



**KPMG LLP**  
**Tax**  
15 Canada Square  
Canary Wharf  
London E14 5GL  
United Kingdom

Tel +44 (0) 20 7311 1000  
Fax +44 (0) 20 7311 3311  
DX 157460 Canary Wharf 5

Financial Reporting Council  
Aldwych House  
71-91 Aldwych  
London  
WC2B 4HN  
FAO Jennifer Guest

Our ref bs/mtm/848c

Contact **Bivek Sharma**  
020 7311 1000  
Ext 8928

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Dear Sirs

**XBRL Accounts Taxonomies – consultation response**

Further to the XBRL Accounts Taxonomies consultation exercise issued on 8 May 2014, I attach our responses and comments.

Our Accounting and Tax Technology Services team offers a range of XBRL technology and services. From the introduction of iXBRL tagging for HMRC's mandate in the UK we have worked to help UK companies deliver quality iXBRL accounts documents.

We have been active participants in the Taxonomy project to date and look forward to working with the FRC and other project stakeholders in the future.

Yours faithfully

Bivek Sharma  
Partner

*Enclosures: Appendix I*

## **Appendix I**

Questions asked by the consultation exercise:

### **1. Does the content of the taxonomies accurately reflect expected reporting under the relevant standards? 2. Is the content clear and unambiguous?**

KPMG has had the opportunity to contribute to the taxonomy design project through seconded staff and participation in the steering committees. Any comments on specific areas of the taxonomy will have been contributed in Yeti.

Inevitably additional comments on the usability of the taxonomies will arise when they are progressed to be tested further on various accounts.

### **3. Does the Design Document explain changes to the accounts taxonomies in ways which are useful and pertinent?**

Yes it does. The content will be of most use to developers and users who undertake the tagging of accounts given the level of detail it goes into. Some of the concepts (existing or new) will not be known amongst some users who have their iXBRL tagging produced by template software or provided by tagging services.

In due course separate high level explanatory documentation could be considered for consumption by users.

### **4. Would it be helpful to have the taxonomies supported by ‘consistency checks’<sup>1</sup> and, to what extent are those seen as necessary rather than desirable?**

Per section 5 of the Taxonomies design document, the proposed ‘consistency checks’ would be a way in which the taxonomy could be supported by optional checks on, say, summation, in tagging software to assist the quality of iXBRL tagging. They are not proposed as enforced ‘business rules’ that would form part of the iXBRL validation. To enforce them would produce situations where accounts could not be fully tagged in order to have valid iXBRL.

We believe the ‘consistency checks’ would be helpful. Given the fact they are not proposed to be enforced, our view is that they are desirable rather than a necessity. They would provide an added check that certain tagged numbers cast correctly for example. Being optional checks, they will continue offer the flexibility for some accounts where the required tagging does not follow the summation structure of the consistency check.

Such consistency checks are really aimed at the UK iXBRL software vendors who would use the proposed checks to add functionality to their products. Software vendors need to be kept briefed on the nature and structure of the checks so they can be incorporated into their development.

## **Further points**

The consultation invited comments on all aspects of the draft taxonomies.

KPMG supports quality financial reporting and works globally with numerous bodies and companies to promote high standards. We acknowledge that XBRL financial reporting supports this more and more.

The IASB produces an International IFRS XBRL taxonomy that is being used globally by a growing number of regulatory bodies and companies. It is separate to the existing UK XBRL taxonomies and to the draft taxonomies under consultation. It is conceivable that some groups will undertake separate IFRS XBRL reporting under both taxonomies without benefiting from any efficiencies. Additionally, end users of the XBRL data may be disadvantaged by having a lot of UK data tagged under a separate taxonomy. A goal to align the taxonomies in some way may increase the uptake and usefulness of XBRL reporting, especially given the continued move towards the convergence of accounting standards globally.