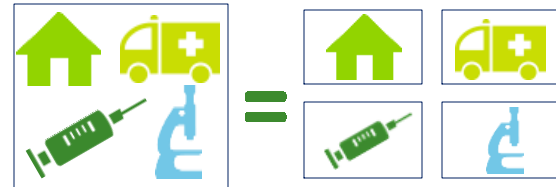


A synopsis of IFRS 15

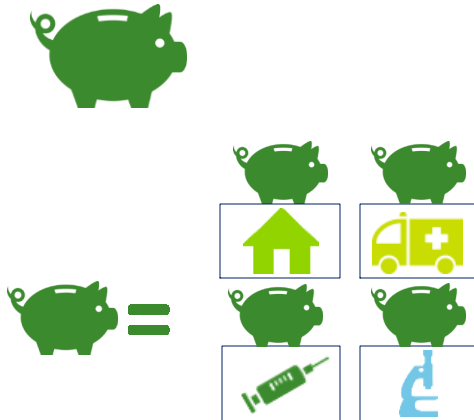
Step 1:
Identify the contract with the customer



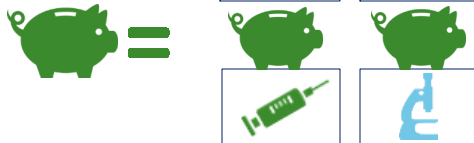
Step 2:
Identify performance obligations



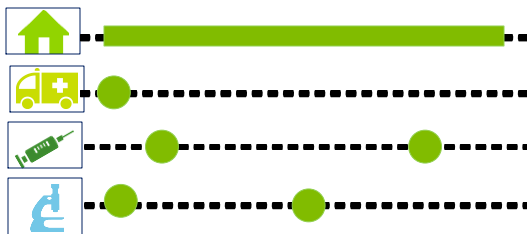
Step 3:
Determine the transaction price (including discounts)



Step 4:
Allocate the transaction price based on the fair value of the performance obligations



Step 5:
Recognise revenue as performance obligation transferred



Potential impacts for the healthcare sector

Impact of multiple element arrangements on the timing of revenue recognition

Suppliers changing their T&Cs to alter their revenue recognition profile

Significant increase in disclosure requirements

Impact of any change in accounting on KPIs, tax, covenants, employee incentives etc.

Variable consideration limited to significant revenue reversal thresholds

Distinguish billing systems from accounting systems

IFRS 15 Revenue from Contracts with Customers
Effective date: 1 January 2017