



THE 14th ANNUAL AOSSG MEETING

Joining hands in regional cooperation and the development of IFRS
November 14-16, 2022, Hybrid Meeting

From:	Working Group Leader of Revenues, Expenses, and others
Project:	Post-implementation Review (PIR) of IFRS 15 <i>Revenue from Contracts with Customers</i> : Phase 1–Identifying matters to be examined

1. Purpose of this session

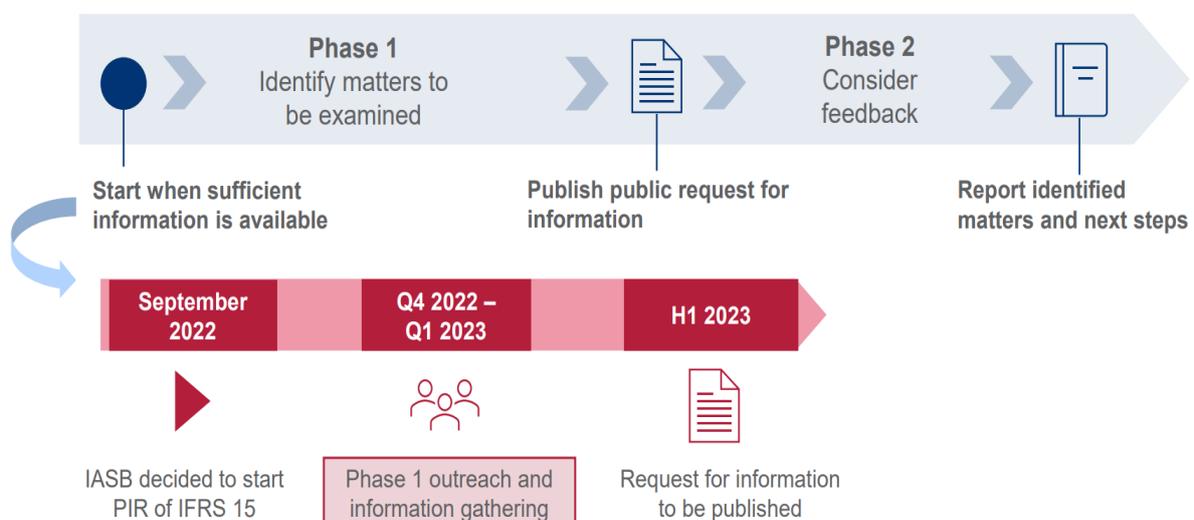
Ask AOSSG members to share their views on the implementation and ongoing application of IFRS 15 Revenue from Contracts with Customers, including matters that they think the IASB should consider in the Post-implementation Review (PIR) of the Standard.

2. Questions for Discussion:

#	Question	Sub Questions
01	What is the overall assessment of IFRS 15 in your jurisdiction?	<ul style="list-style-type: none"> • Does IFRS 15 achieve its objective of establishing the principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers? • Do your stakeholders find the core principle of IFRS 15 and supporting five-step revenue recognition model clear and helpful in making revenue accounting decisions?
	What are the application matters that you think the IASB should examine during Phase 1 of the PIR and why? It would be most helpful if for each matter you could explain:	<ul style="list-style-type: none"> • How prevalent is the matter? • What is the cause and what is the effect of the matter? • Which companies are affected? • Is this matter new, or did it exist under previous revenue requirements? • What steps could the IASB take to resolve the matter?

#	Question	Sub Questions
	How challenging was the transition to IFRS 15 (see slide 24)?	<ul style="list-style-type: none"> Which industries found the transition most challenging and why? Are their issues ongoing? In your experience, how often did companies use a modified transition method? Was it more prevalent in some industries than others? Were disclosures provided in the year of application sufficient to explain the transition?
	Paragraphs BC454–BC493 of the Basis for Conclusions on IFRS 15 set out the IASB’s analysis of the likely benefits and costs (effects) of implementing and applying the Standard (see high-level overview on slide 13)	<ul style="list-style-type: none"> Have actual effects differed from the expected effects? Have you observed any other effects of IFRS 15 that were not identified in the effects analysis, for example, effects on the companies’ internal controls or on the way the companies conduct their business? How important it is to your stakeholders to have revenue requirements substantially converged with the US GAAP?

3. Process of PIR and Proposed Time Plan of IASB



3.1 Current Position

The IASB is now conducting Phase 1 outreach activities on this project. The purpose of the Phase 1 outreach is to identify application matters for which the IASB will seek further feedback by publishing requests for information. The IASB plans to publish requests for information in the first half of 2023.

3.2 Proposed Outreach with AOSSG by IASB

IASB PIR of IFRS 9 team is grateful for the feedback by AOSSG representatives at the September 2022 ASAF meeting and IASB PIR of IFRS 15 team is looking forward to hearing the views of AOSSG member jurisdictions on the implementation and ongoing application of IFRS 15 at the forthcoming December 2022 ASAF meeting.

In addition, the PIR teams would like to ask for AOSSG help in facilitating outreach with preparers of financial statements in our region. The teams would like to ask preparers about their experience of applying the requirements in IFRS 15 and about their views on matters for the IASB to consider in the post-implementation reviews of the Standards.

IASB would be grateful for our help in identifying companies that would be willing to share their views. Ideally, IASB PIR teams would like to have a meeting to discuss with up to ten companies representing various industries. For this, IASB proposed to have companies in telecommunications, media and construction sectors were actively providing feedback when the Standard was being developed, so it would be good to hear the views of representatives from these sectors on the implementation of the Standard. And if AOSSG members are aware of industries that were most affected by IFRS 15, IASB would be good to hear from representatives of those industries as well.

IASB main aim is to hear from companies applying IFRS Accounting Standards and they do not necessarily have to be publicly listed. Talking to small and medium entities would not work for their purposes as they do not apply IFRS 15.

The PIR teams would be happy to organise a Teams call with the companies and provide questions for discussion and materials for the meeting in advance.

If possible, IASB proposed to have the call **between mid-November 2022 and end-January 2023**, excluding the weeks commencing 19 and 26 December 2022

Questions from Working Group members:

1. Whether drafted questions by IASB are appropriate or any suggested changes required?
2. What are the industries suggested by the members of Working group for conduct this outreach for phase 1?