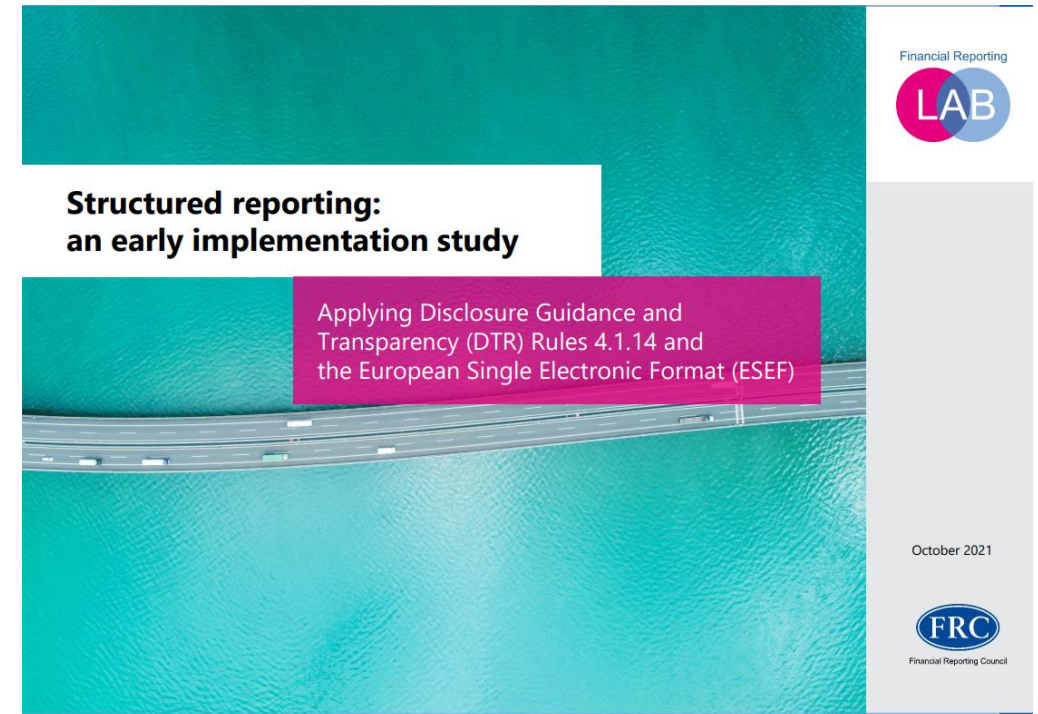


# UK FRC Lab – Structured reporting: an early implementation study

## Key messages

- The majority of reports across the sample fell short of the quality that is expected for companies' official filings.
- More than 70% of the files contained tagging errors, more than half had issues limiting their usability and more than 25% had design issues.
- Although many issues were identified during the review, almost all issues could be solved with appropriate care and attention.
- The Lab identified practice tips across three broad areas: process, usability & appearance and tagging.



[Read the full report here](#)

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## Practice tips

### Process



Companies should:

- understand the requirements and get the right teams involved.
- in choosing their approach, consider factors such as the impact on their timetable, desired level of company involvement, design and outsourcing risks.
- consider whether to tag information voluntarily.
- test, test, test.
- set up a robust governance process.

### Usability & appearance



Companies should:

- devote care and attention to their structured report as it becomes the official version of the annual report under jurisdictional transparency rules.
- make sure the structured report includes all the components of an annual financial report, is timely, is easily accessible on their website.
- avoid specific non-standard formatting.
- test and review the report output.

### Tagging



Companies should:

- make sure the tags they use correctly reflect the accounting meaning of the reported information and reflect the judgements made in preparing the human-readable report.
- avoid unnecessary extensions.
- be aware that producing a structured report introduces a risk of new types of errors. Plan a review process and look out for common issues such as wrong signs.

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## Next steps: supporting high-quality reporting

We plan to:

- work together with the FCA to continue supporting companies in their implementation of the requirements to produce **high-quality filings**; and
- do further work to better understand how investors and other stakeholders are using or may **use the data** and what challenges they face.

