

Meeting note—IFRS® Taxonomy Consultative Group

The IFRS Taxonomy Consultative Group (ITCG) held a videoconference on 28 July 2020.

This note has been prepared by the International Accounting Standards Board's technical staff (staff) and summarises the ITCG's discussions. Related papers and recordings of the meeting are available on the [meeting page](#).

The ITCG discussed:

- IFRS Taxonomy content—tagging comparative information reported in accordance with a superseded IFRS Standard (paragraphs 1–10); and
- technical updates to the IFRS Taxonomy (paragraphs 11–14).

IFRS Taxonomy content—tagging comparative information reported in accordance with a superseded IFRS Standard

How to tag comparative information reported in accordance with a superseded IFRS Standard

- 1 Some IFRS Standards permit or require an entity not to restate comparative information when a new Standard becomes effective. In such cases—where comparative information is reported in accordance with the superseded Standard—most ITCG members supported Option 2, that is, to delay deprecation and, therefore, retain the elements of a superseded IFRS Standard in the IFRS Taxonomy for a two year period after the new IFRS Standard becomes effective.
- 2 One ITCG member suggested that deprecation of the elements of a superseded IFRS Standard in the IFRS Taxonomy should be delayed for three years instead of two years because some entities disclose two years of comparative information. The staff replied that, under Option 2, elements of a superseded IFRS Standard would be retained for a further two years after a new IFRS Standard became effective. For example, assuming that Option 2 is followed, when IFRS 17 *Insurance Contracts* becomes effective from 1 January 2023, the staff will retain elements of IFRS 4 *Insurance Contracts* (the superseded IFRS Standard) in the IFRS Taxonomy until 1 January 2026, and deprecate

them in the annual IFRS Taxonomy 2026. Therefore, under Option 2, an entity that discloses two years of comparative information will be able to use elements of superseded IFRS Standards.

- 3 One ITCG member commented that Option 2 is consistent with the requirements of those IFRS Standards that permit or require the use of a superseded IFRS Standard for comparative information at the time the new (or amended) IFRS Standard becomes effective. The member commented Option 1 is unsuitable because deprecated elements are not meant to be used for tagging.
- 4 Other ITCG members agreed with Option 2 because:
 - a. listed companies are not permitted to use deprecated elements, according to rule 6.5.42 of the Electronic Data Gathering, Analysis and Retrieval system's filing manual published by the US Securities and Exchange Commission; and
 - b. the European Single Electronic Format (ESEF) does not include the deprecated entry points in the Taxonomy approved for use. Moreover, under ESEF's requirements, issuers cannot mix two versions of the IFRS Taxonomy in the same filing.
- 5 Two ITCG members disagreed with Option 1 because, they said, it would require the simultaneous use of two IFRS Taxonomy versions in one filing, which some software may not be able to process.
- 6 One ITCG member agreed with using Option 1 because, under Option 2, the IFRS Taxonomy would contain elements from superseded IFRS Standards. Therefore, it would no longer be fully aligned with the issued IFRS Standards.
- 7 One ITCG member suggested that the staff should use IFRS formulas to discourage filers of financial statements prepared in accordance with IFRS Standards from using deprecated elements. The ITCG member suggested that the staff should follow the US GAAP Taxonomy's example on how to deal with deprecated elements.

Change policy to retain the elements of superseded IFRS Standards

- 8 Most ITCG members agreed with the staff proposal to add a note to the reference of each element of a superseded IFRS Standard to explain that such an element should be used to tag non-restated comparative financial information only.
- 9 Along with the staff proposal, two ITCG members suggested that the staff should create a new IFRS Taxonomy presentation group for the elements of a superseded IFRS Standard. Instead of creating a new IFRS Taxonomy presentation group, the staff replied that its plan was to retain the presentation group of a superseded IFRS Standard and add guidance labels to it, which would clarify that its contents should only be used for non-restated comparative information. The staff will provide ITCG members with more details about this proposal at a future ITCG meeting.
- 10 One ITCG member suggested that the IFRS Taxonomy retain all elements which are expected to be used by filers of financial statements prepared in accordance with IFRS Standards. Additionally, the ITCG member commented that, although reference notes are useful, other methods to clarify the use of superseded elements were also required because reference notes do not provide an easy way for software vendors to identify superseded elements. The member suggested that the use of a different presentation group or implementation notes would be better options because they are more visible to issuers and vendors.

Technical updates to the IFRS Taxonomy

- 11 Most ITCG members agreed with the proposed technical changes to the IFRS Taxonomy regarding Data Type Registry (DTR) and Transformational Registry updates, and transitioning the standard taxonomy URLs to HTTPS.
- 12 One ITCG member asked whether Extensible Enumerations 2.0 is used in the current IFRS Taxonomy, as it had been described as a potential benefit of moving to the DTR 1.1 version. The staff replied that the current IFRS Taxonomy does not use Extensible Enumerations 2.0, and the staff does not plan to use it.

- 13 One ITCG member highlighted a few software issues that arose when the hosting of a Dutch Taxonomy was switched to HTTPS in 2020. The ITCG member asked whether, given such issues, the staff had assessed the impact of switching to HTTPS.
- a. The staff clarified that the existing IFRS Taxonomy resources will continue to be provided via HTTP to avoid problems with processing instances that make reference to them. Only future annual versions of the IFRS Taxonomy will be published at HTTPS addresses.
 - b. The staff agreed that modifications to software may be needed to support HTTPS. However, the staff will conduct outreach with software vendors to forewarn them and identify any further problems that may arise from this switch.
- 14 Finally, the staff encouraged ITCG members to share any issues of which they become aware that software vendors may encounter from the planned technical changes to the IFRS Taxonomy.