



The Deloitte 2014 Revenue  
Master Class “IFRS 15”  
Revenue from Contracts  
with Customers

Application to Construction

In the Middle  
East since  
1926

October 22, 2014  
Symphony Ballroom, The Address  
Downtown - Dubai, UAE



# IFRS 15 – Application to Construction

## Summary

The objective of International Financial Reporting Standard (IFRS) 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15:1 application of the standard is mandatory for annual reporting periods starting from January 1, 2017 onwards. Earlier application is permitted.

IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It supersedes current revenue recognition guidance including International Accounting Standards (IAS) 18 Revenue, IAS 11 Construction Contracts and related interpretations.

The core principle is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard introduces far more prescriptive guidance compared to what was included in IAS 18, IAS 11 and the related interpretations, and the majority of entities are likely to

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## The Deloitte 2014 Revenue Master Class gives you a closer look at the new Revenue Recognition Standard

be affected by this, at least to some extent. Furthermore, IFRS 15 may result in substantial changes to the timing of revenue recognition for entities.

### Overview of the Deloitte 2014 Revenue Master Class

The Deloitte 2014 Revenue Master Class will provide a comprehensive introduction to the content and requirements of IFRS 15. The seminar will then provide leading insights into various issues that are specific to the Construction industry, and will be presented by Phill Barden, leader of Deloitte Expert Advisory Panel on Revenue Recognition, and Cynthia Corby, Middle East Construction Industry leader. This will be followed by IFRS updates on practical insights through case studies on the application of IFRS 15 and its implications for entities adopting the standard.

## Key definitions

### Contract

An agreement between two or more parties that creates enforceable rights and obligations.

### Customer

A party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration.

### Performance obligation

A promise in a contract with a customer to transfer to the customer either:

- A good or service (or a bundle of goods or services) that is distinct; or
- A series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

### Revenue

Income arising in the course of an entity's ordinary activities.

### Transaction price

The amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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Join us at the Deloitte 2014 Revenue Master Class “IFRS 15” – Application to Construction, on October 22, 2014, at the Symphony Ballroom, The Address Downtown - Dubai, UAE, from 9am to 5pm

## Agenda

### Networking coffee break

#### Welcome note

By Cynthia Corby

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Detailed overview of IFRS 15	3 hours
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Break	30 minutes
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Case study 1: Fixed price lump sum contract – Survey method with variations and claims	1 hour
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Case study 2: Review case study 1 but based on the cost to cost method	1 hour
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Break	30 minutes
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Case study 3: EPC contract and segmentation of contracts	1 hour
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### Wrap up

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# Speaker profiles



## **Phil Barden**

Phil is a partner in Deloitte's UK IFRS Centre of Excellence and its National Accounting and Auditing group. He heads Deloitte's Expert Advisory Panel on revenue recognition, reporting to the Global IFRS Leadership Team on revenue issues and has acted as the lead liaison with the International Accounting Standards Board (IASB) on this subject. He has 29 years of experience in advising clients on UK and international financial reporting issues. Since 2004, he has been a principal author of the Deloitte publication "IGAAP - A Guide to IFRS Reporting."

Phil chairs the Financial Reporting Editorial Board of the Institute of Chartered Accountants in England and Wales (ICAEW). He is also a member of the ICAEW's Financial Reporting Committee, and as part of that role, he led the responses to the IASB's revenue recognition exposure drafts and represented the ICAEW at the IASB's roundtable meetings in London. He was previously a project director at the UK Accounting Standards Board (ASB), where he was responsible for the UK standard on accounting policies and for the ASB's discussion paper on revenue recognition."

## **Cynthia Corby**

Cynthia is an audit partner at Deloitte Middle East, located in Dubai office, with over 20 years of experience in the profession.

Cynthia is the Middle East Construction industry leader; she chairs industry conferences and writes articles on industry issues. Cynthia is an author and founder of the GCC Powers of Construction publication issued by Deloitte Middle East around the Construction industry, which includes expert views on opportunities and facts in the region.

Cynthia is also the Head of the Middle East firm's technical team and oversees technical queries raised by local Middle East engagement teams. With her keen interest in people and the development of talent within the firm, Cynthia leads the HR department in the UAE Audit division with more than 400 people across the country.

Qualifications and professional affiliations:

- B.Compt in accounting & auditing – University of South Africa
- B.Compt Hons – University of South Africa
- Chartered Accountant South Africa – South African Institute of Chartered Accountants
- Fellow of the Association of Certified Chartered Accountants – United Kingdom
- Fellow of the ICAEW



# Registration form

## Your investment

The fee for attending the seminar is  
US\$ 500/person.

## How to pay

Bank transfer or crossed cheque to:  
Deloitte & Touche, Citibank  
A/C # AE600211000000100325322  
Al Wasl, Dubai, UAE  
Swift code: CITIAEAD

## To register

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### Participant 1

Name (Mr/Mrs/Ms)

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Email

Company

Address

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Fax

Attendance location and date

Signature

Date

### Participant 2

Name (Mr/Mrs/Ms)

Designation

Email

Company

Address

Tel

Fax

Attendance location and date

Signature

Date

### Participant 3

Name (Mr/Mrs/Ms)

Designation

Email

Company

Address

Tel

Fax

Attendance location and date

Signature

Date

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## Deloitte is looking forward to welcoming you at the Symphony Ballroom, The Address Downtown - Dubai, UAE, on October 22, 2014

### **Deloitte**

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Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

### **About Deloitte & Touche (M.E.)**

Deloitte & Touche (M.E.) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL) and is the first Arab professional services firm established in the Middle East region with uninterrupted presence since 1926.

Deloitte is among the region's leading professional services firms, providing audit, tax, consulting, and financial advisory services through 26 offices in 15 countries with around 3,000 partners, directors and staff. It is a Tier 1 Tax advisor in the GCC region since 2010 (according to the International Tax Review World Tax Rankings). It has received numerous awards in the last few years which include Best Employer in the Middle East, best consulting firm, and the Middle East Training & Development Excellence Award by the Institute of Chartered Accountants in England and Wales (ICAEW).