



Case study

CCH iXBRL Review & Tag Pilkington

Pilkington is a world leader in glass technology. It is part of the NSG Group which employs over 37,000 people world-wide, around 3,000 of whom are based in the UK. The Group produces a wide range of glass solutions for architectural, technical and automotive use, including innovative energy efficient glazing and self-cleaning glass. Group Reporting Manager, Julie Brown talks about why the company chose CCH iXBRL Review & Tag to tag over 50 statutory accounts for which the UK finance function is responsible.

To begin with, tell us a bit about the accounting functions at Pilkington

Since 2006, Pilkington has been part of the Japanese NSG Group. Our Tokyo team produces external information for the Tokyo Stock Exchange, the Japanese Ministry of Finance etc. while here in the European Technical Centre at Lathom, Lancashire, we consolidate information from across the Group and report and file locally as required.

Our consolidation system covers about 300 entities, but they are not all statutory entities; last year we tagged 51 sets of accounts in the UK. The vast majority of these have a March year end and, as a Group, we have now adopted IFRS world-wide. Our largest UK statutory accounts are about 30 pages, going down to about 10 pages for the smallest.

How do you prepare your final accounts?

A number of our businesses use SAP for processing financial data. We extract the trial balance figures and use Microsoft Word to finalise and present the statutory accounts.

We have considered using an accounts preparation package for the whole job but using more manual processes gives us extra flexibility and we're in the process of streamlining the number of statutory entities in the UK. So, whatever we used for iXBRL tagging, it had to work with our current systems and allow us to tag existing Word documents.

What made you choose Wolters Kluwer software?

Initially we considered outsourcing the work, but the projected costs were quite high because of the number of accounts that we prepare. Also, some of the contracts that we saw for outsourcing stipulated that we would bear ultimate responsibility for the tags that had been used, so it would really be down to us to check them all. How do you review someone else's tags?

We didn't think it would be much harder to actually apply the tags ourselves, so that's when we started to look at in-house solutions.

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We reviewed several of the packages that were on offer from a variety of suppliers, including one that was only able to tag accounts prepared in Microsoft Excel. This would have added an extra layer of complexity to our processes, which we didn't want. Then we attended a Wolters Kluwer seminar in Manchester and liked what we saw - the software seemed to work really well and it made the tagging look relatively straightforward.

The review facilities in CCH iXBRL Review & Tag really impressed us, the fact that you could see exactly which tag had been applied just by hovering over an item in the accounts. Also the use of different colours for different years is helpful, because you can easily compare prior and current year figures. Obviously a lot of thought has gone into the design.

We also came across some major accounting firms that were considering using CCH iXBRL Review & Tag for their outsourcing services, so that gave us comfort that we were making the right choice.

Has CCH iXBRL Review & Tag lived up to your expectations?

Because of the number of accounts that we have to tag, it's certainly been a lot cheaper for us than outsourcing. It's also much more flexible - our tax compliance work is outsourced to one of the big four firms of accountants, so we simply email the tagged accounts to them to file on our behalf with the tax returns. If the accounts are rejected by the Gateway we just look at the error report which we get back from them, correct the tag and send them the file again; much easier than having to go through a third party, and a much quicker turnaround time. So far, we have always been able to resolve these problems ourselves, just by deciphering the error report.

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The latest version of the software will even allow us to check the tagged accounts ourselves by submitting them to the HMRC's test server, making the whole process even quicker and easier.

Is it easy to use?

We had a one day training course with Wolters Kluwer then I went through one set of accounts and tagged them myself. Based on this, I wrote a simple tagging “script” that other people could follow to ensure that we would apply the tags consistently. There are three of us who do the tagging, two accountants and a corporate secretarial administrator, and none of us found it difficult to do. The more accounts we tagged, the quicker we got.

The latest version of the software offers automatic tagging, so it should be even quicker.

What are your plans for the future?

Because of our March year ends I think we started tagging earlier than many other companies, so we had to learn a lot, very quickly. When we tagged accounts for our smaller companies, we started off using the minimum tagging list, but when we moved onto more complex accounts we found there were some items we could only tag by using the full list, so that's what we're using now. It's really not much extra work and it will put us in a good position after the transitional period ends. With the latest version of the software, the tags you apply one year can be used as a template for tagging next year's accounts, so all the work we do now can hopefully be re-used.

We've seen a number of useful extra features added to the software in the last six months - as well as test filing and the tagging templates, there is now automatic tagging - and we're looking forward to trying out these new features when we start to tag our current year accounts.

We're also considering the purchase of CCH Accounts Production.

Find out how we can help



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