



An Introduction to XBRL

XBRL is a language for the electronic communication of business and financial data which is revolutionising business reporting around the world. It provides major benefits in the preparation, analysis and communication of business information. It offers cost savings, greater efficiency and improved accuracy and reliability to all those involved in supplying or using financial data.

XBRL stands for **eXtensible Business Reporting Language**. It is one of a family of "XML" languages which is becoming a standard means of communicating information between businesses and on the internet.

XBRL is being developed by an international non-profit consortium of approximately 450 major companies, organisations and government agencies. **It is an open standard, free of licence fees.** It is already being put to practical use in a number of countries and implementations of XBRL are growing rapidly around the world.

This site provides information about the nature, uses and benefits of XBRL. It explains how individuals and companies can join the effort to move forward and make use of the language.

A Simple Explanation

The idea behind XBRL, eXtensible Business Reporting Language, is simple. Instead of treating financial information as a block of text - as in a standard internet page or a printed document - it provides an identifying tag for each individual 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 treat XBRL data "intelligently": they can recognise the information in a 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 greatly increases the speed of handling of financial data, reduces the chance of error and permits automatic checking of information.

Companies can use XBRL to save costs and streamline their processes for collecting and reporting financial information. Consumers of financial data, including investors, analysts, financial institutions and regulators, can receive, find, compare and analyse data much more rapidly and efficiently if it is in XBRL format.

XBRL can handle data in different languages and accounting standards. It can flexibly be adapted to meet different requirements and uses. Data can be transformed into XBRL by suitable mapping tools or it can be generated in XBRL by appropriate software.

Benefits and Beneficiaries

XBRL offers major benefits at all stages of business reporting and analysis. The benefits are seen in automation, cost saving, faster, more reliable and more accurate handling of data, improved analysis and in better quality of information and decision-making.

XBRL enables producers and consumers of financial data to switch resources away from costly manual processes, typically involving time-consuming comparison, assembly and re-entry of data. They are able to concentrate effort on analysis, aided by software which can validate and manipulate XBRL information. As just one example, searches for particular information which might in the past have taken hours can be completed with XBRL in a fraction of a second.

Those who stand to benefit include all who collect business data, including governments, regulators, economic agencies, stock exchanges, financial information companies and the like, and those who produce or use it, including accountants, auditors, company managers, financial analysts, investors and creditors. Among those who can take advantage of XBRL include accountancy software vendors, the financial services industry, investor relations companies and the information technology industry.

The XBRL and Business section explains how particular types of organisation can benefit from XBRL.

The use of XBRL does not imply an enforced standardisation of financial reporting. On the contrary, the language is a flexible one which is intended to support all current aspects of reporting in different countries and industries. Its extensible nature means that it can be adjusted to meet particular business requirements, even at the individual organisation level.

Benefits and Uses for Business

All types of organisations can use XBRL to save costs and improve efficiency in handling business and financial information. Because XBRL is extensible and flexible, it can be adapted to a wide variety of different requirements. All participants in the financial information supply chain can benefit, whether they are preparers, transmitters or users of business data.

Data Collection and Reporting

By using XBRL, companies and other producers of financial data and business reports can automate the processes of data collection. For example, data from different company divisions with different accounting systems can be assembled quickly, cheaply and efficiently if the sources of information have been upgraded to using XBRL. Once data is gathered in XBRL, different types of reports using varying subsets of the data can be produced with minimum effort. A company finance division, for example, could quickly and reliably generate internal management reports, financial statements for publication, tax and other regulatory filings, as well as credit reports for lenders. Not only can data handling be automated, removing time-consuming, error-prone processes, but the data can be checked by software for accuracy.

Small businesses can benefit alongside large ones by standardising and simplifying their assembly and filing of information to the authorities.

Data Consumption and Analysis

Users of data which is received electronically in XBRL can automate its handling, cutting out time-consuming and costly collation and re-entry of information. Software can also immediately validate the data, highlighting errors and gaps which can immediately be addressed. It can also help in analysing, selecting, and processing the data for re-use. Human effort can switch to higher, more value-added aspects of analysis, review, reporting and decision-making. In this way, investment analysts can save effort, greatly simplify the selection and comparison of data, and deepen their company analysis. Lenders can save costs and speed up their dealings with borrowers. Regulators and government departments can assemble, validate and review data much more efficiently and usefully than they have hitherto been able to do.

Other pages in this section explain how specific types of organisation can benefit from XBRL and how they can take steps to adopt it.

How XBRL Works

XBRL is a member of the family of languages based on XML, or Extensible Markup Language, which is a standard for the electronic exchange of data between businesses and on the internet. Under XML, identifying tags are applied to items of data so that they can be processed efficiently by computer software.

XBRL is a powerful and flexible version of XML which has been defined specifically to meet the requirements of business and financial information. It enables unique identifying tags to be applied to items of financial data, such as 'net profit'. However, these are more than simple identifiers. They provide a range of information about the item, such as whether it is a monetary item, percentage or fraction. XBRL allows labels in any language to be applied to items, as well as accounting references or other subsidiary information.

XBRL can 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 groupings for organisational or presentational purposes. Most importantly, XBRL is easily extensible, so companies and other organisations can adapt it to meet a variety of special requirements.

The rich and powerful structure of XBRL allows very efficient handling of business data by computer software. It supports all the standard tasks involved in compiling, storing and using business data. Such information can be converted into XBRL by suitable mapping processes or generated in XBRL by software. It can then be searched, selected, exchanged or analysed by computer, or published for ordinary viewing.

The XBRL Specification, published on this site, provides the technical definition of how XBRL works.

XBRL Taxonomies, also published via this site, are the dictionaries which the language uses. These are the categorisation schemes which define the specific tags for individual items of data (such as "net profit"). National jurisdictions have different accounting regulations, so each may have its own taxonomy for financial reporting. Many different organisations, including regulators, specific industries or even companies, may also require taxonomies to cover their own business reporting needs. A special

taxonomy has also been designed to support collation of data and internal reporting within organisations. This is the GL taxonomy.

Ordinary users of XBRL may be largely or totally unaware of the technical infrastructure which underpins the language. However, software companies, such as accountancy software providers, need to take account of XBRL and its features when producing their products.

[Click here](#) to see a small example of XBRL and the data which it represents.

The Education and Training section and the Technical Support section provide more information on how XBRL works.

A small example of XBRL

This is a small example of XBRL -- intended for reading by computers, not humans.

```
<ifrs-gp:AssetsHeldSale contextRef="Current_AsOf" unitRef="U-Euros"
  decimals="0">100000</ifrs-gp:AssetsHeldSale>
<ifrs-gp:ConstructionProgressCurrent contextRef="Current_AsOf"
  unitRef="U-Euros" decimals="0">100000</ifrs-
gp:ConstructionProgressCurrent>
<ifrs-gp:Inventories contextRef="Current_AsOf" unitRef="U-Euros"
  decimals="0">100000</ifrs-gp:Inventories>
<ifrs-gp:OtherFinancialAssetsCurrent contextRef="Current_AsOf"
  unitRef="U-Euros" decimals="0">100000</ifrs-
gp:OtherFinancialAssetsCurrent>
<ifrs-gp:HedgingInstrumentsCurrentAsset contextRef="Current_AsOf"
  unitRef="U-Euros" decimals="0">100000</ifrs-
gp:HedgingInstrumentsCurrentAsset>
<ifrs-gp:CurrentTaxReceivables contextRef="Current_AsOf" unitRef="U-
Euros" decimals="0">100000</ifrs-gp:CurrentTaxReceivables>
<ifrs-gp:TradeOtherReceivablesNetCurrent contextRef="Current_AsOf"
  unitRef="U-Euros" decimals="0">100000</ifrs-
gp:TradeOtherReceivablesNetCurrent>
<ifrs-gp:PrepaymentsCurrent contextRef="Current_AsOf" unitRef="U-Euros"
  decimals="0">100000</ifrs-gp:PrepaymentsCurrent>
<ifrs-gp:CashCashEquivalents contextRef="Current_AsOf" unitRef="U-
Euros" decimals="0">100000</ifrs-gp:CashCashEquivalents>
<ifrs-gp:OtherAssetsCurrent contextRef="Current_AsOf" unitRef="U-Euros"
  decimals="0">100000</ifrs-gp:OtherAssetsCurrent>
<ifrs-gp:AssetsCurrentTotal contextRef="Current_AsOf" unitRef="U-Euros"
  decimals="0">1000000</ifrs-gp:AssetsCurrentTotal>
```

What the XBRL example represents

This is the same XBRL data in human readable form.

CURRENT ASSETS

Assets Held for Sale	100,000
Construction in Progress, Current	100,000
Inventories	100,000
Other Financial Assets, Current	100,000
Hedging Instruments, Current (Asset)	100,000
Current Tax Receivables	100,000
Trade and Other Receivables, Net, Current	100,000
Prepayments, Current	100,000
Cash and Cash Equivalents	100,000
Other Assets, Current	100,000
Current Assets Total	1,000,000

Company Reporting and XBRL

Companies of all sizes can gain benefits from XBRL. By using XBRL, companies will be able to:

- Save costs by preparing data in one form and automatically generating many outputs. Companies will avoid re-keying of data and other manual tasks.
- Consolidate results across divisions and subsidiaries with much greater speed and reliability.
- Improve accuracy and reliability of financial data.
- Focus effort on analysis, forecasting and decision making, rather than on laborious tasks in gathering, compiling and preparing data.
- Achieve quicker and more efficient decisions.
- Make more effective use of the internet in communicating with investors. Companies will benefit from the growing importance of web sites as a means of communication.
- Improve investor relations through provision of more transparent and user-friendly information.
- Simplify the process and reduce the costs involved in regulatory reporting to tax and other authorities.
- Obtain quicker responses from counterparties, including banks and regulators.
- Free themselves from proprietary systems and software which are difficult and costly to replace

Frequently Asked Questions

[What is XBRL?](#)

XBRL is a language for the electronic communication of business and financial data which is revolutionising business reporting around the world. It provides major benefits in the preparation, analysis and communication of business information. It offers cost savings, greater efficiency and improved accuracy and reliability to all those involved in supplying or using financial data. It is an open standard, free of licence fees, being developed by a non-profit making international consortium. Other pages on this web site provide detailed information on XBRL, its technical features and its business opportunities.

[What are the potential uses of XBRL?](#)

XBRL can be applied to a very wide range of business and financial data. Among other things, it can handle:

- Company internal and external financial reporting.
- Business reporting to all types of regulators, including tax and financial authorities, central banks and governments.
- Filing of loan reports and applications; credit risk assessments.
- Exchange of information between government departments or between other institutions, such as central banks.
- Authorative accounting literature - providing a standard way of describing accounting documents provided by authoritative bodies.
- A wide range of other financial and statistical data which needs to be stored, exchanged and analysed.

[What is the future of XBRL?](#)

XBRL is set to become the standard way of recording, storing and transmitting business financial information. It is capable of use throughout the world, whatever the language of the country concerned, for a wide variety of business purposes. It will deliver major cost savings and gains in efficiency, improving processes in companies, governments and other organisations.

[Who developed XBRL?](#)

XBRL is being developed by an international non-profit consortium of major companies, organisations and government agencies. These include the world's leading accounting, technology, government and financial services bodies.

[What are the benefits to a company from putting its financial statements into XBRL?](#)

XBRL increases the usability of financial statement information. The need to re-key financial data for analytical and other purposes can be eliminated. By presenting its statements in XBRL, a company can benefit investors and raise its profile. It will also meet the requirements of regulators, lenders and others consumers of financial information, who are increasingly demanding reporting in XBRL. This will improve business relations and lead to a range of benefits.

With full adoption of XBRL, companies can automate data collection. For example, data from different company divisions with different accounting systems can be assembled quickly, cheaply and efficiently. Once data is gathered in XBRL, different types of reports using varying subsets of the data can be produced with minimum effort. A company finance division, for example, could quickly and reliably generate internal management reports, financial statements for publication, tax and other regulatory filings, as well as credit reports for lenders. Not only can data handling be automated, removing time-consuming, error-prone processes, but the data can be checked by software for accuracy.

[How do companies create statements in XBRL?](#)

There are a number of ways to create financial statements in XBRL:

- XBRL-aware accounting software products are becoming available which will support the export of data in XBRL form. These tools allow users to map charts of accounts and other structures to XBRL tags.
- Statements can be mapped into XBRL using XBRL software tools designed for this purpose.
- Data from accounting databases can be extracted in XBRL format. It is not strictly necessary for an accounting software vendor to use XBRL; third party products can achieve the transformation of the data to XBRL.
- Applications can transform data in particular formats into XBRL. For example, web sites are in operation which transforms EDGAR filings in the United States into XBRL, providing more efficient access to specific data in the filings.

The route which an individual company may take will depend on its requirements and the accounting software and systems it currently uses, among other factors.

[Does XBRL cause a change in accounting standards?](#)

No. XBRL is simply a language for transmitting information. It must accurately reflect data reported under different standards – it does not change them.

[How does XBRL impact International Reporting Standards?](#)

The IASB is developing a taxonomy which reflects International Financial Reporting Standards (IFRS). National XBRL jurisdictions will extend this taxonomy to reflect their particular local implementation of IFRS. Taxonomies will thus be available to enable those reporting under IFRS in different countries to use XBRL, enhancing efficiency and comparability as adoption of IFRS expands around the world.

[Does XBRL benefit the comparability of financial statements?](#)

XBRL benefits comparability by helping to identify data which is genuinely alike and distinguishing information which is not comparable.

[What are the differences between HTML, XML and XBRL?](#)

HTML (Hypertext Markup Language) is a standard way of marking up a document so it can be published on the World Wide Web and viewed in a browser. It provides a set of pre-defined tags describe on how

content appears in a browser. For example, it describes the font and color of text. It gives little information on meaning or context. XML (Extensible Markup Language) uses tags to identify the meaning, context and structure of data.

XML is a standard language which is maintained by the World Wide Web Consortium (W3C). XML does not replace HTML; it is a complementary format that is platform independent, allowing XML data to be rendered on any device such as a computer, cell phone, PDA or tablet device. It enables rich, structured data to be delivered in a standard, consistent way. Whereas HTML offers a fixed, pre-defined number of tags, XML neither defines nor limits tags. Instead, XML provides a framework for defining tags (i.e. taxonomy) and the relationship between them (i.e. schema).

XBRL is an XML-based schema that focuses specifically on the requirements of business reporting. XBRL builds upon XML, allowing accountants and regulatory bodies to identify items that are unique to the business reporting environment. The XBRL schema defines how to create XBRL documents and XBRL taxonomies, providing users with a set of business information tags that allows users to identify business information in a consistent way. XBRL is also extensible in that users are able to create their own XBRL taxonomies that define and describe tags unique to a given environment.

[What is the difference between XBRL and FpML, Fix, FinXML, OFX, XML/EDI? Are all of these efforts needed?](#)

All of these identified efforts are transaction-oriented specifications for specific purposes – except for XBRL. XBRL is reporting-oriented. All of these efforts are needed since they all serve different purposes. As these transaction-oriented specifications grow and develop, the need for business reporting that captures aggregate transactions becomes even more important. As a result, XBRL becomes more critical to organizations using XML technology.

[What kind of database should be used with XBRL?](#)

XBRL is a format for exchanging information between applications. Therefore each application will store data in whatever form is most effective for its own requirements and import and export information in XBRL format so that it can be readily imported or exported in turn by other applications. In some applications, for example, the XBRL formatted information being used may be mostly tabular numeric information, hence easily manipulated in a relational database. In other applications, the XBRL information may consist of narrative document-like structures with a lot of text, so that a native XML database may be more appropriate. There is no mandatory relationship between XBRL and any particular database or other processing or storage architecture.

For any further information visit <http://www.maia-intelligence.com/products-xbrl.htm> or contact sales@maia-intelligence.com or call +91 22 66888999.