

**TECHNICAL STANDARDS (ELECTRONIC REPORTING FORMAT) (No 2)
INSTRUMENT 2021**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under:
- (1) regulation 72 (Transfer of directive functions to the FCA) of the Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 (the “Regulations”), for the purposes specified in paragraph 31 (to specify the electronic reporting format for annual financial reports) of Schedule 2, Part 3 of the Regulations; and
 - (2) the following sections of the Financial Services and Markets Act 2000 (the “Act”):
 - (a) section 138P (Technical standards);
 - (b) section 138Q (Standards instruments);
 - (c) section 138S (Application of Chapters 1 and 2); and
 - (d) section 137T (General supplementary powers).
- B. The rule-making powers listed above are specified for the purposes of section 138Q(2) (Standards instruments) of the Act.

Pre-conditions to making

- C. The FCA has consulted the Prudential Regulation Authority and the Bank of England as appropriate in accordance with section 138P of the Act.
- D. A draft of this instrument has been approved by the Treasury in accordance with section 138R of the Act.

Commencement

- E. This instrument comes into force on 17 December 2021.

Amendments

- F. The following technical standard is amended in accordance with the Annex to this instrument.

Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format
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Citation

- G. This instrument may be cited as the Technical Standards (Electronic Reporting Format) (No 2) Instrument 2021.

By order of the Board
16 December 2021

Annex

In this Annex, underlining indicates new text and striking through indicates deleted text.

COMMISSION DELEGATED REGULATION (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format

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Article 2

Definitions

For the purposes of this Regulation, the following definitions shall apply:

(1) ...

(1A) “ESEF 2020 taxonomy” means the combined set of the taxonomy elements set out in Annex II of Commission Delegated Regulation 2020/1989 amending Delegated Regulation (EU) 2019/815 as regards the 2020 update of the taxonomy laid down in the regulatory technical standards for the single electronic reporting format, and the following collection of links:

- (a) presentation linkbase, which groups the taxonomy elements;
- (b) calculation linkbase, which expresses arithmetic relationships between taxonomy elements;
- (c) label linkbase, which describes the meaning of each taxonomy element;
- (d) definition linkbase, which reflects dimensional relationships of the core taxonomy elements;

...

(3)

(3A) “permitted taxonomy” means a taxonomy permitted for the applicable financial years set out in article 4(5);

...

(4A) “UKSEF 2021 taxonomy” means the combined set of the taxonomy elements set out in the UKSEF Taxonomy within the 2021 Taxonomy Suite issued by the Financial Reporting Council on 29 September 2020, available at <https://www.frc.org.uk/accountants/accounting-and-reporting-policy/xbrl-frc-taxonomies>, and the following collection of links:

- (a) presentation linkbase, which groups the taxonomy elements;
- (b) calculation linkbase, which expresses arithmetic relationships between taxonomy elements;

- (c) label linkbase, which describes the meaning of each taxonomy element;
 - (d) definition linkbase, which reflects dimensional relationships of the core taxonomy elements;
- (4B) “UKSEF 2022 taxonomy” means the combined set of the taxonomy elements set out in the UKSEF Taxonomy within the 2022 Taxonomy Suite issued by the Financial Reporting Council on 8 October 2021, available at <https://www.frc.org.uk/accountants/accounting-and-reporting-policy/xbrl-frc-taxonomies>, and the following collection of links:
- (a) presentation linkbase, which groups the taxonomy elements;
 - (b) calculation linkbase, which expresses arithmetic relationships between taxonomy elements;
 - (c) label linkbase, which describes the meaning of each taxonomy element;
 - (d) definition linkbase, which reflects dimensional relationships of the core taxonomy elements;

...

Article 4

Marking up IFRS consolidated financial statements

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- (4) For markups set out in paragraphs 1, 2 and 3, issuers shall use the XBRL markup language and shall use ~~a taxonomy in which the elements shall be those set out in the core taxonomy~~ one of the taxonomies permitted for the applicable financial year in paragraph 5. Where, in accordance with point 4 of Annex IV, it is not appropriate to use elements in ~~the core~~ a permitted taxonomy, issuers shall create extension taxonomy elements as provided for in Annex IV.
- (5) The permitted taxonomies are:
 - (a) for financial years beginning on or after 1 January 2021 but before 1 January 2022:
 - (i) the core taxonomy;
 - (ii) the ESEF 2020 taxonomy;
 - (iii) the UKSEF 2021 taxonomy; and
 - (iv) the UKSEF 2022 taxonomy;
 - (b) the UKSEF 2022 taxonomy for financial years beginning on or after 1 January 2022.

*Article 5***Marking up other parts of the annual financial reports**

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- (2) Issuers incorporated in third countries shall not mark up any parts of their annual financial reports other than IFRS consolidated financial statements, except where they:
- (a) mark up their IFRS consolidated financial statements in accordance with Article 4 using the UKSEF 2021 taxonomy or the UKSEF 2022 taxonomy; and
 - (b) mark up other parts of their annual financial reports using the XBRL markup language and a taxonomy specific to those parts, and that taxonomy is provided in the United Kingdom.

*Article 6***Common rules on markups**

For markups made in accordance with Articles 4 and 5, issuers shall comply with the following:

- (a) embedding of markups in the issuers' annual financial reports in XHTML format using the Inline XBRL specifications set out in Annex III or in the permitted taxonomy the issuer uses;
- (b) ...

...

ANNEX II

Mandatory markups

...

Table 1

Mandatory elements of ~~the core~~ a permitted taxonomy to be marked up for financial years beginning on or after 1 January 2021

...

Table 2

Mandatory elements of ~~the core~~ a permitted taxonomy to be marked up for financial years beginning on or after 1 January 2022

...

...

ANNEX IV

Marking up and filing rules

...

- (3) When marking up disclosures with a permitted taxonomy, issuers shall use the ~~core~~ permitted taxonomy element with the closest accounting meaning to the disclosure being marked up. Where there appears to be a choice of ~~core~~ permitted taxonomy elements, issuers should select the element with the narrowest accounting meaning and/or scope.
- (4) If the closest ~~core~~ permitted taxonomy element would misrepresent the accounting meaning of the disclosure being marked up as required by point 3, issuers shall create an extension taxonomy element and use that to mark up the disclosure concerned. All extension taxonomy elements created shall:
 - (a) not duplicate the meaning and scope of any ~~core~~ permitted taxonomy element;

...

...

- (6) Issuers shall use the calculation linkbases of their extension taxonomies to document arithmetical relationships between numeric ~~core~~ permitted and/or extension taxonomy elements, in particular for arithmetic relationships between ~~core~~ permitted and/or extension taxonomy elements from the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows.

- (7) ...

Table

Element names, labels and prefixes of the root elements

Prefix	Element name	Label
...		
esef_cor	NotesAccountingPolicies AndMandatoryTags	Notes, accounting policies and mandatory core <u>permitted</u> taxonomy elements placeholder - this item MUST be used as a starting point for markups of disclosures in the notes to the financial statements

...

- (8) In their extension taxonomies, issuers shall not replace the labels or references of ~~core~~ permitted taxonomy elements. Issuer specific labels may be added to the ~~core~~ permitted taxonomy elements.
- (9) Issuers shall ensure that the issuer's extension taxonomy elements marking up the IFRS consolidated financial statements' statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows are anchored to one or more ~~core~~ permitted taxonomy elements. In particular:
- (a) the issuer shall anchor its extension taxonomy element to the ~~core~~ permitted taxonomy element having the closest wider accounting meaning and/or scope to that extension taxonomy element of the issuer. The issuer shall identify the relationship of the extension taxonomy element concerned with the ~~core~~ permitted taxonomy element concerned in the issuer's extension taxonomy's definition linkbase. The extension taxonomy element shall appear as the target of the relationship;
 - (b) the issuer may anchor the extension taxonomy element to the ~~core~~ permitted taxonomy element or elements having the closest narrower accounting meaning and/or scope to that extension taxonomy element concerned. The issuer shall identify the relationship of the extension taxonomy element concerned with the ~~core~~ permitted taxonomy element or elements concerned in the issuer's extension taxonomy's definition linkbase. The extension taxonomy element shall appear as the source of the relationship or relationships. Where the extension taxonomy element combines a number of ~~core~~ permitted taxonomy elements, the issuer shall anchor that extension taxonomy element to each of those ~~core~~ permitted taxonomy elements except any such ~~core~~ permitted taxonomy element or elements, which are reasonably deemed to be insignificant.
- (10) Notwithstanding point 9, issuers do not need to anchor to another ~~core~~ permitted taxonomy element an extension taxonomy element that is used to mark up a disclosure in the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity or the statement of cash flows that is a subtotal of other disclosures in the same statement.

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