CONCEPTUAL DIFFERENCES IN ACCOUNTING OF INCOME AFTER THE INTRODUCTION OF IFRS 15 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

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The article reveals characteristics of IFRS 15 "Revenue from Contracts with Customers", an International Financial Reporting Standard (IFRS) promulgated by the International Accounting Standards Board (IASB) providing guidance on accounting for revenue from contracts with customers. It was adopted in 2014 and will become effective in 2018. In research it is exposed: five steps of the IFRS 15 revenue model: identify the contract with a customer; identify all the individual performance obligations within the contract; determine the transaction price; allocate the price to the performance obligations; recognize revenue as the performance obligations are fulfilled. A contract is an agreement between 2 parties that creates enforceable rights and obligations. You need to apply IFRS 15 to all contracts that have the following 5 attributes: parties to the contract has approved it and are committed to perform; each party's rights to the goods/services transferred are identified; the payment terms are identified; the contract has a commercial substance; and It is probable that an entity will collect the consideration – here, you need to evaluate the customer's ability and intention to pay. IFRS 15 provides a guidance about contract combinations and contract modifications, too. The general rule is to do it based on their relative stand-alone selling prices, but there are 2 exceptions when you allocate in a different way: when allocating discounts, and when allocating considerations with variable amounts. A performance obligation is satisfied (and revenue is recognized) when a promised good or service is transferred to a customer. This happens when control is passed. A performance obligation can be satisfied either: over time – in this case, control is passed to the customer over some period of time (e.g. contract term); or at the point of time – in this case, control is retained by the supplier until it is transferred at some moment. These publication highlight potential changes in timing of recognition, measurement (including allocation of revenue between goods and services provided) and disclosure.