



Federation of European Accountants
Fédération des Experts comptables Européens



News Release

March 2010

XBRL : a matching challenge towards simplification

Too few finance professionals have sufficient knowledge of eXtensible Business Reporting Language (XBRL) – a tool designed for the digital communication and presentation of financial and business data – which is why FEE (The Federation of European Accountants) and two of its member bodies, ACCA (the Association of Chartered Certified Accountants) and Royal NIVRA (Koninklijk Nederlands Instituut van Registeraccountants), recently organised a roundtable to raise awareness of XBRL.

The roundtable entitled “XBRL - the impact on accountants and auditors” built on a recently published FEE policy statement. The FEE Policy Statement briefly explains XBRL, outlines its benefits and what auditors, accountants and other stakeholders will need to do in order to make a success of XBRL and contribute to the current simplification exercise. FEE has monitored the developments regarding XBRL for some time and this policy statement is FEE’s first initiative in respect of XBRL.

The well attended Roundtable focused on enhancing the awareness of accountants, auditors and other stakeholders on the use of XBRL in the financial reporting chain. The key note speaker, Jon Rowden, PricewaterhouseCoopers XBRL Assurance Leader, Chairman ICAEW XBRL Group and Member IAASB XBRL Task Force and the other speakers all made extremely valuable contributions debating about the next steps for XBRL and their impact on financial reporting and auditing. FEE therefore looks forward to continue to perform more detailed work in the area of XBRL in the future, for instance in relation to the expectation gap that may exist in respect of assurance on XBRL generated data.

XBRL has been developed to allow users throughout the world to easily access timely accurate and relevant financial information from both world-wide and local organisations. However, although internal use and basic forms of digital reporting are commonly accepted - with most people having knowledge of PDF and HTML documents - very few practitioners seem to be fully aware of the benefits of XBRL, according to a study produced by ACCA entitled XBRL: the Views of Stakeholders.

Speaking at the event on 26 February 2010 Philip Johnson, FEE Deputy-President and Chair of the FEE XBRL Task Force, pointed out that “the business case for XBRL should be made more effectively since it has the potential to be extremely beneficial to numerous stakeholders”.



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The European Commission published in February 2009 a Consultation Paper on Review of the Accounting Directives: Cutting Accounting Burden for Small Business / Review of the Accounting Directives, which is supportive of an “only once” filing system facilitated by e-government portals and encourages Member States to develop this further.

This is an encouraging step, supported by a European Parliament’s resolution issued in September 2009 calling for the delivery of common reporting standards using a multi purpose format such as XBRL. It is hoped that the new EU Institutions will pursue these efforts.

“XBRL has the potential to reduce costs of filing, to facilitate the re-use of electronic data stored, as well as to speed up the preparation and increase the accuracy, integrity and reliability of data”, stated Jan Pasmooij, Manager ICT Knowledge Center at NIVRA and Chairman of XBRL Europe and Netherlands. Jan Pasmooij added that “it is time for Small and Medium sized Practitioners to get ready and understand the need to invest in XBRL”.

This was echoed by Aziz Tayyebi, ACCA’s Financial Reporting Officer, who commented after the event that “it is important for Europe to take a more harmonised stance regarding XBRL”. “While some European countries have taken an active approach to XBRL reporting requirements, it is important for the European capital markets as a whole not to be left behind, and to take advantage of the opportunities offered by the next generation of financial reporting technology, by promoting a European regulatory framework, similar to the requirements currently put in place in the US by the Securities and Exchange Commission” Tayyebi concluded.

Participants agreed that the main obstacle to widespread use of XBRL lies in the lack of knowledge of the technology as well as the time necessary to learn its functioning and the resources within practitioners’ organisations to undertake its implementation.

Christine Helliard, co-author of the ACCA study, stressed that the “International Auditing and Assurance Standards Board (IAASB) should complete its XBRL project and issue an ISA as soon as possible, to provide guidance on what auditors should be required to do for XBRL filings to give users confidence in the data”.

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Notes to Editors

About FEE

FEE (Fédération des Experts comptables Européens - Federation of European Accountants) represents 43 professional institutes of accountants and auditors from 32 European countries, including all 27 EU Member States.

In representing the profession, FEE recognises the public interest. FEE has a combined membership of more than 500.000 professional accountants working in different capacities in public practice, small and larger firms, business, public sector and education, who all contribute to a more efficient, transparent, and sustainable European economy.

The FEE Policy Statement "eXtensible Business Reporting Language (XBRL) - The impact on accountants and auditors" can be downloaded from http://www.fee.be/publications/default.asp?library_ref=4&content_ref=1181

The Roundtable to launch the FEE Policy Statement took place on 26 February 2010 in FEE Offices in Brussels with the following speakers:

- Jon Rowden, Keynote speaker, PricewaterhouseCoopers XBRL Assurance Leader, Chairman ICAEW XBRL Group and Member IAASB XBRL Task Force
- Jan Pasmooij, Chairman XBRL Europe and Netherlands - Manager ICT Knowledge Center, NIVRA
- Olivier Servais, Director XBRL Activities, IASB – IASC Foundation
- Christine Helliard, Professor School of Accounting and Finance, University of Dundee, Researcher on ACCA XBRL Research Publication
- Luc Dufresne, Advisor to the Board of Directors, National Bank of Belgium
- Jeff Smith, Business Customer Unit, Her Majesty's Revenue and Customs (HMRC) UK
- Kathleen Healy, IAASB Senior Technical Manager, IAASB XBRL Task Force
- Piotr Madziar, European Commission, Advisor to Pierre Delsaux, Director, on Financial Integration and Governance of Accounting Standards (including XBRL)
- Philip Johnson, facilitator – FEE Deputy President and Chairman FEE XBRL Task Force

To learn more about FEE and about the accountancy profession in Europe, read the FEE 2008 Annual Review, downloadable from our website www.fee.be.

About ACCA

ACCA is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management. We have 362,000 students and 131,500 members in 170 countries worldwide.

ACCA has worked with governments, national organisations and development agencies in emerging economies- for over 20 years- promoting the accounting profession, to create value for the communities, businesses and individuals it serves.

ACCA believes that globalisation of business means that one set of reporting standards is essential. We favour the principles-based IFRS.



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ACCA understands the real issues facing small businesses as 63,000 of our members work in SMEs or small partnerships worldwide.

The ACCA study can be downloaded from

http://www.accaglobal.com/general/activities/research/reports/global_integration/rr_111

For more information: www.accaglobal.com

About NIVRA

Royal NIVRA is the Dutch professional body for chartered accountants ('registeraccountants').

NIVRA's membership comprises approximately 14,000 registeraccountants, working in positions in which the quality of information and reporting is paramount.

NIVRA's task is to advance the quality of the professional services provided by registeraccountants, both for the public good and to foster registeraccountants' own mutual interests.

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