



Revenue

Are you prepared for IFRS 15?

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KPMG's global IFRS revenue
recognition leader

Brian O'Donovan
KPMG's global IFRS revenue
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"For many organisations, IFRS 15 will have a broad impact – not just changing the amounts and timing of revenue, but requiring an overhaul of the core systems used to produce the numbers."

Prabhakar Kalavacherla
KPMG's global IFRS revenue
recognition leader

"If you haven't yet engaged with IFRS 15, then it's time to assess the extent of the impact, so that you can address the wider business implications – and meet the expectations of your stakeholders and regulators."

Brian O'Donovan
KPMG's global IFRS revenue
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Our detailed guidance, insight and analysis will help you transition successfully to the new standard.

IFRS 15: Key facts

- A five-step model is applied to determine when to recognise revenue, and at what amount.
- Revenue is recognised when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled.
- Depending on whether certain criteria are met, revenue is recognised either over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer.

How to transition

IFRS 15 is effective from 1 January 2018. Decisions should already have been made on which transition approach to adopt – retrospective or cumulative effect. Retrospective application is likely to be challenging, despite the practical expedients available.

Our updated publication, [Revenue – Transition options](#), can help you understand and implement the best option for your business.

Where can you learn more?

Our [IFRS – Revenue](#) hot topics page presents our latest thinking on the new revenue standard, along with our commentary on emerging implementation issues.

These are also addressed in our [IFRS blogs](#) – a source of unique and useful insight on the new standards, which you can follow on [LinkedIn](#).

Read our updated [First Impressions](#) and [Accounting for revenue is changing](#) for a digestible introduction to IFRS 15 and its possible impacts for your business.

A fully revised edition of our [Issues In-Depth](#) provides our detailed analysis, pooling the insights and experience of our revenue recognition teams globally to guide you through the requirements of the new standard.

It illustrates the main points with industry-specific examples and explains our emerging thinking on key interpretative issues.

It also addresses the question ‘how does this compare with my current accounting?’ by including comparisons with current IFRS and US GAAP requirements.

Our series of industry-specific publications looks at what the new standard could mean for a range of different sectors.

You may also find our [Guide to annual financial statements – IFRS 15 supplement](#) helpful.