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October 2010



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TAXATION TAX JOURNAL

iXBRL SUPPLEMENT

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iBRL - coming, ready or not

Time is running out
for advisers to prepare
themselves for iXBRL,
says **MIKE TRUMAN**.

I am possibly the worst person to be
writing an introduction to this iXBRL
supplement, produced by *Taxation*
and *Tax Journal* in association with
Thomson Reuters. I've always specialised
more in personal tax than corporate, and
my knowledge of computer languages
stopped at BBC Basic (which will mean
nothing to anyone under about 45 ...).

But, on the other hand, perhaps that
makes me ideally qualified. iXBRL
reporting for tax is coming whether you
are ready for it or not, and my impression
is that, until recently, a lot of tax advisers
fell into the latter category. For a long
time iXBRL was a small cloud out on the
horizon; over the past year it has become a
storm waiting to break, and tax advisers in
practice have been getting steadily more
nervous.

In large corporates there may have
been more awareness of iXBRL and its
implications for tax reporting over a longer
period, but that does not mean that there
is any less concern. For both in-house
and external advisers to trans-national
groups there are even more complications
as the differing requirements across
jurisdictions, and across sets of accounting
standards, are considered.

The growing interest in iXBRL has
been reflected in those attending the
official events about it during this year,
so I would suggest that this supplement
could not be more timely. Reflecting the
respective markets of *Taxation* and *Tax
Journal*, it covers both the concerns of the
high street practice and those of the large
corporate market, particularly in-house.

We have two articles, each looking
at these different aspects. Nick Watson,
group reporting manager at Reed Elsevier,
considers the impact of iXBRL tax

reporting under both IFRS and GAAP,
and considers the specific challenges
posed by reporting the effect of tax.
Meanwhile Jerry Rihll, managing director
of Digita and head of the accounting
market for the tax and accounting
business of Thomson Reuters, explains the
options that are open to accountants in
practice. These range from using HMRC
software up to a fully integrated solution,
and Jerry considers both the short-term
and long-term implications.

The heart of this supplement is a survey
prepared by Santhie Goundar, looking at
the available tax reporting and accounting
packages available from each provider.
This is in the same format as *Taxation's*
popular and long-running annual
Technology Supplement, giving a brief
explanation of the key features of each
product and including contact details and
prices where available.

So there you have it. Five months to go
before the iXBRL revolution is upon us;
you certainly don't have time to waste. I
hope this supplement will provide some of
the key information you need to deal with
the challenges that are coming, and that it
helps you to determine what you need to
do in order to be ready for next April.

But don't let the 'how' of tax reporting
under iXBRL make you lose sight of the
'what' of calculating and minimising
(within the law) your or your clients'
tax liabilities. Both *Tax Journal* and
Taxation will continue to offer you the
best and most up-to-date tax news and
commentary that we possibly can, to help
you do your job. ■

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Challenges of tax reporting

NICK WATSON provides an in-house perspective of iXBRL.

Accounting for tax under international financial reporting standards (IFRS) and US GAAP is complex in both the calculation of the tax and the detailed financial disclosures required under both sets of standards. While there are a number of areas of the financial statements which require complex disclosures to be prepared, the majority of these relate to areas which will be managed by head office such as pensions, share-based payments and financial liabilities. Tax is perhaps unique in requiring detailed input from specialists based in all of a group's major operating locations.

In this article, I will look at some of the specific challenges and what companies can do to respond to these.

Consolidate or analyse?

Given the amount of data that needs to be processed to prepare the tax notes and disclosures for a set of accounts, it is not surprising that a significant amount of time can be absorbed by just collecting and consolidating the data whereas, in my view, the benefit of having experienced tax professionals involved in the preparation process is the quality of analysis and review that they bring to the team. Hence, it is very important to plan the year end review to focus time on good quality analytical procedures and ensuring that a full understanding can be gained of the income statement charge, key balance sheet items as well as movements through equity.

It is particularly important to place appropriate emphasis on the balance sheet because there is a real risk that if the balance sheet is not 'proved' on a regular basis then errors can be carried forward year on year using the assumption that if the income statement movement is right then it must follow that the balance sheet is right.

In my opinion, best practice is to have a tax basis balance sheet which shows all assets and liabilities on a reporting unit's balance sheet with both the book value and also the tax base of

KEY POINTS

- It is important to plan the year end review to focus on good quality analysed procedures
- Place appropriate emphasis on the balance sheet
- Tax reporting software has many advantages but its implementation is not for the faint hearted.



the asset so an easy evaluation can be made of the deferred tax position of that unit. While this can initially require a significant amount of effort to prepare, particularly in complex tax regimes or where fiscal consolidation is involved, ultimately I think that in most cases the long-term benefits in terms of transparency should outweigh the initial cost.

The statement of changes in equity can give rise to some very difficult tax analysis, particularly in relation to financial assets and liabilities, such as hedges, which are valued on a mark to market basis. It is necessary to understand fully the accounting treatment of these items under IFRS and the GAAP applicable to the legal entity to which the item relates, as well as the tax rules governing the treatment of such items, so that it is possible to establish if there will be an eventual tax consequence, if so when, in which territory, how much and is it appropriate to recognise deferred tax?

Training is critical to make sure that people who are responsible for preparing the tax information at a local level are familiar with both the information needed and also how it will be used in preparing the financial statements. In particular, it is difficult for someone in an operating unit to appreciate, without understanding this, why they are being asked to provide far more detail on tax than probably any other account in the financial statements. They will also need to be completely familiar with the differences between IFRS and their local GAAP accounts on which the tax returns are based to ensure that they are appropriately calculating the current tax charge on local GAAP numbers and appropriately tax affecting GAAP differences where necessary.

The role of technology

In recent years a number of technology products have come to the UK market to assist with tax reporting. While such software

products are relatively new offerings for UK outbound groups, US groups and their overseas subsidiaries have been using this type of software for a number of years.

At first sight it is perhaps not obvious why multinational organisations would need to buy specialist tax reporting software given that they will have perfectly functional financial consolidation systems that produce the rest of the accounts, so what makes tax different?

A financial consolidation system typically uses very rigid data entry 'forms' to collect information from local controllers. The focus of these systems is to collect the key numbers for the financial statements rather than detailed explanations behind those numbers and while a normal ERP system may well have a million or more line items against which accounting entries can be coded, a typical consolidation system will only have a few thousand lines which will collect the minimum amount of information to calculate all relevant numbers for the published financial statements.

This collection of summary data does not fit well with trying to understand the nuances of the tax position in each reporting jurisdiction. As such, the reality is that to properly understand the Group's tax position, further information is likely to be needed and using specialist tax reporting software is one way of collecting and analysing this.

The other area where tax reporting software can significantly help is in the collection of data about a group's tax exposures

or 'uncertain tax positions' in US GAAP language. This information is very difficult to collect through a financial consolidation system, because these systems are typically designed to collect one data 'form' from each location for each reporting period. However, to collect detailed tax exposure information you would need to have a variable number of forms submitted each period and the systems are generally not designed to do this. Issues of confidentiality and legal privilege can also arise where people outside of the immediate tax team have access to detailed information relating to tax exposures.

Tax reporting software has many advantages, but implementing it is not for the faint hearted. The majority of the cost comes with the implementation and customisation of the software and for a complex group the external costs alone could easily run into six figures. Combined with heavy internal resource requirements, this can be an expensive option but may ultimately be worthwhile in terms of speed, transparency and control environment.

Regulatory matters

As tax professionals, we are perhaps used to goalposts moving on a regular basis.

The IASB has been considering updating IAS 12 since 2002 when a joint memorandum was signed with the US FASB to work towards convergence of the two sets of standards. The

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FASB project has since been suspended, but the IASB project has continued with a view to improving IAS 12 and converging with US GAAP where possible. The most significant output of this process was an exposure draft published in March 2009 proposing a new standard. This produced nearly 170 responses from interested parties, much of it less than enthusiastic about the new standard. As a result of the feedback, in March 2010 the IASB reduced the scope of the update project to practical issues in relation to:

- uncertain tax positions, but only after the revision of IAS 37 is finalised;
- deferred tax on property held at fair value.

In addition, the IASB also decided to pursue certain proposals that were generally supported by respondents to the exposure draft issued in March 2009, including minor presentational issues, additional guidance in certain areas and a change to the deferred tax calculation methodology so that deferred tax is only provided where the recovery of an asset or settlement of a liability affects taxable profit.

An exposure draft in relation to deferred tax on property held at fair value was published on 10 September 2010, and from first reading it seems that these amendments will be relatively uncontroversial and unlikely to cause many significant issues for companies. Similarly, the points which were generally supported from the exposure draft in March 2009 are mainly helpful clarifications or changes in disclosure presentation and as such should be relatively straightforward to implement once revisions are eventually made.

This leaves the controversial area of the treatment of tax exposures or uncertain tax positions still outstanding pending completion of the IAS 37 project. The IASB website currently reports that a new standard to replace IAS 37 should be published in the first half of 2011.

Whatever the final position reached in relation to when a provision is needed and how that provision is measured, it seems almost certain that it will be considerably different from what we have now and that evaluating the impact will require significant effort. It also seems highly likely that any new standard will require many more disclosures about uncertain positions than is currently the case.

At least for the moment there are no other significant changes in the offing, however the IASB and FASB have left open the possibility that it 'may consider a fundamental review of the accounting for income taxes after 2011'.

Reporting tax positions in US

The rules in the US on reporting to the IRS items for which a provision (or reserve in US GAAP terms) has been made in any set of accounts is undoubtedly a new way of looking at tax reporting and creates an unprecedented link between the tax numbers in the accounts and specific disclosure requirements in the US tax return. The rules will be phased in over a five year period, starting with groups with assets over \$100 million.

Entities will be required to rank issues by size of provision made but they will not have to disclose the actual amount of any one provision. For each issue noted on the form, this will need to be supplemented by concise description of the issue.

It will be interesting to see whether any other tax jurisdictions follow the lead taken by the US and the experience of taxpayers as to whether this approach provides too much of a road map for tax authorities.

Measures of tax rate

Given the number of complexities that exist as a result of the way that IFRS and US GAAP deal with deferred tax, it is perhaps not surprising that a large number of multinational groups also have another measure of tax charge being an adjusted or underlying rate. The intention of this second measure is normally to strip out certain exceptional items and deferred tax movements which do not directly affect the underlying performance of the business. This often includes items such as the deferred tax consequences of amortisation of intangible assets acquired as part of a business combination.

Where such an adjusted or underlying rate is used, it is relevant to note that that rate tends to be the one that appears in earnings releases and is discussed in briefing calls that accompany the earnings release, while the effective rate calculated under the relevant GAAP is mainly of relevance to the consolidated financial statements.

Many organisations will have had to grapple with very difficult financial conditions over the last few years and effects of changing geographical mix of income and lower interest rates may well have changed the profile of the tax charge. It is also the case that there has been a noticeable change in the tax regimes applicable to entities over the last couple of years, take for example the UK changes to the corporation tax rate and capital allowances regimes.

Given this backdrop, it is likely that many people responsible for tax reporting will be regularly asked to forecast effective tax rates going forward several years based on different scenarios and growth rates.

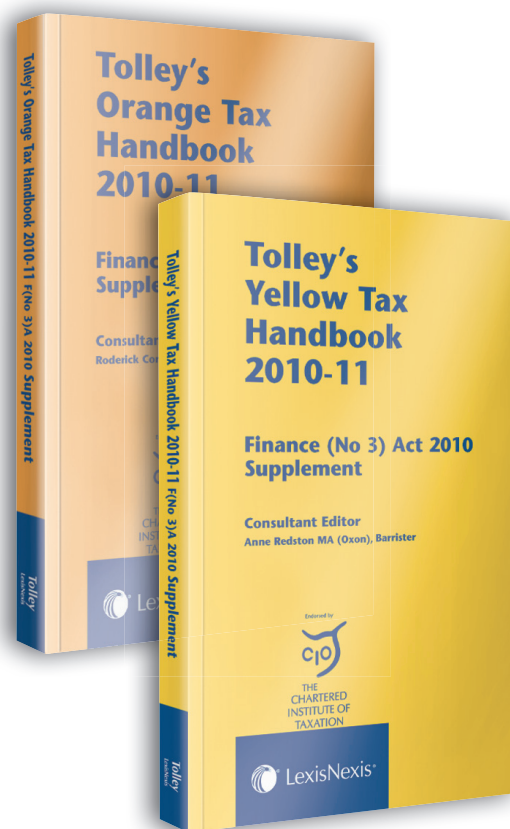
Over the next few years, it seems to me that many groups will have a volatile tax rate as the underlying earnings mix changes between jurisdictions with countries recovering from the recession at different paces, probable changes in foreign exchange rates, increasing interest rates impacting groups financing arrangements and also the impact of future tax deductions on share options and awards becoming more valuable as share prices rise.

Conclusion

In light of all the changes discussed above, it is unlikely that people responsible for tax reporting are going to be short of work in the foreseeable future. ■

Nick Watson is group tax reporting manager at Reed Elsevier.

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Publication Date: Approx. November 2010
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iXBRL solutions

The following reviews summarise the available corporation tax software and accounts production packages for each provider.

Absolute Accounting Software Ltd

Absolute Accounting Software was set up in January 2010 as a co-venture between developers who have been developing tax and accounting software since 1992. Headed up by Giles Mooney and Tim Good, their development partners include Forbes Computer Systems, KashFlow and AVN. Around 98% of their customers are small and medium-sized firms with 20 partners or fewer, and sole practitioners.

Absolute's products, which are launching in October, are fully integrated from client online bookkeeping through to the production of iXBRL-compliant accounts, computation and CT600 forms. The company received HMRC recognition for iXBRL-compliance in September 2010, and offers a five-year price freeze for all new customers, with no multi-user or network charges for this year.

The corporation tax software, Absolute Tax, is fully iXBRL-compliant and its user interface complies with the common user access standard. Forms and reports can also be saved in PDF format for archiving, or be attached to e-mails. Data can be migrated from another supplier's system and there is no charge for the service; and annual maintenance charges are included in the software price.

Absolute Accounts is the company's accounts production software, and can be integrated with both Absolute Tax and Absolute Bookkeeping. Absolute Accounts produces and submits iXBRL documents and supports the iXBRL taxonomies of both UK GAAP and IFRS. In addition, it boasts iXBRL functionality for sector-specific UK IFRS modules: banking, investment funds and companies in the oil, mining and gas industries are supported. Accounts for sole traders, partnerships and companies can be produced, while data can be entered via Excel schedules or imported from other sources, including from Forbes, Sage, Xero, KashFlow, Arithmo, VT Transaction, or migrated from competitors such as IRIS, PTP, Keytime and Digita.

The programs are supplied on CD and online, and evaluation copies can be downloaded from the company's website. A training manual is available in hard copy and online, while updates to the software are supplied online. A range of support is provided, including seminars and local or regional training programmes, telephone and online help desks, customer user groups, an e-mail bulletin service and an online knowledge base.

Contact Dave Frost, sales director

Address Absolute Accounting Software Ltd,
Commerce House, Telford Road, Bicester,
Oxfordshire OX26 4LD

Tel 01869 255796

Internet www.absolutetax.co.uk

Cost Absolute Tax – from £75; Absolute Accounts
– from £100

Rec spec Windows XP or later; Pentium III; 256 MB RAM;
250 MB hard disk space

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Acorah Software Products (TaxCalc)

Microsoft partner Acorah has been producing tax software for seven years, and their HMRC-recognised TaxCalc software won Best Tax Software at the Software Satisfaction Awards 2008 and 2009.

With around 4,000 firms using TaxCalc software – 70% being sole practitioners and practices with up to five partners, and 10% having 20 or more partners – the company have been busy with enhancements, releasing their CT XBRL filing functionality in TaxCalc Pro Suite and developing a Value Added module which enables accountants to provide additional client services.

The tax software has an annual charge – a firm that wishes to use the corporation tax software pays a flat fee of £150 per annum, which allows for unrestricted users and unlimited filing. The iXBRL filing facility and software updates are included free of charge and telephone and e-mail support is provided. The software contains the facility to attach third-party iXBRL files and provides links to HMRC's Help Pages. The software keeps an audit trail showing successful or failed electronic submission, and offers HMRC-compliant security using SSL protocol. It uses an XML database and reports can be exported to Excel. Data can be imported from other software suppliers free of charge.

In June 2010 a unique Excel to iXBRL conversion facility was launched, which was developed in conjunction with Arkk Solutions, and is priced based on the number of accounts that are converted. This facility enables accountants and businesses to be iXBRL-compliant while continuing to use Excel.

Software is supplied online and by CD, while automatic updates are supplied online. An evaluation copy can be downloaded via the website.

Due to customer demand an integrated suite is being developed over the next 12 months. The Hub is available

in November and is free to TaxCalc users (£100 for others) and will be the core system allowing tax, accounts and client management systems to be integrated.

Contact Anne Porter, brand director
Address Acorah Software Products, 4 King Street Lane, Winnersh, Berkshire RG41 5AS
Tel 0845 519 0882
E-mail anne.porter@taxcalc.com
Internet www.taxcalc.com
Cost CT Unlimited – £150; supplied as part of TaxCalc Pro Suite – £400
Rec spec Windows 98, NT4, 2000, XP, Vista or Windows 7; 512MB RAM; 100MB hard disk space

The company has two software packages – CT Solution and CT Solution Express, offering 30-day free trials of each on their website. CT Solution Express is aimed at sole practitioners, smaller practices and simple trading companies. Users see a one-page adjustment of profits computation plus automatic CT600 production and online filing. Sole practitioners make up 60% of BTCSoftware’s client base, while 30% are firms with up to five partners and 10% are company accountants.

The company has recently launched PM Solution, which brings CT Solution’s client data, activity and management within one database while providing task and file management facilities to manage the day-to-day affairs of busy practices.

The corporation tax software aims to be intuitive and simple to use, although online and telephone help is provided if needed. It can produce and submit CT600 forms in iXBRL format, and has been able to attach iXBRL accounts since November 2009. Electronic submission security complies with all HMRC Gateway protocols and a confirmation message is sent upon successful submission. The software will be updated in December to produce iXBRL-compliant tax computations and calculate R&D tax credits.

The software also provides links to HMRC help sites. Deferred tax calculations are fully automated and compliant under both FRS19 and IAS12. Reports can be exported to other applications such as Excel and saved in PDF format, and the software uses a single central Microsoft Access database. Data can be migrated from other systems. Updates are downloaded from the website.

BTCSoftware Ltd

BTCSoftware is a specialist independent business entirely focused on year-end compliance solutions for the SME practitioner and smaller corporates. Having produced tax software for ten years, their HMRC-recognised solutions link well to similarly independent providers such as VT Software as well as Sage and IRIS Accounts.

Corporation Tax Filing for April 2011

TaxCalc Professional provides Award Winning Software to over 4000 accountancy practices in the UK.

TaxCalc CT Unlimited is iXBRL ready and has passed HMRC’s recognition process. It features TaxCalc’s renowned ease of use and with unlimited online filing, is fantastic value for money.

To assist further with the changes to CT Filing in 2011, TaxCalc now also offers an Excel to iXBRL conversion service. The professionally designed template is converted in accordance with HMRC GAAP taxonomy.



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Alternatively contact our sales team on **0845 5190 883** for more information.



Contact Andrew Ross, sales
Address BTCSoftware Ltd, Lyndale House, 24 High Street, Addlestone, KT15 1TN
Tel 0800 612 7650 or 01932 840 572
E-mail sales@btcsoftware.co.uk
Internet www.btcsoftware.co.uk
Cost CT Solution – £225; CT Solution Express – £195; P11D – from £150
Rec spec Windows XP, Vista or Windows 7; Pentium 233MHz; 512MB RAM; 1.5GB hard disk space



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CCH has been providing comprehensive software solutions to the tax and accountancy profession for over 25 years. The software business has grown from the convergence of several companies over the years, and at any given time, CCH Software has more than 25 people supporting its products.

CCH offers a wide range of products aimed at companies and professional services firms, including their Corporation Tax Suite and an Accounts Production Suite, both of which can produce and submit iXBRL documents. The corporation tax software boasts a number of features to support any type and size of client, although for some organisations additional modules may have to be purchased. The company has taken the opportunity to add other enhancements to their Accounts Production software as well as iXBRL functionalities.

The Accounts Production software supports iXBRL taxonomies in UK GAAP while IFRS and its sector-specific modules (companies in the banking, investment and oil, mining and gas industries) are being released in stages. Updates are supplied online. As well as offering automatic iXBRL tagging, manual tags can be added using the new Review & Tag user interface. The software is designed to be simple to use, flexible, reliable, adaptable and secure. Accounts can be produced for a range of organisations, including for LLPs, pensions, charities, farms, trusts, probate and consolidated accounts as well as for sole traders, partnerships and limited companies. Users can either enter data into the software directly, or import from Excel files or third-party accounts providers.

Software is supplied both by CD and online, and a range of training and support is provided. Evaluation copies can be ordered by e-mail or phone.

Contact Sales administration
Address 145 London Road, Kingston-upon-Thames, Surrey KT2 6SR

Tel 0844 561 8181 Fax 020 8547 2638
E-mail cchsoftware@wolterskluwer.co.uk
Internet www.cch.co.uk/softwareproducts
Cost Prices on application
Rec spec Windows XP Pro SP2; Intel Dual Core; 2GB RAM; 15GB hard disk space (dependent on database size)



Drummohr Technology Ltd

A subsidiary of IRIS Software Group – the UK's largest privately held software company – Drummohr has been producing tax software for the past 16 years aimed mainly at small and medium-sized firms, including sole practitioners. Over 1,400 accountancy practices of varying sizes use Drummohr products, and the success rate of filing iXBRL tax computations is over 98%. The software is HMRC-recognised and carries the ISO 9001:2000 accreditation.

All tax product prices are on a per-computer basis and allow unlimited returns; additional licences and modules are available at a reduced price. All features are included in the standard costs of the software. Tax returns are filed via an HMRC secure server and a log file is created as an audit trail. Reports can still be saved to PDF format or sent by e-mail.

Several products are available. Drummohr Company Tax features the full Form CT600 and P11Ds, while Drummohr Tax Assistant deals with personal and partnership tax returns and the short form CT600 only. Discounts are available if purchased together.

The Drummohr CT Platform can import data directly from systems which use the standard name format such as VT, Sage and Eureka. Data can also be imported from Excel, IRIS Accounts Production and PTP Accounts Production. There is no separately branded Drummohr Accounts package – most customers tend to use PTP Accounts Production to produce iXBRL-compliant accounts.

Software is supplied online or by CD if requested, and there is no annual maintenance charge. Evaluation copies can be requested via the website. Free online and telephone support is provided, as well as training delivered locally, regionally, or on-site at customer premises – prices are available on request.

Contact Sales department
Address Drummohr Technology Ltd, Riding Court House, Riding Court Road, Datchet, Berkshire SL3 9JT
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Internet www.drummohr.com

Cost Drummohr Company Tax – £477; Drummohr Tax Assistant – £560; both bought together – £795; alternatively Drummohr Tax Assistant Bundle – £1,030

Rec spec 32-bit Windows XP, Vista or Windows 7; Intel Pentium/Core 2; for a workstation – 1.8GHz, 1GB RAM, 5GB hard disk space; for a server – 2.0GHz, 2GB RAM; 10GB hard disk space



Forbes Computer Systems Ltd

Forbes was the first software supplier to be accredited by HMRC for electronically filing iXBRL tax computations and accounts in November 2009. The company, which has been producing software since 1992, has around 1,400 customers consisting of small and medium-sized accountancy firms and the in-house tax departments of large PLCs.

ProTax CTSA is the company's standalone corporation tax software product, although it can also be available as a module for the ProTax combination, which combines corporation tax and personal tax capabilities. As well as electronically filing CT600s, computations and accounts to HMRC in iXBRL format, the easy-to-use software can also generate forms and reports that can be attached to e-mails or saved as PDFs for reference.

Forbes Accounts is the company's iXBRL-compliant accounts production software, which successfully filed iXBRL accounts with Companies House online in September. iXBRL tags are automatically added by the software under UK GAAP or IFRS as needed. UK IFRS taxonomies for banking, investment, oil, mining and gas companies are also supported. Accounts can be produced for sole traders, partnerships and trading companies, with a view to adding consolidated accounts production in the future. Data can be imported from other sources, such as from Sage, Xero, KashFlow, Arithmo, VT Transaction and Excel, as well as competitor migration of data from IRIS, PTP, Keytime and Digita. There is no charge for either maintenance or for migrating data from other systems.

The software is intended to be intuitive to use, however, telephone and e-mail helplines and online help screens are provided for users in case. Forbes usually holds an annual conference and training day in March, which is aimed at customers who want to get more out of the software, although Forbes is considering holding an extra one this autumn. Currently the company is looking to provide an integrated solution for its products. Mac versions are also being considered.

Contact Sales department

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Tel 01908 584674

Internet www.tax.co.uk

Cost ProTax CTSA (standalone product) – £195 plus VAT; supplied as part of ProTax Combination – £430 plus VAT; Forbes Accounts – £335 plus VAT

Rec spec Windows XP or later; Pentium III; 256 MB RAM; 250 MB hard disk space



ICPA Software Ltd

New to the market, ICPA Software Ltd is a joint venture between the ICPA (www.icpa.org.uk) and Diamond Discovery Software Ltd. The ICPA (Institute of Certified Practising Accountants) was set up to champion the cause of the accounting profession, particularly those not represented by the CCAB bodies, and will be launching easy-to-use, iXBRL-compliant accounts production software in November 2010 designed to meet the changing reporting requirements at a reasonable price.

The software package, Comprehensive Accounts, will produce and submit iXBRL accounts under UK GAAP for sole traders, partnerships and limited companies. Users can enter data into schedules within the software, which will be automatically tagged with iXBRL. Data can be imported from Diamond Discovery bookkeeping software and uses a single central Microsoft Visual FoxPro 9 database. The software and annual updates can be supplied either by CD, or through a secure web download, or internet-hosted. An evaluation copy can be downloaded from the website. The software comes with a manual; training courses, online and telephone help are also available.

ICPA is running a pre-launch discount of 15% fixed for the first three years with 75% deposit paid for their software. ICPA members are entitled to a special price on the package, and there is also a special price for a limited licence up to 50 client accounts – the unlimited licence has no limit on client numbers.

The whole development of the Comprehensive Accounts package was driven by the ICPA's members, having taken a number of calls about iXBRL. The body recognised a need for iXBRL accounts production or iXBRL conversion facilities. With the new software, accountants will be able to produce reports compliant with the Companies Act and FRSSE which can be easily filed electronically. The next development will be to add LLP accounts production capabilities.

Contact Tony Margaritelli

Address ICPA Software Ltd, 1a Standen Avenue, Hornchurch, Essex RM12 6AA

Tel 0800 074 2896

Internet www.comprehensivesoftware.co.uk



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- Company register
- Electronic filing
- Electronic incorporation
- Submission of XBRL accounts
- Integrated with accounts

Practice Management

- ClientBase
- Tempus time and fees

XBRL / iXBRL

- Forbes has been developing XBRL software since 2003.
- First XBRL accounts to Companies House December 2005.
- First XBRL computations to HMRC 2006.
- First iXBRL accounts and iXBRL computations to HMRC November 2009.

from http://www.hmrc.gov.uk/efiling/ctsoft_dev.htm

Supplier's Name	Produce submit CT600 *	& Produce iXBRL Accounts	Produce iXBRL Computations	Submit iXBRL documents **
...	Yes	No	Yes	No
Forbes	Yes	Yes	Yes	Yes
...	Yes	No	Yes	No

For more information or to download a demo visit

www.tax.co.uk

Cost Comprehensive Accounts – from £100 to £180 per annum

Rec spec Windows 7; IBM-compatible PC with 2GHz processor; 2GB RAM; 1GB hard disk space



IRIS Accountancy Practice Solutions

Part of IRIS Software Group, IRIS APS is a leading provider of software to the accountancy and tax profession. Accredited by the ICAEW and the ISO 9001:2000 quality assurance standard, the company serves around 6,000 UK accountancy practices of all sizes, including 40% of the country's top 50 firms. Over half of all third-party filed tax returns come from IRIS customers.

IRIS's products integrate completely with each other and can be purchased either as standalone or as part of a whole suite. They are built upon a single central Microsoft SQL database. IRIS Business Tax comes with an additional optional module, IRIS Non-Resident Company Returns, for SA700 forms. The April release of the business tax software is able to produce and securely submit the required iXBRL tax return documents as well as the wide range of capabilities already offered. It can take data directly from IRIS Accounts Production and IRIS OpenBooks (bookkeeping solution) as well as Sage, Excel and others. Since the release, IRIS's customers have successfully filed over 55,000 tax returns with iXBRL attachments.

An iXBRL-compliant release of IRIS Accounts Production will be launched in October. Accounts can be produced and filed under either UK GAAP or non sector-specific IFRS for a range of purposes, including for sole traders, partnerships, companies, charities, pension schemes, GPs and produce consolidated accounts. Data can either be entered into schedules within the software or via Excel, or imported from Exchequer or IRIS OpenBooks. While the software automatically applies iXBRL tags, manual tagging capabilities are also available.

A range of training and support is available for the software, as well as additional modules depending on users' individual needs. Data migration services from other suppliers' products are available for a fee. Software and updates are supplied online unless a CD version is requested, and evaluation copies are available through sales representatives.

Contact Sales department

Address IRIS Accountancy Practice Solutions, Riding Court House, Riding Court Road, Datchet, Berkshire SL3 9JT

Tel 0844 815 5555 (sales); 0844 815 5551 (support)

Internet www.iris.co.uk/accountancy

Cost Price on application

Rec spec 32-bit Windows XP, Vista or Windows 7; Intel Pentium/Core 2; for a workstation – 1.8GHz, 1GB RAM, 10GB hard disk space; for a server – 2.0GHz, 2GB RAM; 10GB hard disk space



Keytime

Keytime has been an independent supplier of accountancy software for over ten years. Serving largely the smaller firms and sole practitioners as well as financial advisers, they offer a range of practice compliance products developed and supported in-house, and are a distributor of Sage Pastel in the UK and Ireland.

iXBRL capabilities will be available from December 2010 for both Keytime Corporation Tax Professional and Keytime Accounts Production. Data can be imported from any other package with a standard name format, for example from VT Accounts and Sage Accounts Production, and client details are stored in a single central database using Microsoft Access 2000.

The corporation tax product provides context sensitive help and links to HMRC's website, as well as drop-down lists for easy tax categorisation. Fixed input statements collect all tax-sensitive data, and the software keeps an audit log of all changes with user timestamp. Computational reports conform to a standard format, and tax returns for the oil industry, unit trusts and OEICs can also be produced.

The accounts production software, as mentioned above, will soon automatically iXBRL-tag data under UK GAAP, and can produce accounts for sole traders, partnerships and companies. Users can enter data into schedules within software or Excel, or import them from CSV files or Sage Pastel.

Training, support and webinars are provided, and CPE points are available for training. The software (which can be test-driven via the website) is supplied either CD or online, and updates are available by CD or downloaded via the software. A user manual is supplied both online and in hard copy.

There is integration between the accounts production and the corporation tax software to allow relevant fields to be populated in the CT600 rather than re-keying data. The Keytime Accountants Suite offers a level of integration via the central hub in Client Manager.

Contact Sales department

Address Keytime, Pennine House, Denton Lane, Chadderton, Oldham OL9 8PU

Tel 0161 484 3500

E-mail sales@keytime.co.uk, or info@keytime.co.uk

Internet www.keytime.co.uk



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Cost Price bandings for Corporation Tax Professional and Accounts Production products as follows: £205 for 25 clients; £305 for 50 clients; £405 for unlimited clients

Rec spec Windows 7, Vista or XP; 1GHz upwards; 512MB or more RAM; 0.5GB or more hard disk space



PTP Software Ltd

The third brand within the IRIS Software Group is PTP, which is aimed at businesses of all sizes and counts over 5,500 accountancy practices as customers. All features are included in the standard costs of the ISO-accredited software, although there are some optional modules available. Prices are based on a site licence and then vary according to the number of returns being produced and how many machines the product is installed on. PTP software and updates (including an evaluation copy) can be supplied either online or, if requested, by DVD. Annual maintenance is included in the software price, although there is a charge for data migration to PTP products from competitors. As with IRIS's other brands, a range of training is provided with prices available on request.

The company's corporation tax product, PTP CT Platform, released their iXBRL-compliant version in April, and since then 40% of corporation tax filings have included iXBRL computations with a 97.5% success rate. As the PTP suite of products share products between them, the PTP CT Platform can obtain data directly from PTP Accounts Production, although it is also possible to take data from other packages such as Compac, VT, Eureka, PROacc Systems, Viztopia and Troika.

PTP Accounts Production will release an iXBRL-compliant version in October, which will allow for automatic and manual iXBRL-tagging of produced accounts. Users can enter data into the software or via Excel, or import data from Exchequer or IRIS OpenBooks (online bookkeeping application). Supported iXBRL taxonomies include UK GAAP and non sector-specific IFRS, while the software can produce and submit iXBRL-tagged accounts for sole traders, partnerships, companies, charities, pension schemes and GPs, as well as consolidated accounts.

Prices of PTP Accounts Production currently run from £125, but the iXBRL version due for release will cost from £95 and upwards.

Contact Sales department
Address PTP Software Ltd, Riding Court House, Riding Court Road, Datchet, Berkshire SL3 9JT
Tel 0844 815 5530

Internet www.ptpsoftware.co.uk

Cost PTP CT Platform – from £125; PTP Accounts Production – from £95 (from end of October)

Rec spec 32-bit Windows XP, Vista or Windows 7; Intel Pentium/Core 2; for a workstation – 1.8GHz, 1GB RAM, 10GB hard disk space; for a server – 2.0GHz, 2GB RAM; 10GB hard disk space

Quality Management Software Ltd

Quality Management Software is a small independent supplier which has been supplying tax software for 14 years. The company launched its first package, SA2000 (self-assessment software) in 1997 and launched its corporation tax software, CT600, two years later. Software is supplied either by CD or online and updates are supplied by e-mail. An evaluation copy can be downloaded from the website. The company supplies a hard-copy software manual and offers telephone support and online help.

QMS's CT600 software is fully iXBRL-compliant, being able to produce and submit iXBRL-tagged tax return forms and computations for trading companies and non-resident landlord companies. It is also able to calculate R&D credits, non-corporate distribution charges, expensive leased car restrictions and group relief. It uses a single central database in Microsoft Access. The product allows users to attach iXBRL-tagged accounts from external sources to electronically file alongside the tax return with HMRC. A standard HMRC audit trail and security are provided for electronic submission, and forms can either be saved to PDF format or sent by e-mail – those sent by e-mail are password-protected.

The company does not have a separate accounts software product, but has successfully introduced a simple company accounts template that users can enter accounts data directly into. This automatically tags data with iXBRL under UK GAAP and the UK Common Data Module (the taxonomy shared by UK GAAP and IFRS) and this can be used to produce and submit iXBRL-tagged accounts to HMRC. It can also embed tags in non-iXBRL accounts to convert them to an iXBRL file which can be submitted. Data can also be pulled in from packages such as VT Software.

Contact Andrew Bolton
Address QMS Ltd, 4 Huxley Close, Godalming, Surrey GU7 2AS
Tel 01483 429078
Internet www.sa2000.co.uk
Cost Prices on application
Rec spec PC with Windows operating system; 512 MB RAM; 20 MB hard disk space



RFA Ltd

RFA Ltd is a small software house producing its Pinnacle software, backed by expert support, since 1993. The company is also a licenced Oracle Database partner, and uses Oracle as a single central database for its fully integrated software solution. Pinnacle is aimed at tax professionals in small to medium-sized firms. The price of the software solution is based on the number of users rather than clients.

Software and updates can be supplied either by CD or online, and software updates automatically import all existing data. Software training can be supplied either online or offline, including at a customer's chosen premises for a fee. Telephone help and e-mail bulletins are also provided.

Pinnacle consists of a basic module for accounts and tax for sole traders and partnerships with optional additions of companies, practice management, bureau payroll and bookkeeping. This year, the company has added an integrated fixed asset register and trust taxation facilities. The corporation tax component does not use fixed input statements to collect tax-sensitive data, but can compute R&D credits, expensive leased car restrictions, non-corporate distributions, group relief, capital losses, investment company calculations and FRS19 tax reconciliations. Forms and reports can be attached to e-mails or archived as PDFs. The accounts component produces accounts for a whole range of trading vehicles – sole traders, partnerships, companies, trusts, doctors and investment syndicates. It can also produce consolidated accounts. Users enter data into the software schedules, but data can also be imported from Sage.

Pinnacle is due to be fully iXBRL-compliant from January 2011.

Contact	Roland Ford
Address	RFA Ltd, 146 Pinehurst Road, West Moors, Ferndown, Dorset BH22 0AT
Tel	01202 890899
Internet	www.pinnacleaccounts.co.uk
Cost	Pinnacle – from £400
Rec spec	PC with Windows or Linux operating system; 2 GB RAM; 6 GB hard disk space



Sage (UK) Ltd

The UK arm of the FTSE-listed Sage Group has been producing software for the past 12 years under the Sage brand, with its products being used by a wide range of UK companies and accountancy practices including Grant Thornton and Haines

Watts. The company's software solutions are ISO 9001-accredited and the prices include full software support and annual updates.

Sage's modular pricing for customers is based on the number of users and clients. Customers are asked to pay an initial fee up front, although first subsequent years' licence fees can be paid by direct debit, which allows customers to spread fees over ten years. Additional modules can be selected to deliver enhanced functionality and a broader range of compliance.

Sage Corporation Tax (powered by Abacus) is developed by Thomson Reuters for Sage. It uses Microsoft Access for Sage Tracker and Microsoft SQL databases, and like Sage's accounts software, new customers will receive the software by CD while existing customers have the option to download from the website. Updates are supplied in the same way. The software is comprehensive and highly versatile – being able to cope with many different types of vehicle and tax issue – and is able to produce and electronically submit iXBRL documents. The online filing success rate is high and stands around 99%.

The next releases of Sage's accounts production products will be able to produce and submit iXBRL accounts under UK GAAP. iXBRL capabilities for IFRS and sector-specific taxonomies are currently in the pipeline. Automatically tagged accounts can be produced for sole traders, partnerships, companies, charities, farms, doctors, clubs and pension schemes. Consolidated accounts can also be produced. The software allows for manual iXBRL tagging as well and data can be imported from Sage 50 and Sage 200. Sage is also releasing an accounts tagging product separate to the accounts production product.

Contact	Sales department
Address	Sage (UK) Ltd, Exchange Quay, Salford Quays, Manchester M5 3ED
Tel	0800 33 66 33
E-mail	usersales@sage.com
Internet	www.sage.co.uk/accountants
Cost	Sage Corporation Tax – from £592; Sage Instant Accounts Production – from £99; Sage Accounts Production – from £1,095; Sage Accounts Production Advanced – from £1,344
Rec spec	Windows XP Professional; IBM-compatible PC with 2GHz processor; 1GB RAM; 10 GB hard disk space

Tax Computer Systems Ltd

A leading supplier of corporation tax software in the UK and Ireland, Tax Computer System's flagship product Alphatax is used by 22 out of the top 25 accountancy firms along with 780 large corporates.

Alphalife is the company's corporation tax software designed specially for life companies, providing support for both life and

non-life computations during all phases of the compliance cycle, from streamlining data collection, producing the provisions, and the production (and management) of the computations and returns.

Alphatax is a powerful corporation tax software program with a vast range of functions to accommodate any type of trading vehicle, company, or corporation tax issue. As well as being able to produce and electronically submit iXBRL computations, it has a range of detailed compliance management and tax accounting capabilities (under either FRS 19 or IAS 12) and provides links to LexisNexis help sources. The accounts integration function allows mapping from any other accounts package, including from Excel and CSV files. Additional modules include accounts analysis, accounts integration, divisional consolidation, document management, group tax planning, tax accounting and advanced IFRS reporting.

Alphatax integrates with other accounting systems, and does not produce its own accounts production software. Instead, the company is releasing Alphatag, an iXBRL-tagging software for statutory accounts in other file formats.

Other products include the fixed asset tax management product, Alphacap, and two recently released data collection products: Alphapack, which automates and streamlines the process of collecting data from accounting sources using the latest web-based technology, and Alphatrac, a global tax management tool. With Alphapack, data is continuously sent over an encrypted connection, where it is then transmitted into the Alphatax computation for further work. Alphatrac shows all subsidiaries operating in different tax jurisdictions with different filing and payment requirements, making the group compliance process easier.

All products are ISO 20000-accredited and many training methods are available. Major software releases are distributed on CD twice a year; minor updates are downloaded online.

Contact	Sales team
Address	Tax Computer Systems Ltd, Centurion House, London Road, Staines TW18 4AX
Tel	01784 410 369 Fax 01784 410 335
Internet	www.taxcomputersystems.com
Cost	Price on application
Rec spec	Windows 2000 or later; Intel Pentium or equivalent; 256 MB RAM; 100 MB hard disk space



THOMSON REUTERS ABACUS

Thomson Reuters – Abacus

Formerly part of Deloitte, Abacus was acquired in 2009 by the Tax & Accounting business of Thomson Reuters, who are the

largest global supplier of tax and accounting software. The Abacus division is merging into the ONESOURCE brand during October 2010; its products will be integrated into the ONESOURCE global tax workstation.

As of 21 October 2010, Abacus Direct Tax Compliance will become ONESOURCE Corporate Tax, while Abacus Indirect Tax Compliance will become ONESOURCE Indirect Tax, and Abacus Enterprise Workflow/Backbone will become ONESOURCE Workflow Manager.

The product Identity W8/W9 is available now as ONESOURCE Tax Information Reporting, while Abacus Accounts Production will be re-released as ONESOURCE Accounts Production on 26 November 2010. The ONESOURCE iXBRL Conversion tool is also now available.

The ONESOURCE Corporate Tax UK solution will be able to produce and securely submit iXBRL-tagged documents: the software includes over 400 standard data input schedules in its main module covering all aspects of corporation tax.

It boasts a simple and intuitive user interface, automatic group relief calculations, functions to cope with any type of trading vehicle or company, tax accounting compliance with FRS 19 and IAS 12, and can import data from SAP, Oracle and Peoplesoft. Reports can also be saved to PDF or sent by e-mail for reference.

ONESOURCE Accounts Production will be able to import data from many external bookkeeping and accounts solutions. It will automatically apply iXBRL tags to accounts produced, but will also allow manual iXBRL-tagging for those items not included in standard formats. It is able to produce accounts for a variety of companies and trading vehicles – including for charities and pension funds – as well as consolidated accounts.

Training, which can be provided locally, regionally or onsite, comes with a fee – as do annual maintenance and data migration services – but other support carries no extra charge. Software and updates are provided either by CD or online and evaluation copies are available from the sales manager.

Contact	Richard Sampson, sales manager
Address	Thomson Reuters, Monmouth House, 58-64 City Road, London EC1Y 2AL
Tel	020 7375 6768
E-mail	richard.sampson@thomsonreuters.com
Internet	http://thomsonreuters.com/products_services/ taxacct/united_kingdom/about_abacus/
Cost	Price on application
Rec spec	Windows XP SP3 or later; 1GHz processor; 1 GB RAM; 5 GB hard disk space



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Thomson Reuters – Digita

Digita is part of the tax and accounting business of Thomson Reuters. It is the only supplier to win the LexisNexis Best Tax Software award three times, and is a finalist in the 2010 award for innovation. All of Digita's software products have been certified by Microsoft for use with various versions of Windows, and are ICAEW-accredited. Digita provides solutions to tax professionals, accountants and company secretaries in all types of practice, as well as FTSE-listed companies and lawyers.

Digita has recently released the iXBRL-enhanced corporation tax solution, Digita Corporation Tax, as well as Digita iXBRL Conversion, which is their iXBRL-tagging tool for accounts produced in Word. The new version of Digita Corporation Tax boasts many functions as well as producing and electronically filing iXBRL computations and CT600s; it can submit the iXBRL accounts produced by Digita Accounts Production. The software allows for batch filing of forms and computations to the HMRC gateway, which can be programmed to run at specific times. The submission progress automatically updates the event and date tracking system. Digita plans to add multiple trade functionality and enhanced reporting in the new year.

Digita Accounts Production is an easy-to-use, fully featured accounts production solution. Users can enter data directly into the program, although trial balances and transactional data can also be imported from Caseware, Eureka, Excel, ProAcc, Sage SAP and SAPA, Viztopia, VT and IRIS Accounts Production. The iXBRL version is due for release in November 2010 and supports both the UK GAAP and non sector-specific IFRS taxonomies. Tags are applied either automatically or manually for those items not included in standard formats; and accounts can be produced for charities and pension funds as well as for sole traders, partnerships, companies, or as consolidated accounts.

Software and updates are available on CD, with smaller releases downloadable online. A range of training and support is provided, and a full data migration service is available from the most popular competitor products at an additional charge.

Contact Dermot Hamblin, head of sales
Address Thomson Reuters – Digita, Liverton Business Park, Exmouth, EX8 2NR
Tel 01395 270311
Internet www.digita.com
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Getting down to business

JERRY RIHLL says it is time for accountants in practice to take action on iXBRL.

There are now just five months to go until the introduction of iXBRL, one of the greatest changes to impact the profession since the introduction of self assessment. Over the past two decades, HMRC has been moving towards a world of electronic data exchange to allow for more efficient and accurate processing of large volumes of information.

The change is that all corporation tax returns submitted after 31 March 2011 must be filed online through the government gateway using XBRL, which stands for eXtensible Business Reporting Language. In particular, HMRC will require all returns to be filed in iXBRL, i.e. inline XBRL format, which is a derivative of XBRL. Paper filing will become obsolete after 31 March 2011 and from this date companies will also be required to make their corporation tax and related payments electronically.

XBRL is a computer-readable data standard for financial reporting statements. It is approximately ten years old, based on XML, and is like a 'bar code' for financial information in that it uses defined 'tags' to describe such information.

iXBRL is HMRC's strategic solution for accounts and corporation tax computations. It enables a single document to combine both human-readable information and computer-readable data, and preserves all presentation, branding and terminology, so HMRC see exactly what companies and agents send. The driver for the iXBRL requirement is to allow HMRC to process the information without re-keying and is intended to ease the process of preparing corporate tax filing by generating greater efficiencies in-house as well as easier compliance. According to HMRC, there are approximately two million live registered companies and almost 93% of the 424,912 company tax returns received online in 2009/10 were filed through an agent.

This major development demands the attention of all those involved.

The challenge

Anyone submitting statutory corporation tax returns, computations and the associated accounts will need to review their methods, identify the right approach for going online and ensure they have the right iXBRL software product or service to support their chosen strategy. Every practice is unique and the extent of the problem will depend on the make-up of the client base, impacting more heavily on those who produce accounts on behalf of their clients.



With 85.2% of all returns filed using commercial software, the introduction of the new compliance regime means that practices will need to re-evaluate their software and implement an iXBRL strategy well ahead of the deadline. This challenge comes at a time when accountants are already feeling the pinch from the economic slow-down and there is mounting evidence to suggest that many are adopting a 'wait and see' approach. This is dangerous as HMRC has made it clear the deadline is immovable. Although specialist accounts production and corporation tax software will deal with most of the day-to-day work, there will be exceptions where manual tagging is required, for example where statutory accounts are provided in Word or Excel.

Practitioners will have to assess what percentage of statutory accounts will need to be manually tagged in iXBRL and how this will be done. iXBRL tags will come from the relevant taxonomies; while a minimum tagging list will be introduced for next year, the full list for statutory accounts (UK GAAP and UK IFRS) will be implemented in 2013, although reduced tagging for computations will continue indefinitely with the only changes to reflect new legislation. The UK Common Data taxonomy includes a full tagging list of 1,028 items and will be used from 2011, while the corporation tax computation taxonomy spans 4,164 items. The UK GAAP taxonomy will eventually include a full tagging list of 5,292 items plus some for charities' accounts, and UK IFRS will include a full list of 3,820 plus sector-specific IFRS modules for banks, insurance companies and extractive industries (e.g. oil, mining and gas companies).

Items used in accounts or computations must be tagged if they appear on the minimum tagging list and practitioners are being given the choice of tagging items that appear in the full tagging list. This is likely to be a time-consuming task and it will have to be completed by an accountant rather than an IT person. Early estimates suggest that a senior accounts clerk could take up to a day to manually tag just one set of accounts.

Conversion tools

It is clear that a short-term fix in the form of a conversion tool will be an attractive option to some practitioners when faced with the laborious task of manually tagging each set of accounts produced off system or produced using non-standard templates within accounts production software.

The purchase of a conversion tool should be approached in the same way as if making a major investment in accountancy software. The introduction of iXBRL has brought with it a flood of new entrants to the market and conversion tools vary enormously in terms of functionality and after-sales support. You may want to consider the developer's background and experience; in some cases, the software tool will be based solely on foreign experience and it is highly unlikely that there will be many parallels with the UK regime. Implications for the organisation will also need to be thought about – someone will have to get up to speed with how the software works and then train all those likely to use the tool.

If you are thinking of using an online service, it is a good idea to check where your data is being held and to read the small print of the service level agreement carefully. Look for a conversion tool with intelligence, one that has been developed by UK professionals with knowledge of the UK taxonomy and HMRC filing procedures, and aim to find one that stores data and carries it forward for future years. It is also wise to look at the terms of the supplier's contract to make sure it provides the flexibility to review your firm's iXBRL strategy and to change tack if you no longer feel a short-term fix is working.

Integrated solutions

The longer-term and most efficient option is a fully integrated end-to-end solution capable of dealing with the full tagging requirements in 2013. The sheer efficiency of automatic data exchange in an integrated accounts production and corporation tax system will reduce iXBRL associated costs and provide a positive return on investment within two to three years.

In practice, this means that the accounts production system will create the statutory accounts and post the information into the corporate tax compliance system ready for tax adjustments, and the finalised corporate tax submission will then electronically file the iXBRL-compliant CT600, tax computation and statutory accounts with HMRC.

The benefits of integration are well documented in terms of efficiency gains and increased productivity and, as with the introduction of any new regime, automation will significantly reduce the cost of compliance.

Other solutions

Accountants also have the option of using HMRC's own filing software provided free from its website. It is suitable for companies with less complex tax affairs.

The decision will depend very much on the client base. For practices dealing with straightforward limited companies, the

software may provide a workable solution to iXBRL. If, however, the client base comprises a large number of corporate clients, the solution becomes less attractive.

Those who decide they are going to use the introduction of iXBRL as an opportunity to make the accounts preparation process more efficient and invest in an end-to-end automated solution, should consult the HMRC website to find out which specialist software developers have had their corporation tax and accounts production systems recognised. HMRC's 'recognition' process is based on three sets of standard accounts and corporation tax computations provided as a test to developers, who then use their product to produce and submit iXBRL versions. HMRC then reviews these to ensure completeness.

Some accountants will adopt temporary measures and outsource the tagging to a third party who is responsible for applying the appropriate tags for filing. For those that take this option, here are four key checks to remember:

- check the firm's professional indemnity cover and ensure that the firm is adequately protected;
- make sure you ask what software is being used and that you are happy with it;
- find out if the company understands accounts and XBRL's complex requirements; and
- decide who has the ultimate sign off.

Time to take action

Many accountants are nervous about the impact the new regime will have on their working practices. This is understandable, but iXBRL should also be seen as an opportunity.

The next year will require patience and a concerted effort by the profession to learn to assign tags correctly, and review and test submissions in plenty of time before the deadline. The good news is that HMRC has announced a two-year soft landing period to iron out any problems.

Time is short, so action needs to be taken now. Firms need to consider the extent to which iXBRL compliance will change their day-to-day processes. It is a good idea to select a member of the team who can take responsibility for iXBRL and devise an iXBRL strategy which needs to be communicated with clients. In devising a strategy, firms should identify the changes needed and implement a project management plan. If any training is required, this will need to be booked to run ahead of the main tax season.

From this, software needs can be evaluated. Talk to software developers and look at the options available – this is a golden opportunity to switch if you are unhappy with your current supplier.

Today, the world of tax and accounting is experiencing a major shift and we can all be part of it, benefiting from technological innovations that give us the ability to become more proficient and strengthen the foundation for future growth. ■

Jerry Rihl is the managing director of Digita and head of the accounting firm market for the Tax & Accounting business of Thomson Reuters.

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