experience. We are a small team and welcome your support.
- Send us your ideas and suggestions.
- Ask questions. We are happy to discuss the project and answer your questions.