

XBRL – DIGITAL FORMAT FOR FINANCIAL REPORTING

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Abstract:

The European Securities and Markets Authority (ESMA) has recently published Feedback Statement on the Consultation Paper on the Regulatory Technical Standard on the European Single Electronic Format. ESMA came to the conclusion that Inline XBRL would be the most appropriate technology for issuers to present their annual financial reports in the European Union from 1 January 2020. This decision once again draws attention to the problem of digital reporting and its potential technical format.

The aim of the research is to:

- present the main idea and features of XBRL - Extensible Business Reporting Language,
- summarize potential costs and benefits attributed to the use of XBRL in the light of previous research,
- enumerate the most common concerns about potential conflicts between digital reporting and the current model of principle based reporting under International Financial Reporting Standards,
- discuss possible effects of the use of the digital format on the comparability and quality of financial statements.

Keywords: XBRL, extensible business reporting language, financial reporting, digital reporting