IJFBS
Finance & Banking Studies

Finance & Banking Studies

IJFBS, VOL 9 NO 1 ISSN: 2147-4486
Contents available at *www.ssbfnet.com/ojs*

https://doi.org/10.20525/ijfbs.v9i1.650

Analysis of Tourism Companies Listed in Istanbul Stock Exchange According to IFRS-15 Standart

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Abstract

Revenue is the most important accomplishment and size pointers for businesses. A new standard, which has more comprehensive and comparable feature to eliminate the deficiencies in the IFRS (International Financial Reporting Standart)-15 Revenue From Customer Contracts Standard published on 15.01.2019 and the old revenue (IAS-18 Revenue and IAS (Inernational Accounting Standarts) -11 Construction Contracts) standards to be applied in the accounting periods starting after 01.01.2018, has been introduced. The most important purpose of the standard is to eliminate the uncertainties and deficiencies in the old standards with a five-step model on important issues related to when and what amount of the revenue based on the contract with customers will be accounted. Innovation in revenue standard has an important place in measuring the financial performance of the company. Different regulations on when revenue will be recorded depending on which conditions are realized have affected the accuracy and comparability of the company financial statements in practice. With the renewed IFRS-15 standard, revenue will provide more detailed financial information to business decision makers in the future. According to IFRS-15 Revenue From Customer Contracts Standard, which is applied for the accurate reporting of revenues, comprehensive analysis of the financial table footnotes of the businesses in the tourism sector concerning, proffering of the records related to the revenue in the financial statements in the footnotes, the contracts placed with the customer of the enterprise, important evaluations in the application of the standard and the transaction costs incurred in the financial statements as an asset has been the scope of this study.

Key Words: *IFRS-15; Revenue; Presentation; Explanation; Footnote*

JEL Classifications: *M40; M42; M49*

Introduction

Together with the progress of globalization, globalization and information technologies in the world, the comparison of the financial statements organized by businesses and the transparency and uniformity of this information have become very important for users of this information. In this context, a standardization need for this issue has arised around the world. In this context, IASC (International Accounting Standards Board) was founded in the year 1973 and started to work. Following the major accounting scandals that arose in the world in the year 2002 (Enron, Worldcom, Parmalat etc.), international financial reporting standards started to be published together with the international accounting standards that came into force as from the year 1973. Revenue is a very significant item in the measurement of business performances for internal users and external users using financial reports, in terms of making decision for their valuations made by any method.

Therefore, there are many standars regarding committe revenue issued the standards of Turkey Accounting Standards (TMS) and Turkey Financial Reporting Standards (IFRS); These are IAS-11 Construction Contracts Standard and IAS-18 Revenue Standard.These comments were IFRS Comment 13- Customer Loyalty Programs, IFRS Comment 18- Asset Transfers from Customers. However, since these standards were not sufficient and the issue on what to do in especially multi-factor contracts remained uncertain, a new standard was required. The basic principle of Revenue from Customer Contracts of IFRS-15 reported on 15.01.2019 to be applied in the accounting periods starting after 01.01.2018, is to recognize the revenue in a way that shows the expected amount to be obtained in return for the convey of the goods or services promised to the customer. According to the "IAS-18 Revenue" standard, which is finalized with the implementation of IFRS-15, the transfer of the risks and benefits related to the trade goods and services to the customer is carried out, while the control of the asset is conveyed to the customer in IFRS- 15. Sustainability in financial reporting and financial management of businesses will be ensured together with the development in international financial reporting standards (for example, the obligation to apply in companies that are open to rights in European Union countries since 2005) with the major accounting scandals occurring in 2001-2002.

The risk and benefit analysis required for the recording of revenue in IAS-18 have been replaced by "control" in accordance with other standards. According to new IFRS-15 standard, while the transfer of risk and benefit are an indicator that also control is transferred, but businesses will need to consider additional indicators (art.38). In IAS-18, the area of revenue is limited to goods sales, service delivery, interest, name rights and dividends, while IFRS-15 covers all contracts placed with customers, except for contracts that are in the scope of other standards. The primary purpose of financial managers in businesses is to maximize the business's market value. In order to achieve this goal, financial managers have to make and implement many decisions by considering risk and profitability. The analysis of the financial statements prepared in accordance with the International Financial Reporting Standards reflects the reality.

Literature Review

Power (2010) indicated that fair value became important to the development of a professional, regulatory identity for standard-setters. Fair value though not sufficient in itselves, added up to a weakening of a transactions-based, realisation-focused conception of accounting reliability in favour of one aligned with markets and valuation models in revenue. Köse and Çelikay (2015) stated and also according to FASB (Financial Accounting Standards Board), revenue is "distribution or production of goods for a period of a business or performance of services and gross increases in assets or gross decreases in performances through the performance of other earning activities ". IFRS 15, which is converged with Accounting Standards Update 2014-09 Revenue from Contracts with Customers issued by the FASB, establishes a single, comprehensive framework for revenue recognition. The framework will be applied consistently across transactions, industries and capital markets, and will improve comparability in the 'top line' of the financial statements of companies globally. Oncioiu and Tanase (2016) in their work explained that IFRS 15 defines also other several terms such as contract, contract asset, contract liability, customer, transaction price or standalone selling price. However there are many other terms which must be considered when revenue from contracts with customers are dealt such as agent, bill-and-hold arrangement, control, contract modification, highly probable, probable, etc. Şenel (2009) in his work stated that nowadays the concept of revenue is confused with many concepts. These differences lead contradiction in terms of defining and measuring the concept of revenue. When it comes to revenue, concepts such as earning and income come to mind, but he stated that these terms are different from each other. Özerhan and Sultanoğlu (2019) in their work stated that one of the revenue items within the scope of IFRS-15 is licensing. Licensing represents the customer's rights to the intellectual property of the business. They stated that the most important change in terms of licensings' recognition is the licensing contracts with right of usage are at certain date, as to the licensing contracts with right of access, are in spreading over time.

Özerhan and Others (2015) in their work stated that this standard covers all contracts placed with customers that require delivery of goods or services. Yeaton (2015) indicate that the purpose of the IFRS-15 Standard is to define, measure and explain contract revenues. Aims comparability and periodicity. Ciesielski and Weirich (2015) in their work explained the five-phase model in the IFRS-15. This standard emphasized that the standard will affect the sectors which are multi-factor contracts such as telecommunications. Aurrora and Bontas (2014) in their work stated that the purpose of the new IFRS-15 standard is the unacceptable and unpleasant situation for the financial information users for determining the economic situation of the enterprise, the formation of different accounting results. Çalış and Hışman (2019) in their work stated that the effects of the enforcement of IFRS-15 on earnings, deferred taxes, management compensation and sectoral characteristics. Ataman and Cavlak (2017) in their work stated that the regulations towards the identification, measurement and accounting of revenue within the framework of IFRS-15 Revenue from Customer Contracts were examined. In addition, an application is included within the scope of these regulations. Keskin and Dinçer (2015) in their work stated that the basic features of the five-stage model in IFRS-15 Revenue from Customer Contracts Standard and how revenue could be accrued were explained.

Olsen and Weirich (2010) in their work stated that In the old practice, IAS-11 and IAS -18 standards guide transactions for recognition of revenue. These standards offer similar transactions (revenue) to different applications. Because what generates revenue is the transfer of risk and return in one, and the other is activity (periodicity). IFRS-15, by combining the scope of both standards, reveals the general revenue recognition principles. Akkın (2017) in his work stated that the main condition for the enterprises to apply this standard is that the counterparty must be a customer in the contract to be placed, and the customer's definition is the contract with the business in order to get trade goods or services that are the result of the regular activities of the business by paying a certain amount (price). In this study, In accordance with IFRS-15 Customer Contracts Revenue Standard, the presentation and footnotes of tourism companies traded on Istanbul Stock Exchange will be analyzed according to this standard. Arabacı (2017) mentioned that with the changing IFRS-15 standard, the concept of performance obligation was introduced. In this case, it is necessary to determine the performance obligations separately in a contract. In its new form, the concept of transaction price is mentioned. The transaction price has fixed and variable parts. The concept of transfer of control is emphasized and information is given about its conditions. The accrual of income is realized by transferring control of the goods or services to the customer. It is mentioned that the transaction price is distributed to the performance liabilities at a relative independent selling price. The concepts of transaction price and independent sale price are explained. He brought the concepts of "in time" or "at a certain moment" regarding the transfer of control and stated the relevant conditions.

Theoretical Background

IFRS-15 Revenue From Customer Contracts Standarts- Accounting, Measurement and Presantation

Transactions such as sales of goods, service presentations, construction contracts, registration of intellectual property rights, exchange of non-monetary assets are reported as transactions that should be reflected in the financial statements Under IFRS-15 (Şavlı, 2016). Revenues arise from as a result of the ordinary activities of the business such as sales, interest, dividends and commissions. According to IFRS-15 Standard, revenue is defined as the revenue generated during the ordinary activities of the enterprise. IFRS-15 standard, which creates a new revenue recognition model, helps to decide whether revenue will be recognized at a certain time or in time.

In IFRS-15, in contracts with more than one execution obligation and not being partitioned, it is stated in detail how this distinction will be made and will be distributed to the performance obligations and in which cases it will be recognized over time or at a certain time. In IFRS 15, a five-step model is included in accounting for revenue, and the principles for this model consist in the following: (Özerhan and Sultanoğlu, 2019)

- 1st Step; Identification of the contract placed with the customer,
- 2nd Step; StepIdentification of execution obligations in the contract (promise to deliver the goods or provide the service),
- 3rd Step; Spesified of the transaction fees (price),
- 4th Step; Distribution of the transaction price to execution obligations,
- 5th Step; Accounting of revenue if the entity fulfills its contractual execution obligations (transfer of goods or services)

Since IFRS-15 is focused on the contract is the most important evidence in determining whether the sales transaction has been completed or not. Contract and customer are specified the standard. The contract is defined as "an agreement between two or more parties that creates feasible rights and obligations": (IFRS-15 art.10). IFRS-15 Standard is applied in most cases for the single contract of the business with the customer (PWC.2014c). However, in some cases, the amount of revenue and the timing of accounting may require to merge and separate contracts by entity under the necessary circumstances. In order to be included in the area of the contract:

(i) The parties of the contract must approve the contract in writing or verbally,

(ii) Rights of the parties related to the trade goods or services to be transferred should be defined in the contract.

(iii) Payment conditions must be determined for the goods or services to be conveyed.

(iv) The contract must be a commercial nature in essence.

(v) It must be probable that the amount to be transferred (IFRS-15 art.9).

Especially in contracts with several income items, in other words, if more than one goods and services are sold in a single sales contract, the transaction fee should be distributed to different goods and services within the scope of the contract (Şavlı, 2016). *The execution obligation is briefly the entity's promise to transfer a different good or service or a series of different goods and services to the customer (*IFRS-15 art.22). The accrual of revenue in the new standard depends on the fulfillment of the performance obligations in the contract, and some contracts may include multiple income items. Therefore, IFRS-15 Standard has clarified the contracts with multiple income items that are not included in the content of IAS-11 and IAS-18. This part of the process will particularly affect transactions involving the sale of two or more goods and/or services at the same time and the sectors that use these transactions intensively. In order to make this distribution, each performance execution obligation must be determined (Aktaş and Varol, 2017). For example, if an enterprise selling technological products sells operating system software program besides the computer, there is more than one execution obligation.

When an performance obligation is fulfilled (or brought), the company adds the business value corresponding to this performance obligation in the financial statements as revenue *(*IFRS-15 art.22). IFRS-15 defines the business price as the amount that the enterprise expects to deserve in return for the transfer of the goods or services promising to the customer, except the amounts compiled on behalf of third parties *(*IFRS-15 art.47).

The entity determines the business price by considering the contract terms and commercial practices. The business price is the amount that the entity expects to deserve in exchange for the convey of the trade goods or services promised by the entity to the customer, excluding the amounts compiled on behalf of third parties (eg sales taxes, goods and service taxes, VAT). Under these assumptions, the entity takes the following factors into account when determining the transaction price; *(*IFRS-15 art.48).

Variable price arises due to reasons such as discounts in the contract, returns and other similar discount items (incentives, performance premiums, price advantages etc.) *(*IFRS-15 art.51). If the entity anticipates that there will be probably no cancellation in the face of risks, it includes some or all of the variable price determined by estimation in the transfer price to the extent that the uncertainty on the variable portion of the cumulative revenue amount recognized disappears *(*IFRS-15 art.56). If the timing of the payments agreed by the parties provides a significant benefit to the customer or the business, there is a financing component in response to the effects of the time value of money and a correction is made to determine the cash sale price *(*IFRS-15 art.56). In case the business receives a non-cash price from the customer, the entity measures the transaction price at the fair value of the non-cash price. However, if it cannot reasonably estimate the fair value, it indirectly measures the promised goods and services in the reference of the individual sale prices *(*IFRS-15 art.56). The amount to be paid to the customer includes the cash amounts actually paid to customer or expected to be paid by the enterprise***.*** Unless the payment to the customer is in return for the different trade goods and services transferred by the customer, the enterprise is accounted for at the transaction price as a discount from the revenue *(*IFRS-15 art.70). If the price to be paid to the customer is a payment for different trade goods or services received from the customer, the company accounts for the purchase of goods or services by the method it follows in other purchases from its suppliers *(*IFRS-15 art.71).

The purpose of the distribution of the agreement price is to apportion the transaction fee to each execution liability *(*IFRS-15 art.73). In the contract, the sale price of each performance obligation is determined at the beginning and the transaction price is distributed proportionally to these sales prices *(*IFRS-15 art.76). For example, if the computer and operating system software programs are sold together, the transaction fee should be distributed to the performance obligations, since there is more than one performance liability.

The standard defines the detached sale price as observable as “the price demanded by the enterprise in exchange of selling one of the goods or services it promises to the customer alone” *(*IFRS-15 art.77). In the agreement of purchasing a package of trade goods and services, the customer receives a discount if the sum of the individual sale prices of the promised trade goods or services exceeds the commitment price to be paid for this goods or service. If the discount does not belong to one or more of the execution obligations regulated in the agreement contract, the company distributes the mark down proportionally to all performance obligations in the contract *(*IFRS-15 art.81). Variable price can be charged to all or part of the contract. In case the specified conditions are met together, the entity distributes the variable amount promised in the contract to a certain part or all of the contract *(*IFRS-15 art.85). The amount that the enterprise expects to deserve in return for the goods and services it promises may change due to reasons for exaple resolution of undeterminable events after the contract or changing conditions.Following changes in the business price are distributed to either pre-exchange actions or post-change actions, whichever is appropriate. Distributed amount is idendified revenue or discount from revenue in the period of change *(*IFRS-15 art.87-90).

The entity recognizes revenue as it fulfills or obtains its execution obligation by transferring the trade goods or services that it promises to the customer in its agreement with the customer *(*IFRS-15 art.31). The execution obligation is fulfilled either over time or at a certain time. If the company fulfills its execution obligation over time, it reflects its performance in the financial statements as revenue *(*IFRS-15 art.32-35). As a facilitating practice, it is stated that it is not mandatory in the standard to make corrections for the impact of an important financing component in sales with less than one year or less than a year *(*IFRS-15 art.63) .Except for ease of application, all maturity differences are recorded as interest income, separated from revenue regardless of the duration *(*IFRS-15 art.65).

Presentation and Footnotes in IFRS-15 Standart

Regarding a sales contract, if either party starts to fulfill its obligations, the entity must reflect the asset or liability arising under this agreement in the balance sheet . As to receivables, which are not subject to any condition, are also included in the financial position statement as Trade Receivables. The entity shows its unconditional rights regarding the price separately as a receivable (IFRS-15 art.105). Contractual assets are the amounts that the enterprise fulfills its obligations but has not yet collected (Şavlı, 2016). For example, a entity has not been invoiced, yet and collected after providing service. In this case, an income accrual will be reflected in the balance sheet to correspond to the contractual asset. These income accruals will be converted into commercial receivables when the invoice is issued and will be collected and closed when due. The contractual obligations are related to the obligations of the business that it has not fulfilled yet, even though it has collected from the customer. Such as , although the customer has been charged in advance, service delivery has not taken place yet. Therefore, an entity has an responsible of to provide services to its customers and this obligation must be reflected in the balance sheet. If the invoice is not issued, this amount will be reflected as advances received, and if the invoice is issued, it will be defined as deferred income.

The purpose of disclosure in terms of the business is to disclose sufficient information to users of financial statements so that they can enable to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. To achieve this goal, the entity discloses qualitative and quantitative information about all of the following *(*IFRS-15 art.110):

i. Contracts placed by the business with its customers,
ii. Important considerations in the implementation of the standard and
iii. Including the contractual costs bring upon in the financial statements as assets.

The entity evaluates the level of detail required to fulfill its purpose of disclosure and how much attention should be paid to each of the different provisions. The entity aggregates or segregates descriptions to prevent useful information instead of being confidential due to the large number of insignificant details or the aggregation of items with substantially different properties.

The following information must be revealed regarding contracts with customers:

- Revenue from agreement with customers, as shown separately from other revenue sources
- Impairment losses related to receivables or contract assets developing from contracts with customers, as shown separately from weakining losses arising from other contracts.

The company divides revenue from contracts with customers into financial statements, showing how revenue and cash flows are attributed to economic factors by the amount, timing, and uncertainty *(*IFRS-15 art.114). For example; we can express the type of goods or services, the customer market or type, the type of contract, the term of the contract, the means of sale.

The entity makes an explanation of the significant changes that occurred in the contract asset and contract liability balance during the reporting period. This description contains both qualitative and quantitative information. Changes in the entity's contract asset and liability balances can be given as below examples *(*IFRS-15 art.118):

- Modify due to business conjunction
- Adjustment to the cumulative level in revenue that affects the relevant contract asset or liability, including adjustments resulting from a change in progress measurement, a change in transaction cost estimate, or a contract change.
- Weakining in a contract asset,
- Change in the time it takes to become unconditional (in other words, reclassification of a contract asset as a receivable) to the right to receive the price,
- Change in the time it takes to fulfill an execution obligation (in other words, the revenue arising from a contractual obligation to be included in the financial statements).

Information about the responsible of agreement with customers, including the following, should be disclosed *(*IFRS-15 art.119):

- Time for an entity to meet its overall obligations, including when an obligation under an invoice hold arrangement is fulfilled (such as, after loading , after bringing , as services are depicted or after service completion),
- Important payment period
- The qualification of the goods or services that the enterprise guarantees their transfer by paying attention to the obligations of the entity in terms of making arrangements on the transfer of goods or services on behalf of another party (in other words, the act of the business as a representative or intermediary),
- Return and refund obligations and other similar obligations

- Warranty types and related responsibles

An entity must reveal the following information about its rest responsibilities (Şavlı,2016):

- Total amount to the transaction price distributed to unfulfilled liabilities as of the end of the reporting period
- Definition regarding when unfilled liabilities are reflected in the financial reports as income as of the end of the reporting period: A quantitative table using the most appropriate maturity range for the remaining liabilities, or qualitative explanations,

Important Issues in the Application of the Standard

The entity discloses legal opnion and changes in these legal opinon that affect the determination of the amount and timing of revenue arising from contracts with customers, which it uses in the implementation of this standard. In particular, the entity explains the legal opinion and changes in these legal opinion used in determining:

- Determination of the time to fulfill the obligations. Regarding the timing of the obligations, the following information should be disclosed:
- Period of performance of execution obligations
- Amounts reflected in transaction costs and execution obligations
  - Regarding the obligations fulfilled at a certain moment of time;
  - Significant evaluations in determining when the customer will gain control of the assured goods or services.

Explanations should be made about the procedure, comment and supposal used in the following evaluations:

- Determination of the dealing price (including estimation of the variable value, correction of that value in accordance with the effects of the value of money and measurement of non-cash value),
- Imposing restrictions on the determination of the variable price,
- Distribution of the discount price to a specific part of the contract with distrubition of the dealing price including also the estimation of the sales prices of the committed trade goods or services.
- Measurement of return and refund obligations and other similar responsibilities.

If the contracted costs are reflected to the financial statements as assets, the compant must make the following explanations:

- Comments made on resoluteness the amount of cost incurred for obtaining and terminating a job,
- The method used by the enterprise to settle the amortization for each reporting period,
- Distribution of the reflected amounts as financial assets from the costs incurred for completion of a business on the basis of closing balances and main items and,
- Amortization amount and impairment losses reflected in the financial statements during the activity period.

As can be seen, financial analysis functions as a map and compass for business executives. With the help of financial analysis, managers can determine their direction and have the opportunity to reach their goals in a shorter way and more effortlessly. Not only business managers benefit from financial analysis; there are other interest groups that make analysis using the financial statements of businesses. These groups and their objectives can be summarized as follows. Public Institutions: Especially, in order to determine the obligations that businesses have to pay, such as taxes and insurance, public institutions such as Tax Offices and Social Security may subject the financial statements of enterprises. Therefore, since the financial statements prepared according to international financial reporting standards will reflect the truth more clearly, the analysis of financial statements prepared according to these standards will be more realistic.

Data Analysis and Results

In this study, independently audited financial statements and footnotes of seven Tourism and Hotel companies traded on Istanbul Stock Exchange;

With the basis for presentation of the financial statements of revenue, revenue footnotes have been analyzed with the "Content Analysis" method of the presentation and explanation sections. Joint stock companies traded in Borsa Istanbul included in the analysis and footnotes of financial statements for which period are given as

Company A, 01.01.2018-31.12.2018 Audit Report and footnotes; Company B, 01.01.2018-31.12.2018 Audit Report and footnotes; Company C, 01.04.2018-31.03.2019-Special Accounting Period Audit Report and footnotes; Company D, 01.01.2018-31.12.2018 Audit Report and footnotes; Company E, 01.01.2018-31.12.2018 Audit Report and footnotes; Company F, 01.01.2017-30.06.2017 Interim Period Audit Report and footnotes; Company G, 01.01.2018-31.12.2018 Audit Report and footnotes

Content Analysis has been analyzed within the above mentioned companies within the following issues:

Question 1: Are the unconditional rights related to the operating price shown separately as a receivable?
Question 2: Are the contracts of the business with the customer explained in the footnotes?
Question 3: Are the important evaluations in the implementation of the standard explained in the footnotes?
Question 4: Have the costs incurred in the contract been included in the financial statements as assets?
Question 5: Is the revenue arising from the agreements made with the customers explained in the footnotes?
Question 6: Are the impairment losses related to the receivables or agreement assets arising from the agreements made with the customers included in statements?
Question 7: Is it divided into categories that show how the quality, amount, timing of the revenues and cash flows are acted upon by economic factors?
Question 8: Is there an explanation about the significant changes that happened during the reporting period in the balance of the entity contract and contractual liability in the footnotes?
Question 9: Whether the information including the obligations regarding the agreements with the customers is disclosed in the footnotes?
Question 10: Whether the total amount of the dealing price distributed to the unfulfilled liabilities of the enterprise is reported as of the end of the reporting period?
Question 11: Are explanations regarding when the unfulfilled liabilities are reflected as financial income as of the end of the reporting period, in footnotes?
Question 12: Disclosure of legal opnion that significantly affect the amount and timing of revenue arising from contracts?
Question 13: Are explanations regarding the timing of obligations included?
Question 14: What are the amounts reflected in the transaction price and execution obligations?
Question 15: Are the comments regarding cost incurred for the receipt and termination of a job included in the footnotes?

As a result of the content analysis, the results have been obtained in table 1

Table 1: Analysis results

Companies/ Footnote Subject	A	B	C	D	E	F	G
Is there a five-stage model?	✓	✓	x	✓	✓	x	x
Are performance obligations, which are the commitment to transfer trade goods or services, included?	✓	✓	x	✓	✓	x	✓
Are the unconditional rights regarding the transaction price shown separately as a receivable?	x	x	x	x	x	x	x
Are the contracts of the business with the customer explained in the footnotes?	✓	✓	x	x	x	x	x
Are important evaluations in the implementation of the standard explained in the footnotes?	✓	✓	✓	✓	✓	✓	✓
Have the costs incurred in the contract been included in the financial statements as assets?	x	x	x	x	x	x	x
Has the revenue arising from contracts with customers been disclosed in footnotes?	✓	✓	✓	✓	✓	✓	✓
Are impairment losses related to receivables or agreement assets arising from agreement with customers included in the tables?	x	x	x	x	✓	x	x
Is it divided into categories that show how the quality, amount, timing of revenues and cash flows are impacted by economic factors?	x	x	x	x	x	x	x
Are there any explanations about important changes in business contract assets and agreement liability balance during the reporting period in footnotes?	x	x	x	x	x	x	x
Whether the information that will include the obligations regarding the contracts with customers is disclosed in the footnotes?	✓	x	x	x	x	x	x
Whether the total amount of the transaction price distributed to its unfulfilled liabilities as of the reporting period regarding the remaining liabilities of the enterprise is reported?	x	x	x	x	x	x	x
Are definitaion about when the unfulfilled liabilities are expected to be reflected in the financial statements as revenue at the end of the reporting period are included in the footnotes?	x	x	x	x	x	x	x
Disclosure of judgments that significantly affect the amount and timing of revenue from contracts	✓	x	x	x	x	x	x
Are explanations regarding the timing of the obligations included?	✓	x	x	x	x	x	x
What are the amounts reflected in the transaction price and execution obligations?	x	x	x	x	x	x	x
Are the comments regarding cost incurred for the receipt and termination of a job included in the footnotes?	x	x	x	x	x	x	x

Note: ✓ shows that the relevant situation is included in footnotes. X shows that the relevant situation is not included in the footnotes.

Discussions and Conclusion

According to the content analysis made accordingly, it has been determined that most of the issues that should be included in the footnotes in the TFRS-15 explanations are not included. A five-step model is included in the footnotes from four of the seven companies that are subject to content analysis. Five companies have included their performance obligations in the footnotes, which have commitments to transfer of goods or services. Only two companies' contracts with customers are explained in the footnotes. All firms subjected to content analysis included important evaluations in the implementation of the Standard in their footnotes. All companies subjected to content analysis are disclosed in the footnotes and in the revenue footnotes arising from the agreements with their customers. Only one company has stated that impairment losses related to receivables or contract assets coming from agrement with their customers have been included in the tables. Only one company has disclosed information which will include obligations regarding agreement with its customers in the footnotes, only one company has disclosed judgments in the footnotes that importantly affect the amount and timing of revenue from agreement. Only one company has included explanations regarding the timing of fulfilling its contractual obligations.

According to the results of the analysis, as a result of the analysis of the financial statements and footnotes of seven publicly traded tourism companies whose shares are traded on the stock exchange in Istanbul, the contents of the footnotes of the IFRS-15 standard are generally reported as incomplete and inadequate.

Revenue factor is one of the most important indicators for users of financial statements today. The IFRS-15 standard, which emerged due to these reasons, has greatly ensured the reliability and suitability of revenue information in the financial statements and footnotes with the new accounting model it brought. Adequate and detailed explanations have been made in accounting for transactions such as multi-factor transactions, returns rights, pricing, guaranteeing and name rights, in which IFRS-15, IAS 18 are insufficient, and especially by addressing the definition of income comprehensively in terms of revenue and transfer of goods and services. or to reflect the services, the amount of benefits expected to be gained in return for fulfillment of performance obligations in the transfer of goods and services specified in the contract are recognized and reflected in the financial statements. IFRS-15 tackles the accounting of revenue with a five-step approach. It attributes the accounting of revenues to the transfer of control and exhibits the negotiation price as the new benchmark in determining the amount of revenue. Besides, in the standard where the contracts with more than one execution obligation and cannot be segregated, explanations about how the distinction will be made, how the transaction fee will be dispersed to the performance obligations and the income will be spread over time or recognized at a certain time have been included. Regarding the recognition of revenue with IFRS-15, the issues that remain uncertain, especially in terms of IAS-18 and IAS-11, have been answered.

For the investors, the financial statements of the publicly traded companies whose shares are traded on the stock exchanges must be disclosed. Investors analyze these tables and shape their investment decisions. As a public opinion, researchers, students and non-governmental organizations need an analysis of the financial statements of businesses. In order to perform financial analysis, financial statements produced by the enterprise financial information system are needed. It will be more realistic in terms of analysis to prepare the financial statements used before going to the financial analysis according to the generally accepted international financial reporting standards. It clarifies the accounting of multi-factor contracts that the IFRS-15 standard does not adequately explain. Revenue standards are used by every business. Therefore, the new standard will more or less affect all businesses reporting according to IAS / IFRS. It is important for the financial statement preparers to identify the issues to be affected and to evaluate their effects before implementing the new Standard, for the correct application of the Standard. The study has discussed how the presentations, explanations and footnotes in IFRS-15 standard have been handled in the disclosures of the public companies' independent audit reports by examining seven public tourism companies with content analysis. As a result of the study, unlike all issues taken place generally in the standard, it has been determined that general issues are included in the footnotes examined. These are generally the five-stage model, disclosure of performance obligations as a commitment to transfer trade goods or services, disclosure of agreement with the customers of the company in footnotes, important evaluations in the implementation of the standard, and disclosure of income from agreement with its customers. With regard to the recognition of revenue with IFRS 15, a number of questions that remain uncertain, especially in IAS 18 and IAS 11 standards, were answered. However, this comprehensive standard needs to be carefully assimilated in order to recognize the revenue correctly.

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