IFRS 15 Revenue in Practice

CertiFi micro-credential

1 course · 5 lessons · about 3 study hours · issued 28 Nov 2026

IFRS-03

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About 3 study hours · 5 lessons · pass mark 70% · AED 299

Revenue is the largest number in most financial statements and the one auditors test hardest. Following an Abu Dhabi distributor, you will apply the five-step model of IFRS 15 to real contracts: bundled goods and services, rebates, returns, bill-and-hold sales, delivery terms, agency arrangements and year-end cut-off. This is a CertiFi certificate of completion and is not a qualification of the IFRS Foundation.

On completion, you will be able to:

- Apply the five-step model to a customer contract
- Identify distinct performance obligations and allocate the transaction price
- Estimate variable consideration such as rebates and returns
- Decide whether revenue is recognised over time or at a point in time, and get cut-off right
- Account for principal and agent arrangements, warranties, contract costs and contract balances

Learning outcomes by lesson

1. The five steps and the contract

- State the core principle of IFRS 15
- List the five steps
- Decide whether a contract exists
- Account for contract modifications

2. Performance obligations and the transaction price

- Identify distinct goods and services
- Decide whether delivery is a separate promise
- Estimate variable consideration and apply the constraint
- Deal with financing and with payments to customers

3. Allocating the price and timing the revenue

- Allocate the transaction price using stand-alone selling prices
- Apply the over-time criteria
- Identify when control passes at a point in time
- Get year-end cut-off right

4. Principal or agent, warranties, and contract costs

- Decide whether an entity is a principal or an agent
- Distinguish assurance warranties from service warranties
- Account for costs of obtaining and fulfilling a contract
- Recognise where judgement is documented

5. Contract balances, disclosure and the year-end review

- Distinguish a receivable, a contract asset and a contract liability
- List the main disclosures
- Run a year-end revenue review
- Avoid the common errors