

XBRL: Expanding Professional Horizons of CAs

XBRL, through its role in communicating financial data, is bringing a sea change in the business reporting across the world by offering immense benefits to the users of financial information. India is no exception. XBRL India, the Indian Jurisdiction of XBRL International, is collaborating closely with the regulators to promote the adoption of XBRL. Chartered accountants can play an important role in the adoption of XBRL.

The awareness and knowledge about XBRL has increased only in 2011 with the mandate of Ministry of Corporate Affairs (MCA) on the filing of financial statements by companies in XBRL format, which has created ample professional opportunities for the members of the ICAI. In 2008, the RBI had started submitting data by banks in XBRL format. However, since the returns were to be submitted in normal electronic format, banks were not exposed to the XBRL format of reporting. It was only the RBI which was deriving the advantages of these returns, as these were available in XBRL format at the back-end.

With the MCA's mandate, filers and professionals providing certification services have been exposed to the XBRL domain. Opportunities for XBRL professionals, therefore, range from mapping of the document to be filled (financial statements in case of MCA circular) to the most appropriate item of the taxonomy to certification of XBRL documents. Mapping of the line item to the best available element in the taxonomy is the most crucial part of the process of creating an XBRL statement, since it requires a mix of judgement and accounting knowledge. With newer opportunities, additional responsibilities also creep in. The professionals are expected to deliver their services with utmost caution.

Though, the MCA has expressed its concern over the quality of XBRL filings made in the first year of implementation vide *General Circular No. 33/2012* dated 16th October, 2012, it has reposed confidence in the practising professionals for certification of the XBRL documents for this year mandate as well. Broad concerns raised in the Circular include the use of wrong tags in presence of suitable elements, incomplete tagging of the notes, non-filing of cash-flow statements, not tagging of the complete subsidiary details, etc. One may refer to the MCA website for details.

In view of the above, it is expected that professionals shall perform their responsibilities diligently and meet the expectations of not only the regulators but of the society as well. It is the society which would be benefited the most, with the availability of financial statements in XBRL format.

While the XBRL filings are primarily as before, the taxonomy has undergone a revision, owing to a new presentation format of financial statements under the Companies Act, 1956, viz. *Revised Schedule VI*. Certain industry-specific elements for which guidance has been issued by the ICAI, viz. Real estate, Oil & Gas have also been included in the taxonomy for the ease of users. Architecture of the taxonomy has also undergone change. It has now been developed as per the latest architecture which has the capability of having tabular information in an organised manner, i.e. through dimensions, as against the use of tuples in the earlier version of taxonomy. The use of dimensions would enable filers and professionals to view the tabular information as appearing in the normal audited financial statements.

The MCA's XBRL mandate is just the beginning of opportunities. The filing of cost audit and cost compliance reports in XBRL has already been added to the kitty this year. It is expected in the near future that the scope of XBRL filings would be widened further and that all companies shall be covered under the XBRL ambit, widening the opportunities for us to be extended to assurance of XBRL financial statements as well. Further, industries such as NBFCs, power and insurance, shall also be brought under the XBRL domain.

In order to meet the requirements of professionals having skills in XBRL in the years to come, the ICAI is planning to launch a certificate course on XBRL for its members, which would have both online and classroom modules. Educative materials providing in-depth knowledge of the XBRL concepts are also expected to be released for the members. Wide range of programmes, seminars and workshops, imparting hands-on training to the members on the creation of XBRL documents have also been organised by the ICAI. The ICAI along with the MCA has been organising webcasts for taking up the issues pertaining to XBRL filings.

-Editorial Board

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