

# UK Digital Reporting Quality Review 2025/26

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- Financial Reporting Council
- Member of XBRL UK

# Introduction to the Financial Reporting Council (FRC)

The Financial Reporting Council regulates auditors, accountants and actuaries. We set the UK's Accounting and Auditing Standards and the Corporate Governance and Stewardship Codes. We promote transparency and integrity in business. Our work is aimed at investors and others who rely on company reports, audit and high-quality risk management

The purpose of the FRC is to serve the public interest and support UK economic growth by upholding high standards of corporate governance, corporate reporting, audit and actuarial work

We enable digital reporting by setting the UK XBRL Taxonomies which provides the public with the data that supports transparency and decision making and we help the public access and use the data

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# Digital Reporting Scope

## **Who?**

The requirements apply to issuers with transferable securities admitted to trading on UK regulated markets. In the UK there are six regulated markets

## **What?**

- All in-scope issuers are required to publish their Annual Financial Reports in XHTML, replacing the current PDF format. XHTML is a human-readable format that looks like a web page and can be opened with any standard web browser
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# Digital Reporting Scope

## What?

- In-scope issuers who prepare consolidated financial statements in accordance with IFRS Standards (i.e. most companies) are also required to mark up those financial statements using tags from a permitted core taxonomy.
- In-scope issuers who only prepare individual financial statements, for example many investment companies, are only required to prepare their annual financial reports in XHTML (without tags)

578 tagged files

347 untagged files

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# Scope of work

- In 2025 the FRC introduced a new approach to the review of annual report tagging for those companies that filed to the FCA NSM in XBRL
  - The Digital Reporting and Taxonomies team (DRT) selected a sample of 25 files from the Corporate Reporting Review (CRR) annual sample and reviewed the tagging of these alongside the CRR review
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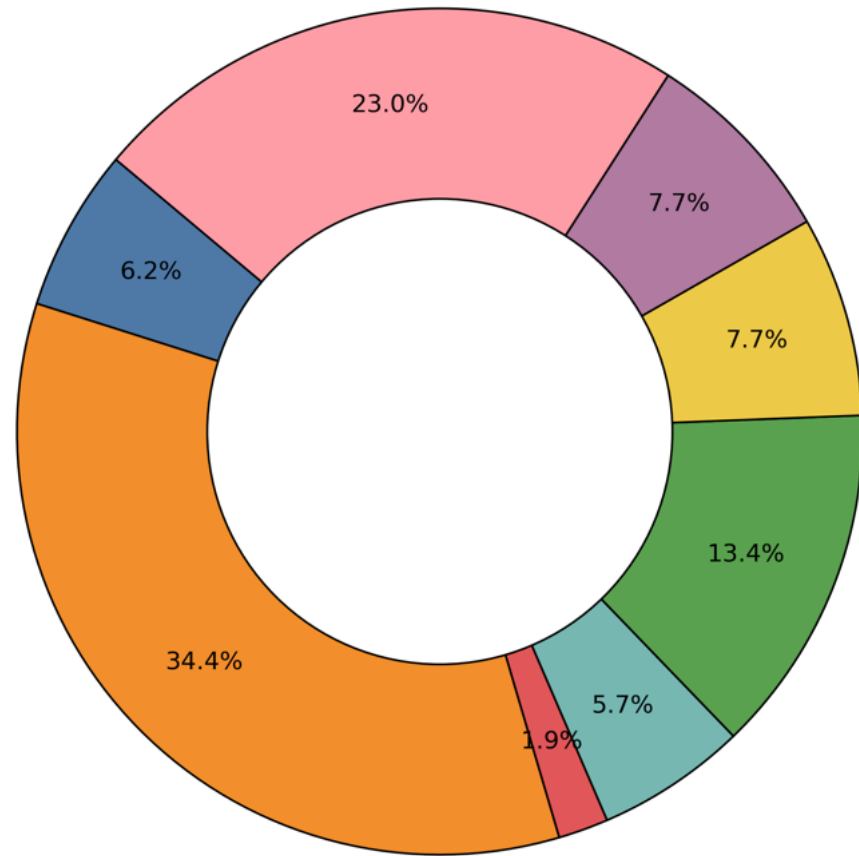
# Scope of work

- Files were selected to include a range of year ends, sizes of company and audit firms
  - All files undergo a structured validation process, complemented by broader monitoring activities. This approach captures outcomes from both automated checks and direct engagement with reporting entities, ensuring alignment with ESMA expectations
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# Scope of work

- Files were reviewed for technical compliance as well as review of judgements made around the selection of tags, the completeness of tagging and the use of extensions
  - In addition to the specific review work the DRT team undertook detailed engagement focused on missing annual reports. As part of this work, we contacted seven firms
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# Summary of Findings

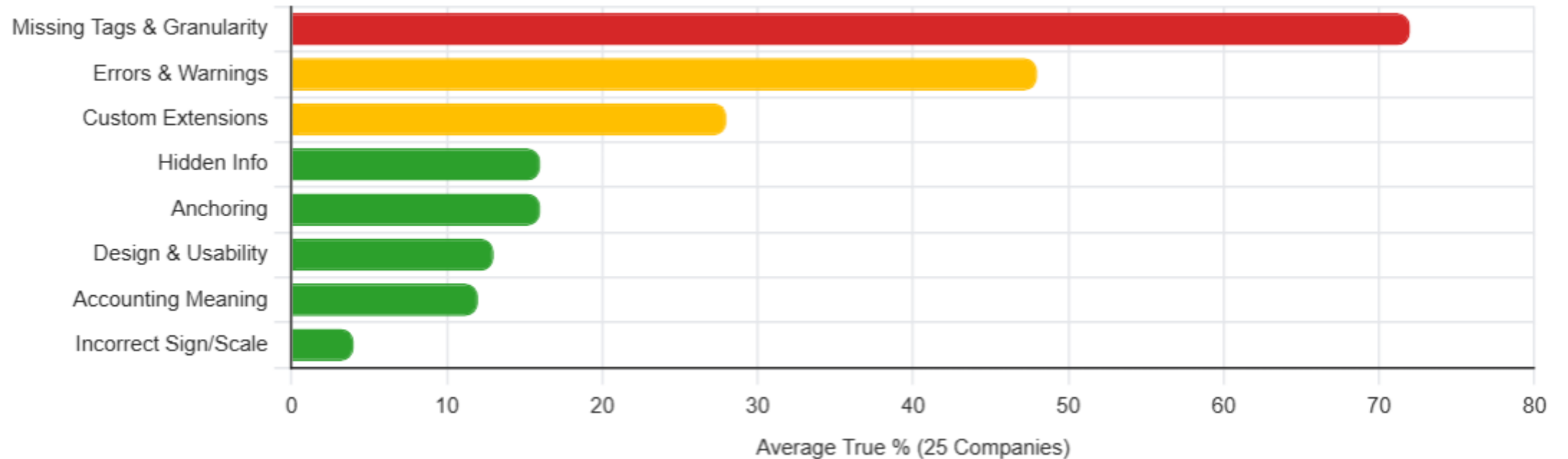


## Categories

- Design & Usability
- Missing Tags & Granularity
- Incorrect Sign/Scale
- Accounting Meaning
- Custom Extensions
- Anchoring
- Hidden Info
- Errors & Warnings

# Summary of Findings

- % of review points for the 25 companies selected



# Inconsistent Tagging

## Key points

- Whether all relevant disclosures are tagged
- Use of **multi-tagging** where disclosures map to multiple taxonomy elements

## Issue:

- Disclosures not fully tagged
  - Single high-level tags used instead of multiple detailed tags
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# Inconsistent Tagging

## Impact:

- Reduced comparability and completeness

## Examples

- Adjusted/operating profit disclosures missing thematic tags
- Single block tagging applied where multiple tags required
- Missing tags across revenue, FX, financial instruments

## Recommendation:

- Apply multiple (nested) tags where needed
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# Accounting Meaning

## Key points

- Whether taxonomy elements reflect the **correct accounting meaning**
- Use of **relevant accounting standards and cross-references**

## Issue:

- Tags selected based on wording, not accounting substance
  - Inconsistent tagging within same report
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# Accounting Meaning

## Impact:

- Misinterpretation and reduced trust

## Examples

- Incorrect use of “Cash and cash equivalents if different from statement of financial position” tag
- Remuneration reports tagged as employee benefits
- Goodwill incorrectly grouped with 'Intangible assets other than goodwill'

## Recommendation:

- Select tags based on accounting definition and context
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# Use of Custom Extensions

## Key points

- Avoidance of duplicating existing taxonomy elements
- Use of broader taxonomy elements where appropriate

## Issue:

- Custom tags created unnecessarily
  - Standard tags ignored
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# Use of Custom Extensions

## Impact:

- Fragmented, less comparable data

## Examples

- Management fees vs standard 'Portfolio and other management fee income' tag
- Equity movements using bespoke tags for example 'Exercise options increase in equity'
- Cash flow items unnecessarily extended

## Recommendation:

- Use standard taxonomy wherever possible
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# Anchoring of Extensions

## **Key points**

- Anchoring wider/narrower extensions to broader base elements
- Anchoring combined extensions to relevant taxonomy elements

## Issue:

- Extensions anchored to broad or incorrect concepts
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# Anchoring of Extensions

## Impact:

- Reduced analytical value of structured data

## Recommendations:

- Anchor to most specific IFRS concept available
  - Avoid generic or weak mappings
  - Prioritise accounting meaning over convenience
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# Incorrect Sign or Scale

## Key points

- Correct application of scaling attributes
- Proper use of positive/negative signs
- Consistency of units of measurement

## Issue:

- Incorrect scaling (e.g. £ vs pence)
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# Incorrect Sign or Scale

Impact:

- Material distortion in extracted data

Example

- **Earnings Per Share (EPS)**

Recommendation:

- Review scaling separately from other figures
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# Design and Usability

## Key points

- Availability of XBRL files on company websites
- Consistency between XBRL and PDF versions of financial statements
- Quality and usability of the HTML rendering layer

## Issue:

- Reports not easily accessible or viewer-friendly
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# Design and Usability - Website Availability and Accessibility

## Impact:

- Reduced usability for investors and AI tools

## Recommendation:

- Publish iXBRL/XHTML with viewer on website
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# Errors and Warnings

## Key points

- Presence of errors or warnings when accessing filings
- Indicators of technical or validation issues

## Issue:

- Validation errors ignored
  - Warnings not investigated
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# Errors and Warnings

## Impact:

- Lower data quality and filing risks

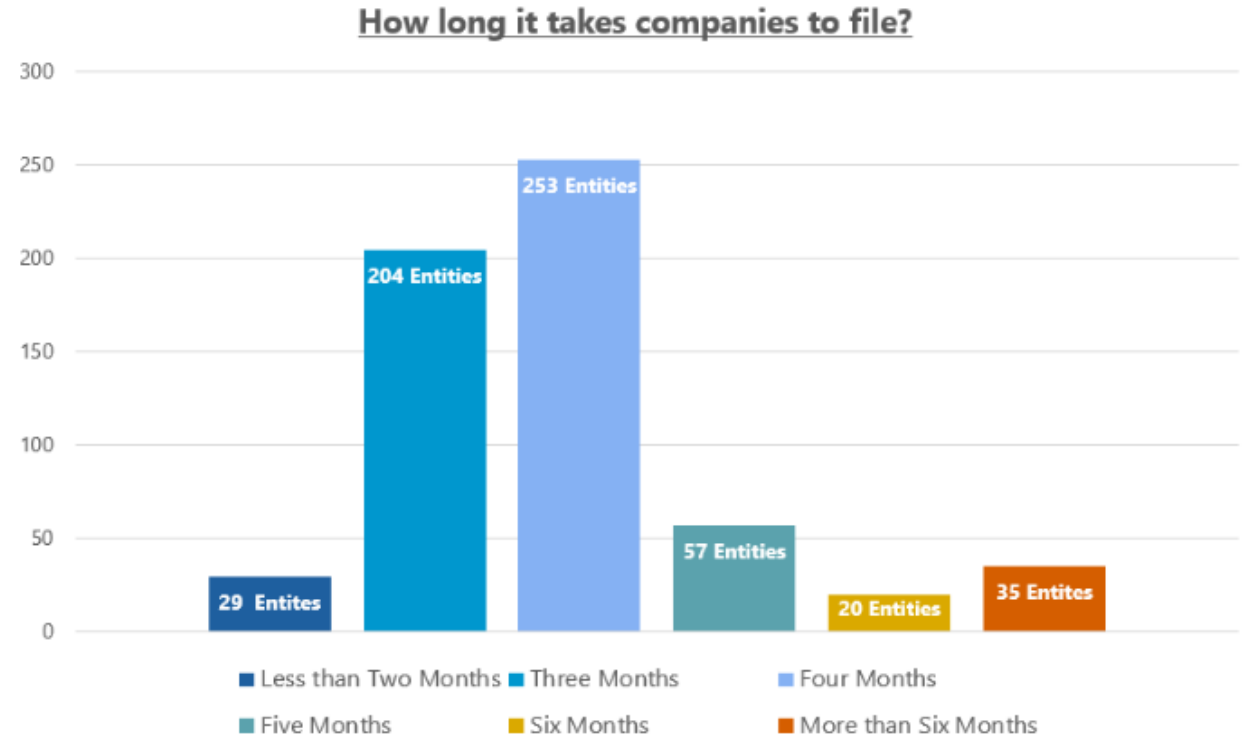
## Recommendation:

- Embed validation review into process
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# Filing Process and Timeliness Issues

Issue:

- Late filings (~10%)
- Missing NSM publications



# Filing Process and Timeliness Issues

## Impact:

- Compliance risk and data disruption

## Recommendation:

- Verify post-submission publication on NSM
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# UK-Specific Tagging

## Key points

- Incorrect mandatory tags

Issue:

Incorrect or missing mandatory UKSEF tags

Impact:

- Reduced accuracy and future rejection risk

Recommendation:

- Apply correct group vs parent tags using FRC/UKSEF guidance
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# Key Messages

- Overall improvements needed as Consistency is critical
  - Stronger tagging discipline as poor tagging reduces value
  - Better alignment with accounting meaning
  - Reduced reliance on extensions
  - Improved review and validation processes
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# Next Steps

- We will begin the review of the 2026 reporting cycle with a plan to increase the mainline review program to 30 files
  - We will include 'Software used' as part of the selection criteria
  - We will continue to undertake targeted outreach on key quality issues
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# Publications and Education material

- Summary of overall findings have been released on 20<sup>th</sup> May 2026

## Introduction to the Digital Reporting Education resource centre

🕒 1 MINUTE READ

### Welcome

Welcome to the FRC's Digital Reporting Education resource centre, a collection of videos, webpages, and examples to support you, wherever you are, on your digital reporting journey.

Digital reporting is transforming how financial information is prepared, shared, and used. Digital reporting is enabled in a language known as Extensible Business Reporting Language (or **XBRL** for short).

This resource centre has been designed to help you understand what digital reporting using XBRL is, why it matters, and how to make it work for you.



#### On this page

- [Welcome](#)
- [What's in the resource centre?](#)
- [Next steps](#)

#### Topics

[Technology & Digital](#)

## What's in the resource centre?

The resources brings together:

- [An introduction to XBRL digital reporting](#)
  - [What is digital reporting?](#)
  - [What is XBRL?](#)
  - [What does a digital report look like?](#)
  - [Roles in the digital reporting process](#)
- [How to Prepare and Implement digital reports](#)
  - [Understand the requirements](#)
  - [Understand the taxonomy](#)
  - [Get started with tagging](#)
- [How to Check and Validate digital reports](#)
  - [Checking your Digital Report](#)
  - [Validating your Digital Report](#)
- [How to Access and Interpret the data from digital reports](#)
  - [Find out more about how the FRC use XBRL](#)
  - [UK iXBRL Viewer](#)
  - [Video Demo of Digital Reporting Viewer](#)
  - [Listen to our podcast on transforming access to company data](#)
  - [Reuse our Code](#)
- [What Guides and Support is available to you](#)
  - [About the FRC Taxonomies Project](#)
  - [FRC Taxonomies Documentation and Guidance](#)
  - [Current FRC Taxonomies Suites](#)
  - [XBRL Glossary](#)
  - [A collection XBRL related videos](#)

# Questions?



# Find out more

- Animations
- Videos
- Web Material
- Guides
- Quality Review Insights
- Latest Taxonomy

Find out more at

[www.frc.org.uk/XBRL](http://www.frc.org.uk/XBRL)



## Where can I find out more?

The FRC has some material on our website and if you have any questions, contact the FRC Taxonomies Team at [xbrl@frc.org.uk](mailto:xbrl@frc.org.uk).



Financial Reporting Council