

Declan Murphy ACA
O'Neill Foley Accountants

FRS 102 and IXBRL

FRS 102

- ▶ Where we are now
- ▶ Where we are going
- ▶ What needs to be done and when

IXBRL

- ▶ What is IXBRL
- ▶ When & why is it being introduced
- ▶ Preparing for it's introduction

Accounting Standards - Where we are at now

Current Framework

- Financial Reporting Standards (FRS's) - 28 in total
- Statements of Standard Accounting Practices (SSAP's) - 8 remaining
- Urgent Issues Task Forces Abstracts (UITF's) - 31 in total

Where we are now

Current Regime

IFRS

Existing Irish & UK GAAP Financial Reporting Standards

FRSSE (Small Companies)

New Regime (Options)

IFRS (EU) *No change*

- Voluntary adoption of IFRS (EU)
- Voluntary adoption of FRS 101 (For IFRS companies)
For individual accounts of qualifying entities
- FRS 102

FRSSE *Currently being redrafted*

Where we are going

New Irish GAAP

- ❑ FRS 100 - “Application of Financial Reporting Requirements”
- ❑ FRS 101 - “Reduced Disclosure Framework”
- ❑ FRS 102 - “The financial Reporting Standard Applicable in the UK and Republic of Ireland”

Where we are going

Current Regime (Irish & UK GAAP)

FRS's - 28 in total

SSAP's - 9 remaining

UITF's - 31 in total

Almost 3,000 pages in total

New Regime (adopting new Irish & UK GAAP)

FRS 100 - 13 Pages

FRS 101 - 10 pages

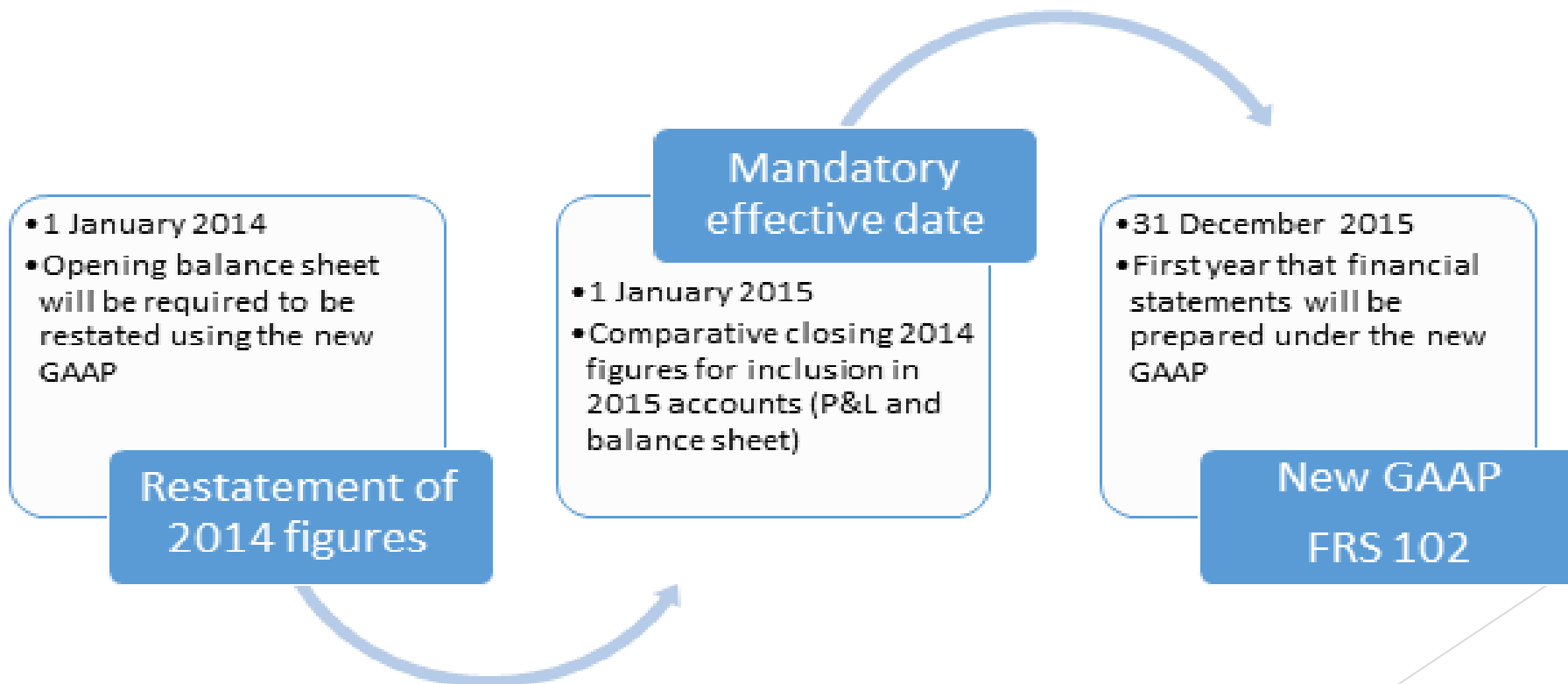
FRS 102 - 226 pages (35 sections)

Almost 300 pages in total

Expected benefits of FRS 102

- ▶ Single standard addressing all areas of accounting
- ▶ Common Accounting language
- ▶ Simpler, shorter and clearer than current Irish GAAP
- ▶ Consistent in terms of principles with pragmatic solutions
- ▶ Broadly consistent with IFRS

What needs to be done and when



Format changes under FRS 102

Current Regime (Irish & UK GAAP)	New Regime (adopting new Irish & UK GAAP)
Profit & loss account	Income Statement
Statement of total recognised gains and Losses ('STRGL')	Statement of comprehensive income. May be combined with income statement to show single statement of comprehensive income
Note of historical profits and losses	No equivalent
Shareholders funds (presented as either a primary statement or a note)	Statement of changes in equity. May be combined with statement of comprehensive income as a statement of income and retained earnings
Balance Sheet	Statement of Financial Position
Cashflow statement - 'small company exemption'	Statement of cashflows- exemption only available to qualifying entities.

What is IXBRL

XBRL (eXtensible Business Report Language) is a language that allows presentation of financial reporting information in a computer readable format

IXBRL is a more recent version of the language which allows human friendly presentation of XBRL documents

When is it being introduced



Stage 2 exemption criteria

- ▶ Balance sheet < €4.4m
- ▶ Turnover < €8.8m
- ▶ Average no. of employees < 50 employees

All criteria must be satisfied!

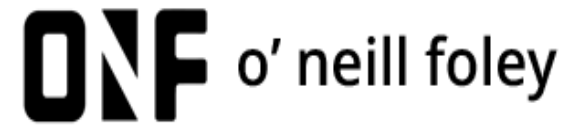
Why it is being introduced

Benefits (suggested by Revenue)

- Fast & accurate data sharing
- Better service turnaround
- Better risk focus

Reality (Tax agent/client's perspective)

- Increased compliance costs
- Training required
- More data available to Revenue for analysing



Delivering expertise
since 1958

Thank you for your time

Contact Details:

Declan Murphy

Email: dmurphy@onf.ie

Phone: 056-7721157

Website: www.onf.ie