So imagine the level of quality of an XBRL-based report if public companies had “dashboards” or other such tools with information such as this. I think it would be hard to believe that any public company would not, or could not, use this information to keep their XBRL-based financial reports correct. All of this is 100% automatable right now, today. It is just that not one software vendor has put all of these pieces together correctly as of yet. Guiding software vendors in the correct direction would be a very good thing as I see it.

Right now, 98.72% of the individual facts are consistent with expectations and 81.4% of public companies are 100% consistent with all the information on this dashboard. See http://xbrl.squarespace.com/journal/2016/2/2/public-company-xbrl-based-digital-financial-report-quality-i.html

But, that leaves 1,879 individual inconsistencies, 1.28% of reported facts. These are all high-level facts, so it tends to make the information not worthy of trust. Information needs to be, and can be, 100% correct. And while this is not sufficient because this is only the primary financial statement information; it is NECESSARY. If public companies cannot get this basic stuff right, they certainly will not be able to get the detailed disclosures right. But, tools like this help substantially. These tools also help get XBRL taxonomies created correctly.

Below is what I can see as being the “holy grail” of verification framework to help assure that an XBRL-based public company financial report is correct. Professional accountants need these sorts of tools.

**STEP #1**: A filer should use all prior reports that they have filed to help them understand if a current report is CORRECT. Below you see 100% of the filings for Alaska Airlines. Notice how the filings are in descending order, most current filing first then descending to the first filing. Notice how EVERY FILING had an ERROR! But the last filing does NOT have an error. I actually sent information to Alaska Airlines about this error, I sent it to their investor relations department. They looked at the information and determined that I was correct (i.e. they agreed with me) and then corrected the error. So, any FUTURE filing should be ALL GREEN for ALL TESTS for the minimum criteria or expanded by any ADDITIONAL tests you add.
STEP #2: Detailed Comparison Across All Filings for an Entity. I think that you would agree that actually “seeing the numbers” has a significantly more profound impact on understanding THAT an issue exists and HOW TO FIX an issue. This report below is for ONE SECTION of a financial report, in this case the BALANCE SHEET. This report is driven by the fundamental accounting concepts metadata. This is how SECXBRL.info is rendering this. Notice the REPORT FRAME CODE in the URL. The report is 100% generated from the FAC metadata which is 100% XBRL-based in the newest version that I am creating and which you should use. Notice the MAPPING information and the REPORT ELEMENT information that you would also get which SECXBRL.info does not show on their report.


Mappings: When you click on ANY fact, you get the MAPPINGS that are used to get the reported fact – OR- the IMPUTE CALCULATION that shows exactly how the unreported fact was imputed. Notice the below for FY 2012 “Equity” line item:
Report element details: Click on any report element, you get the information for that report element. (if you do this with the SECXBRL.info stuff, you get a popup form with JAVA script).

STEP #3: Peer Comparison: EVERY company has peers. Those peers might be other companies in the industry the reporting entity is on or really any reporting entity that uses the same reporting style. CLEARLY if two different public companies report the same information the representation of that information should be EXACTLY THE SAME at the high level of the fundamental accounting concepts. If this is NOT THE CASE, then there should be a SPECIFIC REASON for the difference; that might result in (a) a NEW reporting style should be created or (b) some error in the mappings, impute rules, or other fundamental accounting concept metadata should be fixed, or (c) some issue exists in the US GAAP XBRL Taxonomy exists and should be fixed. There are NO OTHER REASONS that an inconsistency would result; either the filer made a mistake, the testing metadata has a mistake, or the US GAAP XBRL Taxonomy has a mistake.

There is NO BETTER WAY to see if you are doing something correctly than to see how other similar reporting entities are doing something. This report shows this comparison, again at the DETAILED LEVEL of the high-level summary information which should ALWAYS be consistent; this peer comparison helps reporting entities KEEP the information consistent. Every company should be mapped to some number of peers, and then BEFORE a filing is filed that filing is compared to those peers to make sure the customer filing has no mistakes.
Here is the SECBRL.info example. Again, this would have the mapping and detailed information popup information to make sure your professional services team and/or the public company reviewing this has the best window into the report.


**STEP #4:** Same thing for each disclosure. The next step is to achieve the exact same comparisons for each and every disclosure. This is done in the EXACT same way as the balance sheet, income statement, cash flow statement which are done with the fundamental accounting concepts; they are disclosures themselves. All we do is use the same techniques for the rest of the report. There will need to be some adjustments because we need to compare Level 3 Text Blocks with the Level 4 Detail for each disclosure. But, same general idea.
These are the details of the minimum criteria mapped to this dashboard:

For more information about the minimum criteria please see:
