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REVENUE RECOGNITION REQUIREMENTS UNDER IFRS 15 UNDER THE QUALITY OF FINANCIAL REPORTING

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Abstract:

This study aims to identify the consequences of revenue recognition requirements according to IFRS in Iraqi commercial companies and to show the role of standards in giving confidence and credibility to the financial statements of commercial companies. The researchers also used the five steps of applying the standard for the purpose of practical application of the standard research sample, and a sample representing a model of the company's transactions was selected as sales cases provided by the company to customers to analyze the accounts and determine the differences between them and the standard to come up with the results that show the practical application of the standard and stand on the accounting problemsin the focus of the study. The study reached several conclusions, the most important of which was that the issue of revenue recognition is one of the main accounting concepts that deserve attention and auditing, as it does not represent just a purely technical concept, but rather represents a philosophical basis for thinking about the way economic units deal with income inputs and how to interpret and record them in accounting records.

One of the most important recommendations addressed by the researcher is that the economic unit should pay attention and scrutiny in the subject of revenue recognition, by enhancing the understanding and training of the accounting and administrative teams to ensure the accuracy of revenue recognition processes and that the analysis process contributes to building confidence among users of financial reports and provides an accurate vision about the future of the economic unit.

Keywords: Revenues, IFRS 15, quality of financial reporting

INTRODUCTION: Nowadays and in light of the recent and accelerated events, repercussions and developments in the business environment, revenue is seen as an important factor that must be taken into account when making important decisions, including investment decisions, in 2014, the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) published a common standard that introduces new requirements for the recognition of revenues arising from contracts that IFRS 15 was initially expected to be implemented with customers as of 1 July 2017 and will replace IAS 11 Construction Contracts and IAS 18 Revenue and their interpretations. In addition, an increasing number of companies are jointly using US Generally Accepted Accounting Principles (US GAAP) and International Financial Reporting Standards (IFRS) for accounting purposes in light of the phenomenon of development and technology, as a new revenue standard is needed to remove weaknesses and discrepancies in the current set of revenue rules.

The first topic

Research Methodology

First: the research problem

The continuation of the economic unit and its growth stands mainly in achieving profits, which arises through the revenues achieved by the economic unit, as the recognition of revenues since the emergence of international accounting standards has accompanied many problems in accounting treatments, and these problems are still continuing, prompting the Financial Reporting Standards Board (IFRS) in issuing its new standard (IFRS 15) in reducing these problems and working to improve it, and from this point of view the research problem is manifested in the following questions:

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1. Does the implementation of IFRS 15 achieve fair income and as a result reflect on the quality of financial reporting?

Second: Research Objective

1. IFRS 15 is an important accounting framework to improve the quality of financial reporting by providing useful information to investors that enables revenue recognition.
2. Identify the traditional revenue recognition approaches on which the previous standards are built by FASB and IASB.
3. Directing the Iraqi economic units to the importance of revenue recognition requirements in accordance with IFRS 15 and a statement to identify the five steps through which revenues are recognized, how to apply them and what obstacles are likely to be faced, as well as the advantages they achieve, because of its expected impact on the value of the economic unit in the future.

Third: The importance of research

A. The importance of recognizing revenue is reflected in terms of survival and continuity of the economic unit, and the extent of its ability to generate cash flows, as an indicator to convey an adequate understanding to users about the sources of profit and the main activities of the economic unit.

B. Clarifying the accounting reality of revenue recognition, by describing the status of previous standards and their effects in economic units and the reasons for the shift towards the application of (IFRS 15).

C. Embodying the principles of the IFRS 15 standard for economic units when applying the accounting standard and clarifying its paragraphs through the five-step model, compared to previous standards.

Fourth: Research hypothesis

Through the questions addressed in the research problems, the current research is based on the following hypothesis: -

The first main hypothesis:

The application of IFRS 15 achieves clear differences compared to the application of Accounting Rule 1.

The second main hypothesis:

The application of IFRS 15 meets the requirements of fair income, which is reflected in the quality of reporting in financial reports .

The second topic: the theoretical side

Requirements for recognition of revenue according to the standards

This section includes the theoretical aspect of the research, in which the researcher reviewed the requirements of revenue recognition according to the standards, and that the aim of the guidance on the unification of revenue recognition policies used by economic units increases comparability, as this unification allows external entities - such as analysts and investors - to compare income data for different economic units in the same sector easily.

First: The concept of revenue

The revenue component is one of the elements of the financial statements that reflects the previous performance of the operations of the economic unit, as revenues are defined as the inflows of the unit or an increase in its assets or a decrease in its liabilities or both that arise during the cycle of production or sale of goods or the provision of services or any other activities resulting from Main, usual and continuous business, revenues are divided into two parts, namely business operating income and non-commercial operating income. Business operating income is derived from core business activities such as sales of goods and services, leasing of real estate, etc. while non-business operating income is derived from matters unrelated to core business activities such as interest on bank deposits, rental payments received, profits received, and profits from the sale of non-current assets. (Bakar,2018:4)

The Institute believes American For Chartered Accountants (AICPA) The revenue "All that results from the sale of goods Or Provide services, determine the amount of Revenue on Foundations Amount who pays Customer The tenant will meet Goods received or services provided To them (AICPA,1955:34), and in 1970 introduced the Board of Accounting Principles American (APB) by definition Revenue on It Increase Total in assets or Lack of liabilities resulting from the carrying out of an activity directed to achieve Earnings This increase is measured Or This deficiency is in accordance with generally accepted accounting principles (Shirazi, 1990:245).

Second: Ordinary revenues : They are the revenues that arise from the sale of goods and services that represent the normal activity of the economic unit and are measured by the increase in the net assets of the economic unit, and they are characterized by the most important characteristics (Malikov, etel, 2018: 295):

It relates to the accounting period for which the accounts are prepared during the course of the operations of the economic unit.

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They are frequent from one financial period to another and therefore predictable and predictable.
There is no doubt that these revenues are a return corresponding to the revenue expenditures provided by the economic unit or that there is a causal relationship between these revenues and those expenses realized against those revenues.
Unusual revenues: They are the revenues obtained by the economic unit away from the practice of its normal activity, but through other incidental activities due to administrative, legal or economic factors and as a result difficult to control and predict such as)Production subsidies, export subsidies, compensation related to a legal dispute raised in previous years, or emergency profits resulting from wars (, as revenues are considered revenue because they relate to determining the profit of the economic unit for the current period for which the accounts are prepared, however, this type of revenue does not result from the normal activity of the economic unit. (Avi,Ital,2023:9)

Third: International Financial Reporting Standard (IFRS 15):

Revenue from contracts was provided with Customers from accepted the IASB to provide a single comprehensive revenue recognition form for all contracts with Customers to improve Comparability within industries, across industries and across capital markets , New rules on revenue recognition take effect from 1 January 2018 They replace the criteria for the recognition of previous income (IAS 11 IAS 18-) and most other income recognition guidelines (IFRIC 13, IFRIC 15, IFRIC 18, and SIC-31). , The main purpose of the IFRS 15 development project was that revenue is an important metric for users of financial statements, however there are significant differences between the revenue definitions issued by the IASB and the IASB, The IASB also believes that its revenue guidance was not sufficiently detailed. www.iasplus.com/en/standards/ifrs/ifrs15.

Fourth: The Five Step Revenue Recognition Model

The standard provides a revenue recognition model where the basic principle is that an entity must recognize revenue to depict the transfer of pledged goods or services to the customer in an amount that reflects the consideration that the entity expects to receive for those goods or services.

Determination of the contract with the customer	• Contract accounting • Merging contracts (two or more contracts into one) • Dividing the contract into two or more contracts.
Determine the performance obligations between the customer and the economic unit	• Pledges or promises granted by the economic unit agreed upon in the contract with the customer.
Determine the transaction price	• The consideration that the unit expects to receive in exchange for transporting goods or performing services to the customer.
Transaction price distribution	• The standard requires the unit to allocate the transaction price on all separate performance obligations in the contract with the customer.
Revenue recognition	• This is done when the performance obligation is fulfilled.

Source: IFRS 15 author's numbers.

Figure 1
The Five Steps to Revenue Recognition under IFRS 15

Fifth: Adoption and implementation of International Financial Reporting Standards

The adoption of "International Financial Reporting Standards" is subject to many experimental and theoretical tests in order to explore the costs and benefits as well as the factors affecting all stages of the implementation process, and the results of various studies in the United States based on the perceptions and impressions of stakeholders, showed that the adoption of "International Financial Reporting Standards" It may lead to high financial costs, while economic units reap some benefits such as lower cost of capital and attracting foreign investors (Abdullah et al, 2017:86-87).

The decision to adopt IFRS at the international level is predominantly economic, as the adoption of

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IFRS enhances transparency, quality and comparability, which are desirable characteristics to support international business and the expansion of globalization (Hassan etal, 2014, 372).

In 2003, Iraq witnessed significant changes in its political, economic and financial environment, as it moved from a centrally planned economy to a free market economy, and became the most open economy in the region (Looney, 2004, 87), and added (Hassan etal, 2014,373), that the main reason for this change is to provide the Iraqi economy with the necessary financial resources to recover from war and decades of recession, and two main factors led to an increased focus on Iraq by governments and economic units worldwide, namely: -

First: - It is believed that Iraq's oil reserves are second only to Saudi Arabia and as a result Iraq plays a very important role in the global economy, especially with the increasing demand for oil and energy.

Second: - Investors began to show great interest in Iraq, especially in the natural resources sector and the infrastructure supporting it, as the investment law was enacted in 2004, which allowed for the first time foreign investors to invest in Iraqi economic units listed on the stock market.

Sixth: Presentation and disclosure according to (IFRS 15)

Where presentation and disclosure is ordered under IFRS 15, units are required to provide clear and comprehensive information in their financial statements and accompanying notes to enable users to understand the nature, amount, timing and uncertainty of income and cash flows arising from contracts entered into with them, and that key aspects of presentation and disclosure under IFRS 15 (Tong,2014:16).Units need to disclose their accounting policies to recognize revenue from contracts with customers, including information on the methods used to determine the transaction price, the timing of revenue recognition, and the fulfillment of performance obligations.

Units must disclose the opening and closing balances of contract assets (e.g ., unbilled receivables) and contract obligations (e.g., deferred revenue) in their financial statements.

Accounting processing information relating to contract amendments and reasons for any practical changes must be disclosed If the Unit chooses to apply any of the practical means provided by IFRS 15, it must disclose the nature and reasons for using these means. Any other relevant information necessary to understand the timing, amount and uncertainty of revenues and cash flows arising from contracts with customers must also be disclosed.

The table below shows a list of disclosure and presentation requirements, as units should carefully review that list to ensure that they comply with all relevant presentation and disclosure requirements. The goal is to provide transparent and meaningful information to users of financial statements about unit revenue recognition practices and their impact on financial performance.

Table (1)
Disclosure Requirements for IFRS 15

Disclosure Requirements	**description**
Contract Information:	**Describe the unit's contracts with customers, including their nature and conditions.** **B. Explain important payment terms, warranties and redemption obligations.**
Revenue classification:	**Revenues from contracts with customers should be categorized into categories that explain how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors.**
Contract balances:	**Changes in contract assets and liabilities during the reporting period, including opening and closing balances, and the reasons for such changes.** **B. Explanation of impairment losses or recognized recoveries on contract assets**
Performance obligations:	**A. A description of when the unit typically fulfills performance obligations (over time or at a certain time).** **B. Explain important payment terms related to performance obligations.** **C. Information about return obligations, refunds and other similar obligations.**

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Transaction price:	**A. Explain how the unit determines the transaction price , including variable consideration and use of the variable consideration constraint.** **B. Information about the existence and conditions of important financing components.**
Custom Transaction Rate:	**Explain how the transaction price is allocated to each performance obligation , including setting the independent selling price and taking into account discounts and variable amounts.**
Contract costs:	**A. Describe the methods used to recognize the costs of acquiring and fulfilling contracts.** **B. Disclosure of amortization methods for contract costs recognized as assets**
Settlement of contract assets and liabilities:	**Adjustment of changes in contract assets and liabilities during the reporting period, including the impact of impairment losses or setbacks.**
Practical means:	**Explain any practical means applied by the Unit in the application of IFRS 15, including the reasons for their application.**
Performance obligations policy that is not satisfied and partially satisfactory:	**A description of the unit's policies regarding the recognition of income for unsatisfactory and partially satisfactory performance obligations.**
Important provisions:	**Explain the important judgments and estimates made in determining the timing and amount of revenue generation.**
Non-cash consideration:	**Information about the fair value of the non-cash consideration received or expected to be received.**

Source: Prepared by the researcher based on the criterion (IFRS 15)

The above list covers a wide range of presentation and disclosure requirements under IFRS 15. However, it is essential for companies to carefully review the standard and ensure compliance to provide users of financial statements with transparent and meaningful information about revenue recognition practices and their impact on financial performance.

The third topic

First: Presentation and disclosure according to IFRS 15

The disclosure requirements that have been addressed in the IFRS 15 standard have increased if compared to the disclosure requirements of previous US and international accounting standards and rules alike, this expansion in disclosure is the result of the volume of criticism directed at the previous standards due to their inadequacy, as the verification of the quality of accounting information is the extent to which it is able to achieve maximum suitability for its users, and this is achieved through the availability of a set of qualitative characteristics of the information, which was defined by the conceptual framework for each of the The Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB), so the availability of these characteristics in the accounting information presented in the financial reports can help improve the quality of these reports and thus contribute to achieving their objective.

The fundamental differences between the new standard (IFRS 15) and the previous standards (IAS 11 & IAS 18) and the procedures followed by Future Bay Company with regard to disclosure requirements can be explained in the following table:

Table 42
Comparison of disclosure between IFRS 15 and previous standards and the common accounting system

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<table>
<tr><td>It depends (IFRS 15)</td><td>As per the requirements of the previous standards</td><td>As per company requirement</td><td>Details</td></tr>
<tr><td>More detailed requirements</td><td>There isn't any</td><td>There isn't any</td><td>Contracts with customers</td></tr>
<tr><td colspan="4">Explanations: The IFRS 15 standard embodies that the underlying economic phenomenon that drives revenue recognition in IFRS 15 is the contract with the customer, and the way the contract is drafted may have an impact later on how and when revenue is recognized, and companies will actively work in standardizing their contracts, so that the new standard does not affect the way they generate revenue.</td></tr>
<tr><td>More detailed regarding:
Type of revenue
Geographical area
Timing of revenue
Nature of revenue
And a lot of other information related to revenue.</td><td>Details of revenues in branches and divisions and interim revenues</td><td>There isn't any</td><td>Revenue Details</td></tr>
<tr><td colspan="4">Explanations: According to IFRS 15, companies must disclose a set of detailed revenue information to ensure the transparency and clarity of financial information provided to users, including required disclosure details Recognized revenue amounts from contracts with customers must be disclosed, as well as revenue classification and presentation into appropriate categories such as types of goods or services, geographies, markets.</td></tr>
<tr><td>Good quantitative and qualitative information on opening and closing balances of debtors and contracts.</td><td>There isn't any</td><td>There isn't any</td><td>Contract balances</td></tr>
<tr><td colspan="4">Explanations: According to IFRS 15, companies must disclose a set of contractual balances, providing details of contractual balances such as contractual assets and contractual obligations, as well as changes in balances and disclosure of changes in contractual balances during the period and how they affect revenue, as well as clarifying the balances of contract acquisition costs related to obtaining contracts that have been postponed or recognized as expenses, or disclosing the costs of fulfilling the contract that have been postponed and related to the fulfillment of contracts.</td></tr>
<tr><td>Detailed information concerning:
Timing of fulfilment of obligations
Important payment terms
The nature of the goods and services pledged to customers
Commitment vs. Returns
Type of related guarantees</td><td>Backlog of unfinished works</td><td>There isn't any</td><td>Performance obligations</td></tr>
<tr><td colspan="4">Explanations: Disclosure of performance obligations is an essential part of the requirements of IFRS 15 and aims to provide detailed and comprehensive information to users about the nature, timing and amount of revenue recognized from contracts with customers. These</td></tr>
</table>

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<table>
<tr><td colspan="4">disclosures should help clarify how performance obligations are defined and the methods used to recognize revenue.</td></tr>
<tr><td>Detailed information on:
Transaction price for remaining obligations up to the reporting period
Expect revenue recognition from residual liabilities.</td><td>There isn't any</td><td>There isn't any</td><td>Transaction amount allocated for residual performance obligations</td></tr>
<tr><td colspan="4">Explanations: This disclosure provides users with information about expected future revenue from performance obligations that have not yet been met. The disclosure of the transaction amount allocated for the remaining performance obligations includes several details:
A. Transaction amount allocated for residual performance obligations
-Future income: The transaction amount allocated for performance obligations that have not yet been met must be disclosed at the end of the reporting period.
–Timing of revenue recognition: Information should be provided on the timing of recognition of expected revenue from residual performance obligations.
B. Dividing the transaction amount
–Time period: Dividing the transaction amount into expected time periods for revenue recognition (e.g., in the first year, between the second and fifth year, and after the fifth year).
-Performance obligations: Disclosure of the transaction amount allocated for each type of performance obligation if possible.</td></tr>
<tr><td>The company must disclose all:
Important jurisprudence and changes in jurisprudence in relation to contracts, performance obligations in contracts, pricing of performance obligations therein, and how revenue is measured and recognized.</td><td>No</td><td>No</td><td>Jurisprudence
Task in application
Standard</td></tr>
<tr><td colspan="4">Interpretations: These jurisprudence relate to the important judgments and estimates that management makes when applying the revenue recognition standard, which can significantly affect the company's financial reporting, this disclosure provides transparency about the key decisions affecting revenue recognition, helping users understand the potential risks and assumptions on which management is based, and clarifying the details of disclosures related to important judgments represented by significant accounting estimates and judgments, including the determination of performance obligations and the allocation of the transaction price, as well as Timing of revenue recognition.</td></tr>
<tr><td>The company must disclose:
Methods used to recognize revenue
Why these methods are useful for revenue recognition.</td><td>There isn't any</td><td>There isn't any</td><td>Timing of fulfillment
Performance obligations</td></tr>
<tr><td colspan="4">Explanations: It aims to provide clear information about the timing and how to recognize the revenues resulting from contracts with customers, this disclosure helps users understand the</td></tr>
</table>

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<table>
<tr><td colspan="4">timing of the company's revenue flow, which enhances the transparency of financial reports, and is represented in two ways:
-Timing of transfer of goods or services Transfer of control: Clarify how to determine the timing of the transfer of control of goods or services to the customer.
–Time versus over time: Indicate whether revenue is recognized at a particular point in time or over time.</td></tr>
<tr><td>The Company shall disclose information relating to:
Transaction price
Estimates of variable compensation
Raising the time value of money
Measurement of non-monetary compensation
Transaction price allocation
Customize rebates
Variable compensation assignment
Measuring commitments against returns.</td><td>There isn't any</td><td>There isn't any</td><td>Transaction price and amounts Customized Performance obligations</td></tr>
<tr><td colspan="4">Explanations: Disclosure of the transaction price and amounts allocated to performance obligations is a key part of the disclosure requirements under IFRS 15, and aims to provide transparency on how the transaction price is determined and allocated to various performance obligations in contracts with customers. The following are the details regarding the disclosure of the transaction price and the amounts allocated to performance obligations:
1. Required disclosures about the transaction price
A. Determination of the transaction price
Expected revenue: The amount of the transaction price agreed in the contract with customers must be disclosed.
Variable elements: Explain how variable amounts such as rebates, refunds, and incentives are estimated.
Variable Amounts Restrictions: Disclosure of variable amount restrictions and how they affect the transaction price.
B. Transaction Price Allocation
Allocation of the transaction price on performance obligations Provide an explanation on how the transaction price is allocated on the performance obligations specified in the contract.
Methods and assumptions: Explain the methods and assumptions used to allocate the transaction price, such as using standalone selling prices or other methods</td></tr>
<tr><td>The company must disclose:
Determine the costs incurred to obtain Or fulfill the contract and related jurisprudence. How to amortize contracts and obligations every period
All details related to the assets of obtaining or fulfilling a contract</td><td>There isn't any</td><td>There are some Special Details Purchase Contracts But it lacks More information</td><td>Proven assets of costs Get or Fulfillment of a contract with Client</td></tr>
</table>

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Amortization and impairment losses recognized in the reporting period			
Explanations: Disclosure of assets recognized from the costs of obtaining or fulfilling a contract with a client is an important part of the disclosures required under IFRS 15, this disclosure helps provide detailed information on the costs incurred by companies in obtaining contracts and fulfilling performance obligations, and how these costs are recognized as assets.			
The same policies but the company has to Reevaluate revenue disclosure policy from Contracts with customers	Policies	Policies	Policies Related Accounting By revenue
Explanations: It is an essential part of financial disclosure requirements, this disclosure helps clarify the principles and principles adopted by companies in recognizing revenues, which contributes to enhancing the transparency of financial reporting and understanding how to apply the accounting standard.			

Source: Researcher preparation based on IFRS 15, IAS 11 & IAS 18 requirements and company disclosures.

It is noted from Table (42) the huge difference between the disclosure requirements of the standard (IFRS 15) Future Bay Company and the previous standards (IAS 11 & IAS 18) as there is a big difference in the quantity and quality of information that the company must disclose according to the requirements of the unified accounting system and the new standard IFRS 15 , as well as the big difference between it and the previous standards related to revenue, and this large difference gives the quality of information content if the new standard is applied because it requires companies to disclose For all necessary and important information that would clarify the financial position of the company with regard to accounts receivable and contracts, in addition to that, the company must disclose the balance of accounts receivable related to revenue related to this standard for accounts receivable related to previous standards, and this gives quality in terms of quantity and quality to know the sources of revenue.

Second: The impact of the quality of accounting information resulting from the application of IFRS 15 on the quality of financial reports

Since the essence of IFRS 15 is to improve the quality of financial reporting by establishing principles for reporting on the nature, value, timing and uncertainty of revenue and cash flows generated from contracts with customers, the application of the standard will lead to providing more useful information to users of financial statements by improving disclosure requirements, which contributes to a better understanding of the amounts, timing and uncertainty of future cash flow revenue compared to other revenue standards, and the measurement and recognition of assets and contract obligations in accordance with IFRS15. The original contract is recognized when the enterprise's right in exchange for the transfer of goods or services is conditional on something other than the passage of a specified period of time and the future performance of the company, and the obligation of the contract is recognized when the enterprise receives the amount of consideration from the customer or when this amount is due.

Focusing the standard on the real economic essence of financial events instead of focusing on the apparent form of these events, its application may lead to access to more transparent and high-quality financial statements, which increases the quality of the qualitative characteristics of accounting information as follows:

1: Improved trapping property.

The IFRS 15 standard sets the main objective by setting the principles applied by the unit to report useful information to users of financial statements on the nature, amount, timing and uncertainty of revenues and cash flows arising from the customer, along with providing requirements and guidance for dealing with uncertainty in transactions such as allowing the estimate of variable consideration in the transaction price, or processing the time value of the transaction when there is a material financing element in the transaction price, and then providing Timely information that has high predictive and affirmative value that helps

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its users evaluate past, current and future events to predict the performance and future prospects of the unit

2: Improve the property of honest representation.

As stated in the second paragraph of the standard (IFRS 15), and in order to achieve its goal of providing useful information to users of financial statements about the nature, amount, timing and uncertainty of revenues and cash flows arising from a contract with the customer, the success of the standard is to achieve consistency between the definition of revenue and the conditions for recognizing revenue and the definition of the asset in a way that prevents the recording of certain values in the financial statements that do not honestly reflect the reality of the economic transaction that has already occurred. The five steps to recognize revenue on a systematic and systematic basis and based on concepts and principles that explain the real economic phenomenon of revenue transactions, and overcome the problem of the multiplicity and complexity of current guidelines and standards that have led to an accumulation of manipulation and fundamental errors in revenue recognition, so the standard provides information on revenue that may be free from material errors and bias.

3: Improved comparability property.

The adoption of the IFRS 15 standard on one comprehensive model without exceptions is applied to all units and industries to ensure that similar elements and events are accounted for in a consistent manner over time and by all different units, in addition to that different elements and events are accounted for in similar ways.

4: Improved verifiability property.

As a result of IFRS 15 providing a single revenue recognition model, reducing multiple interpretations on a case-by-case basis, providing sufficient guidance to address all revenue recognition issues, and the lack of alternative options for handling the same economic transactions, it makes it easy for all independent parties with experience and knowledge, such as auditors, to reach agreement on the results of the accounting treatments used by the unit to recognize revenue

5: Improve the comprehensibility property.

IFRS 15 emphasizes increasing the level of revenue disclosure in the financial statements by requiring units to disclose quantitative and descriptive information about revenue from contracts with customers, disaggregating revenue into appropriate categories, disclosing contract balances and performance obligations, and estimates and provisions important for the application of the requirements of the new standard, with the aim of helping investors and users of financial statements to better understand the nature, amount, timing and uncertainty associated with unit revenues.

6: Improved timing property.

The economic decisions taken by the various parties concerned with the affairs of the economic unit depend on the availability of information that is considered as inputs to the decision-making process, and therefore the emphasis of the IFRS 15 standard on providing quantitative and descriptive information about revenue from contracts with customers, is useful to users of financial statements about the nature, amount, timing and uncertainty in revenues and cash flows arising from a contract with the customer, thus improving the timeliness feature. Transparency in accounting requires companies to provide accurate and honest information about their financial performance, and to adjust revenues to include the time period for recognizing revenue, which enhances users' understanding of the financial statements of the reality of the company's financial performance, which reflects the commitment to honesty and transparency, and transparency seeks to reveal reality without embellishment, the period of revenue recognition displays the actual value of the expected funds, which prevents the illusion of inflated financial values belonging to one period without another.

Accordingly, there is a possibility for Iraqi units to apply the requirements of financial reporting on revenue activities in the light of the applied aspect, which lays the foundation stone in the orientation of Iraqi economic units towards the application of international accounting and financial reporting standards, which proves the objectives and hypotheses of the research.

FOURTH TOPIC
CONCLUSIONS AND RECOMMENDATIONS

The researchers present a set of conclusions and recommendations depending on the results of the application of revenue recognition requirements according to IFRS in accounting income.

First: Conclusions

1- The issue of revenue recognition is one of the main accounting concepts that deserve attention and auditing, as it does not represent just a purely technical concept, but rather a philosophical basis for thinking about the way economic units deal with income inputs and how to interpret and record them in accounting records, the importance of revenue is reflected in being an indicator that reflects the quality of the performance of the economic unit, and enhances confidence in the financial reporting information it provides. By analyzing and understanding revenue in depth, users can gain more insight Accuracy about the course and future of the economic unit.

2- Revenue accounting is among the main and complex topics in the world of accounting, as it raises many controversial and debated issues. Among these issues, it is important to identify the right moment to recognize revenue as a fundamental problem facing accountants in their application of accounting standards.

3- The adoption of IFRS 15 on the asset and liability approach aims to include an honest representation of the economic essence of transactions that generate revenue, as well as to provide a solid and harmonious conceptual basis for a comprehensive revenue recognition standard, which is to look at changes in assets and liabilities resulting from transactions between the unit and its customers as a measure of revenue recognition.

Second: Recommendations

1- The Economic Unit should pay attention and scrutiny on the subject of revenue recognition, by enhancing the understanding and training of the accounting and management teams to ensure the accuracy of revenue recognition and analysis processes, as well as providing courses andthe necessary continuous support for international accounting standards and guidelines to ensure their correct and consistent application, which contributes to building confidence among users of financial reports and provides an accurate vision about the future of the economic unit.

2- The need to enhance the importance of determining the appropriate time for the recognition of revenue objectively and accurately, among accountants, by defining the performance obligations in the contract, determining the transaction price and how to allocate the transaction price over the performance commitment periods, through specialized training courses and workshops.

3- Adapting the unified accounting system in the area of revenue recognition, as this requires a deep-rooted interest in how revenue recognition and measurement is achieved and disclosed, as well as its disclosure in a manner that is consistent at the level of the accounting system.

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