

**PRESS RELEASE**

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For immediate release

## **International Accounting Standards Board<sup>®</sup> issues clarifying amendments to the Revenue Standard**

**The International Accounting Standards Board (the Board) has today issued amendments to the Revenue Standard, IFRS 15 *Revenue from Contracts with Customers*, clarifying some requirements and providing additional transitional relief for companies that are implementing the new Standard.**

The amendments to the Revenue Standard, which was issued in 2014, do not change the underlying principles of the Standard but clarify how those principles should be applied. They arise as a result of discussions of the Transition Resource Group (TRG). The TRG was set up jointly by the Board and the US national standard-setter, the Financial Accounting Standards Board (FASB), to assist companies with implementing the new Standard.

The amendments clarify how to:

- identify a performance obligation (the promise to transfer a good or a service to a customer) in a contract;
- determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided); and
- determine whether the revenue from granting a licence should be recognised at a point in time or over time.

In addition to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new Standard.

The amendments have the same effective date as the Standard: 1 January 2018.

Further information on the amendments can be found on the [Clarifications to IFRS 15 project page](#).

END

### **Notes to editors:**

- IFRS 15 *Revenue from Contracts with Customers* was issued in May 2014.

- The effective date of the Standard was in 2015 deferred from 1 January 2017 to 1 January 2018.
- The Revenue Standard was developed and issued jointly with the US national standard-setter, the Financial Accounting Standards Board (FASB). The Transition Resource Group (TRG) was established as a joint group by the two Boards. It has met six times. The TRG does not publish authoritative guidance.
- Further information on the TRG can be found [here](#).
- A video of Ian Mackintosh, IASB Vice-Chairman, explaining the amendments can be viewed [here](#).

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**About the IFRS® Foundation**

The IFRS Foundation is an independent, not-for-profit organisation, overseen by a Monitoring Board of public authorities. Its vision of a single set of global accounting standards is supported by G20 leaders and other international organisations with responsibility for the global financial system.

The mission of the IFRS Foundation is to develop IFRS Standards that bring transparency, accountability and efficiency to financial markets around the world, fostering trust, growth and long-term financial stability. The International Accounting Standards Board is the standard-setting body of the IFRS Foundation, made up of independent experts from diverse professional and geographical backgrounds. IFRS Standards are adopted by more than 100 countries globally.

For detailed information on the organisation's structure, the standard-setting process and the spread of IFRS Standards, visit [www.ifrs.org](http://www.ifrs.org).

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