



At Veson Nautical, client value is the star that guides all that we do. That's why we develop and release more than 500 new features each year to meet the evolving needs of our vast, global client community. Once released, many of these capabilities are automatically added to our dynamic, cloud-native platform where they can benefit clients.

IFRS15: Capitalize and Amortize Contract Related Costs

Accounting regulations are complicated and interpreted in different ways across the globe. For many of our clients, the introduction of IFRS15 meant changing how the costs directly related to fulfilling a contract are recognized. Read more to learn about how these changes can be represented in VIP.

Enhanced Modules

 OPERATIONS

 FINANCIALS

Do these enhancements apply to you?

Ask yourself these questions to determine how your organization will benefit from these additions to the Veson IMOS Platform:

- ✓ Are you required to allocate costs of obtaining a contract to the contract's performing period as a result of IFRS15 regulation changes?
- ✓ Are you interested in learning more about the different cost allocation methods available in VIP?

The Challenges

Adherence to New Regulations

According to IFRS15, the costs of fulfilling a contract must be capitalized and amortized over the performing period of that contract. For some of our clients, this will include the costs related to freight contracts.

1

The Features & Benefits

Capitalize & Amortize Costs Correctly

VIP can now be configured to capitalize and amortize those costs of fulfilling a contract which are incurred prior to the performing period of that contract.

Visibility into Impact of Regulations

There is a need to understand the impact of these new regulations on voyage results in particular periods.

2

Optional Inclusion in Accruals

"Capitalize and Amortize Costs Prior to Performing Period" is now available as an option, by configuration, in the Voyage Accruals program. This gives users the ability to run accruals with and without this option for the same set of voyages to see what impact the regulation has, as is sometimes needed for reporting purposes.

“Our clients rely on VIP to drive accurate financial reporting and it’s important for us to ensure that we adhere not only to changing standards, but the practical interpretation of those standards. **Evolving VIP’s handling of IFRS 15 with the guidance of key clients shows the strength of our community.**”

— Per Ostman,

Director of Product, Veson Nautical



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