

Did you know that the new revenue standard(IFRS 15):

- Becomes **effective** from **1 January 2018** –this could have a **material impact** on your **2017** financial information?
- Could result in a **materially different rand value** of revenue resulting in:
 - An impact on the tax cash flows
 - Adjustments to operational and financials KPIs
 - Differences in the deferred taxation balances
 - Changes to the accounting and recording system
- Offers **two options** to **transition** from the old to the new standard – each option has a **materially different impact on retained earnings?**
- Requires **significant additional disclosure** in your AFS?



ZKC
& ASSOCIATES
THE SIMPLE SOLUTION





IFRS 15 Transition Pack...

The new accounting standard on revenue, *IFRS 15 Revenue from Contracts with Customers*, will become effective for reporting periods beginning on or after 1 January 2018.

In order to transition into the requirements of the new standard, there are two key transitional options:

- Full retrospective approach
- Cumulative approach

There are significant differences between both approaches with a varying impact on the revenue numbers, retained earnings and disclosure requirements.

We have designed a unique, cost effective service that will help you to perform a gap-analysis of the impact of IFRS 15 on your current financial reporting framework and guide you on the journey of implementing the new standard.

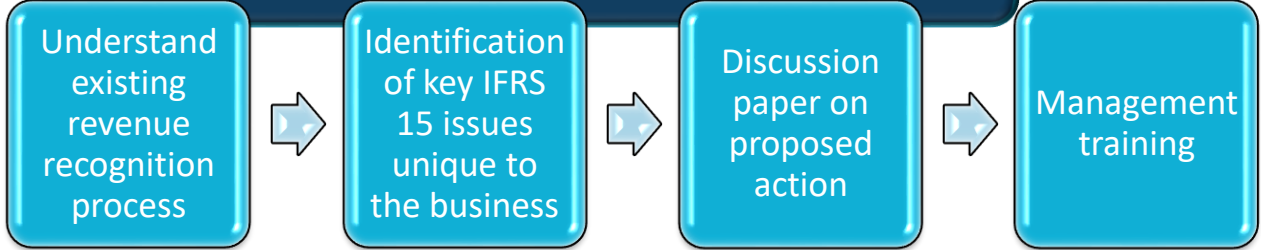
Our team consists of highly experienced academics with a deep knowledge of the mechanics of the new standard as well as innovative financial reporting business consultants that specialise in making the IFRS journey manageable to a wide spectrum of businesses.

We are currently working with an array of clients in transitioning to the new standard and hope to share some of our key learnings with your business.





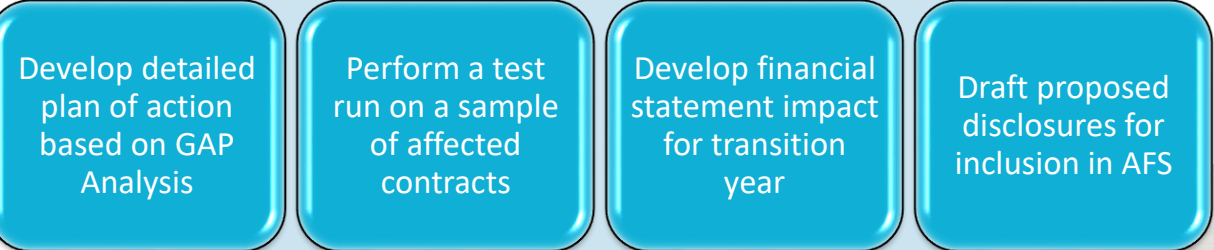
GAP Analysis



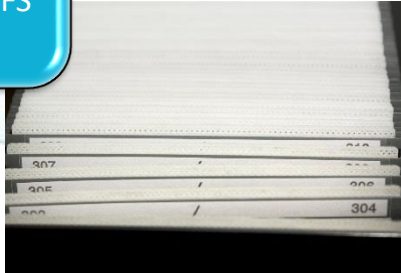
Our process involves working with the finance and operations team to conduct a **gap analysis** and **benchmark** current revenue reporting practices to the new requirements in order to develop a **discussion paper** for management and auditors in order to finalise the way forward.

Depending on the impact of this discussion paper, we will recommend an **implementation action plan** that will assist in **recalculating** the revenue number under the new standard, determine and draft the relevant **disclosures** for the **transition year**.

IFRS 15 Implementation & Transition



We are more than happy to have a **conversation** with management regarding the overall business impact of IFRS 15 including the broader considerations affecting processes & systems, management information, business operations, training & communication, tax planning and financial reporting.



About ZKC & Associates

ZKC & Associates is a firm of consulting chartered accountants specialising in the following:

AFS Preparation & IFRS Advisory

Advising clients on appropriate IFRS treatment and end to end preparation of financial statements including complex entities and consolidations

SMME Management Consulting

Providing cutting edge financial and operational expertise to SMME clients in order to maximise efficiencies, develop sound controls and enhance profitability.

Education & Training

Training clients on IFRS and accounting related issues and developing easy to use material for learning and development within the IFRS space.



Contact us:

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