

The Sage guide to iXBRL

sage

What you need to know about online filing



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Foreward

Welcome to the Sage Guide to iXBRL.

One of the biggest, most exciting challenges we all face is the continued change in terms of online filing. On 1 October 2013, online filing in iXBRL format will become compulsory for Corporation Tax Payers of Revenue's Large Cases Division.

Mandatory iXBRL filing will be extended to all Corporation Tax Payers from 1 October 2014.

With that in mind, this Guide is dedicated to telling you what you need to know about iXBRL – why it matters, how it works and what it means for you and your business.

We hope you'll find it a useful summary.

Kind regards,

The Sage Ireland Accountants Team.

Introducing the Sage Guide to iXBRL

In case you are not familiar with the iXBRL and online filing regime, we'd like to take you through the 'what', the 'why' and the 'when' regarding iXBRL tagging for accounts production software.

This guide gives you a detailed look at the history and an overview of what the future holds, and includes information about our **iXBRL** software solutions.

We've been working closely with Revenue to ensure that the iXBRL transition is as smooth and efficient for you as possible.

2.1

What are XBRL and iXBRL?

XBRL (eXtensible Business Reporting Language) is similar to bar coding for financial statements, enabling every piece of data to be coded (tagged) with an identity.

It is a universal language that can be adapted to any nation's accounting standards. Computers can then read an **XBRL** report and select specific data, collate it, analyse it and exchange it with other computers.

Inline XBRL (iXBRL) enables XBRL- tagged data to be embedded within standard HTML documents – just like a web page – so that you and your clients can read the accounts as normal. Embedding the XBRL in-line with HTML allows for the flexibility required around the production of the statutory accounts, whilst maintaining the ability for a computer to read the same data.

“inline” XBRL is a version of XBRL which allows XBRL documents to be presented as normal human-readable documents.

This has the advantage of allowing taxpayers and Revenue to view and refer to Financial Statements in the same way as it is currently done.

* XML (Extensible Markup Language) is a set of rules for encoding documents electronically.

2.3

When will iXBRL be introduced?

In Ireland

On 1 October 2013, online filing in iXBRL format will become compulsory for Corporation Tax Payers of Revenue’s Large Cases Division.

Mandatory iXBRL filing will be extended to all Corporation Tax Payers from 1 October 2014. This will apply to Corporation Tax returns submitted after 1/10/2014 in respect of accounting periods ending on or after 31/12/2013.*

*The three criteria for exclusion from this are:

- i) The balance sheet value of the company does not exceed €4.4 million
- ii) The amount of the turnover of the company does not exceed €8.8 million; and
- iii) The average number of persons employed by the company does not exceed 50.

In the UK

As of 1 April 2013 all final accounts and tax computations, in the UK, have to be produced and submitted in iXBRL format. Our Sage accounts production software, incorporating the Sage Assisted Tagging solution, delivers iXBRL-compliant accounts in line with HMRC’s requirements.

What impact will this have on you?

Our multi-award winning customer service advisors are available to help you with any questions. Contact them for assistance and support.

Users of Sage Accounts Production software will see that the mechanism to produce the final **iXBRL** accounts is very straightforward.

iXBRL compliance is delivered through an assisted tagging solution which has been incorporated into the software. Helping to increase the speed and efficiency of producing iXBRL accounts, the Sage Assisted Tagging solution guides you through the tagging process using a high level of automation and step-by-step assistance where necessary.

If you do not already use software for final accounts production, you should use this as an opportunity to review whether you might now need to purchase Sage accounts production software.

Key features of Sage Accounts Production include:

- Includes the Sage Assisted Tagging solution, designed to guide users through the iXBRL tagging process.
- Irish GAAP compliant
- Easily customisable reports
- Integration with Sage Instant Accounts, Sage 50 Accounts, TAS Books or other accounting software packages used by your clients
- Integration with CCH ProSystem Audit Automation
- Integration with Sage Practice Solution
- Integration with Sage TAX Pro
- Data flagging e.g. disallowables with associated reporting and drill-down
- Will grow with your practice with multi-user capability
- Import data from existing csv files for maximum speed and accuracy
- Equally at home in a stand-alone or network environment
- Compliance requirements constantly updated

For further information please call our dedicated accountants team on **1890 923 208** or email us on ixbrireland@sage.com



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"I've been using Sage Accounts Production for 13 years now and I've found it to be the best in the business. I've experienced other accountancy software packages in my various jobs throughout the years but none come close to what Sage Accounts Production has to offer. From the bookkeeping function to invoicing it has everything that I as a practising accountant could possibly want. As a Tax Assist Accountant I will continue to use Sage Accounts Production and promote it wherever possible as THE ONE."

Eoin McGreal

TaxAssist Accountants, Galway



More detail on XBRL and iXBRL

Most users of iXBRL – will be largely or totally unaware of the technical infrastructure which underpins the iXBRL language. However, software companies, including accountancy and tax software providers such as Sage, need to take account of iXBRL and its features when developing their products.

The idea behind **XBRL** (eXtensible Business Reporting Language) is simple:

- Instead of treating financial information as a raw text – as in a printed or electronic document – it provides a descriptive tag for each item of data. This is computer-readable. For example, company net profit has its own unique tag
- The introduction of XBRL tags enables automated processing of business information by computer software, cutting out laborious and costly processes of manual re-entry and comparison
- Computers can recognise the information in an XBRL document, select it, analyse it, store it, exchange it with other computers and present it automatically in a variety of ways for users
- XBRL can greatly increase the speed of handling financial data, reduce the chance of error and permit automatic checking of information

XBRL is an open standard, which is one of a family of 'XML' (eXtensible Markup Language) languages which is becoming a standard means of communicating. XBRL uses an XML format to deliver a computer-readable set of data in a standard structure. The power of XBRL is not necessarily in the technology, but comes from the fact that it provides a standard taxonomy (dictionary for the data and its hierarchy/relationship) which covers the financial data elements required for all of the reportable data in a company tax return, including the detailed data in the accounts. XBRL can also show how items are related to one another. It can thus represent how they are calculated. It can also identify whether they fall into particular groups for organisational or presentational purposes.

Taxonomies are the dictionaries which the language XBRL uses. These are the categorisations that describe the specific tags for individual items of data (such as ‘profit’). Each accounting jurisdiction has different accounting regulations, therefore each jurisdiction can have its own taxonomy for financial reporting.

Additionally, many different organisations, including regulators, specific industries or even companies, may also require taxonomies to cover their own business reporting needs.

Revenue will accept Irish GAAP accounts tagged according to the UK GAAP taxonomy supplemented by an “Irish extension” which bridges the differences between UK and Irish GAAP.

The “Irish extension” taxonomy was published by XBRL Ireland in June 2012 and can be viewed and downloaded from:

www.xbrl-ie.net

In-line XBRL (iXBRL) enables XBRL-tagged data to be embedded within standard HTML documents – just like a web page.

Embedding the XBRL in-line with HTML allows for the flexibility required around the production of the statutory accounts whilst maintaining the ability for a computer to read the data.

Sources of information

Revenue

<http://www.revenue.ie/en/online/ros/ixbrl/index.html>

HMRC

Getting ready for online filing

www.hmrc.gov.uk/carter/index.htm

XBRL

A source of information about XBRL in general and also the specifics of its UK application

www.xbrl.org/uk

XBRL

A useful website bringing together news and views from the XBRL community

www.xbrlblog.com

Sage XBRL website

Useful information about XBRL for Sage customers

www.sage.ie/ixbrl

Sage UK XBRL website

Making iXBRL returns to HMRC? Visit our UK XBRL website.

www.XBRLwithsage.com





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Whether you are an existing Sage Accounts Production user and would like to check if you are ready for **iXBRL** or would like more information on Sage Accounts Production please call our dedicated Accountants Team **1890 923 208** or email us ixbrlireland@sage.com