
Ihre Ansprechpartner

Sehr geehrte Damen und Herren,

für Rückfragen zu der beigefügten Publikation „In brief“ zur Thematik „IASB issues amendment to IFRS 15 ‚Revenue from contracts with customers“ stehen Ihnen folgende Ansprechpartner gerne zur Verfügung:



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In brief

A look at current financial reporting issues

12 April 2016

IASB issues amendment to IFRS 15 'Revenue from contracts with customers'

Issue

The IASB has amended IFRS 15 '*Revenue from contracts with customers*'.

The amendments comprise clarifications of the guidance on identifying performance obligations, accounting for licences of intellectual property and the principal versus agent assessment (gross versus net revenue presentation). New and amended illustrative examples have been added for each of these areas of guidance. The IASB has also included additional practical expedients related to transition to the new revenue standard. The amendments are effective for annual reporting periods beginning on or after 1 January 2018, with early application.

Impact

Identifying performance obligations

The amendments clarify the guidance for determining when the promises in a contract are 'distinct' goods or services and, therefore, should be accounted for separately. The amendments specifically address how an entity determines whether goods or services are 'separately identifiable' from other promises in the contract and clarify that the objective is to determine whether the nature of an entity's promise is to transfer individual goods or services to the customer, or to transfer a combined item (or items) to which the individual goods and services are inputs.

Licences of intellectual property

The amendments to the licensing guidance clarify when revenue from a licence of intellectual property (IP) should be recognised 'over time' and when it should be recognised at a 'point in time'. An entity must be expected to undertake activities that significantly affect the IP to conclude that revenue is recognised over time. The amendment clarifies that activities significantly affect the IP when: (a) the activities are expected to change the form or functionality of the IP or (b) the ability of the customer to obtain benefit from the IP is substantially derived from, or dependent upon, those activities (for example, a brand or logo).

The amendments also clarify when to apply the guidance on recognising revenue for licences of intellectual property with fees in the form of a sales- or usage-based royalty. This guidance only applies when the licence is the predominant item.

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At a glance

The IASB has amended IFRS 15 to clarify the guidance on identifying performance obligations, licences of IP and principal versus agent. The amendments also provide additional practical expedients on transition. These amendments are not identical to the changes being made by the FASB.

Principal versus agent guidance

The IASB has clarified that the principal in an arrangement controls a good or service before it is transferred to a customer. The amendments make targeted improvements to clarify the relationship between the control principle and the indicators, the 'unit of account' for the assessment and how to apply the control principle to services. The IASB also revised the structure of the indicators so that they indicate when the entity is the principal rather than indicate when it is an agent, and eliminated two of the indicators ('the entity's consideration is in the form of a commission' and 'the entity is not exposed to credit risk').

Practical expedients on transition

The amendments introduce two new practical expedients to simplify transition. One expedient allows entities to use hindsight at the beginning of the earliest period presented or the date of initial application to account for contract modifications before that date. The second expedient allows entities applying the full retrospective method to elect not to restate contracts that are completed at the beginning of the earliest period presented.

Insight

The amendments do not change the core principles of IFRS 15 however, they clarify some of the more complex aspects of the standard. The amendments could be relevant to a broad range of entities and should be considered as management evaluates the impact of IFRS 15.

The amendments to IFRS 15 are not, in all instances, the same as those the FASB is making to the US standard (ASC 606). Both Boards have proposed the same changes to the guidance on identifying performance obligations and principal versus agent, but the FASB's changes to the licensing guidance are not expected to be the same as the amended guidance in IFRS 15. The US standard is also not expected to include identical practical expedients on transition. Finally, the FASB is also expected to add guidance on assessing collectability, presentation of sales-taxes, measuring non-cash consideration and accounting for shipping and handling activities. IFRS 15 will not include any additional guidance on these topics. The IASB has generally indicated in the Basis for Conclusions where it expects that the differences in wording between the standards will or could result in different conclusions under IFRS and US GAAP.



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