

Memorandum

To: Accounting Files

Date: [OPEN], 2018

Re: Disclosure Requirements of IFRS 15 – *Revenue from Contracts with Customers*

BACKGROUND

This memo provides a summary and examples of the presentation and disclosure requirements of IFRS 15 – *Revenue from Contracts with Customers* (“IFRS 15”). IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018. Therefore, this memo assumes that all analysis and resulting accounting impact has been performed and focuses solely on the new presentation disclosure requirement of IFRS 15. It also assumes a general understanding of all terminology and definitions in IFRS 15.

IFRS 15 applies to all contracts with customers except for contracts within the scope of (i) IAS 17 – *Leases*, (ii) insurance contracts within the scope of IFRS 4 – *Insurance Contracts*, and (iii) financial instruments and other contractual rights or obligations within the scope of IFRS 9 – *Financial Instruments* (“IFRS 9”), IFRS 10 – *Consolidated Financial Statements*, IFRS 11 – *Joint Arrangements*, IAS 27 – *Separate Financial Statement* and IAS 28 – *Investments in Associations and Joint Ventures*.

Although the timing and amount of revenue recognized will not change for many entities under the new IFRS 15 model, all entities are still subject to the same new revenue recognition presentation and disclosure requirements.

IFRS 15 replaces all of the following standards:

- IAS 11 – *Construction Contracts*
- IAS 18 – *Revenue*
- IFRIC 13 – *Customer Loyalty Programmes*
- IFRIC 15 – *Agreements for the Construction of Real Estate*
- IFRIC 18 – *Transfers of Assets from Customers*
- SIC-31 *Revenue — Barter Transactions Involving Advertising Services*