

THE IMPACT OF THE COVID-19 PANDEMIC ON THE REALITY OF THE APPLICATION OF IFRS 15 “REVENUE FROM CONTRACTS WITH CUSTOMERS” IN INDUSTRIAL COMPANIES FROM THE POINT OF VIEW OF EXTERNAL AUDITORS

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Abstract:

The study aimed to identify the impact of the COVID-19 pandemic on the reality of the application of the International Financial Reporting Standard No. 15 “Revenue from Contracts with Customers” in Jordanian industrial companies, the population of the study consisted of external certified accountants who are practicing the audit profession in Jordan and holding a chartered accountant certificate (JCPA), whose number until the end of 2019 reached (384) practicing auditors, according to the statistics of the Jordanian Association of Certified Public Accountants, and the number of sample members reached (192) practicing auditors. The distribution of the questionnaire to the study sample was electronically, and the retrieved questionnaires reached (184) in number, of which (166) were valid for statistical analysis. The (Skewness & Kurtosis) test was used to analyze the results of the study. The most important results of the study revolved around the presence of a noticeable impact of the COVID-19 pandemic on the reality of the application of the international reporting standard No. 15 in Jordanian industrial companies, linked with a high relative importance for all dimensions that respectively are (contract costs, display, recognition, measurement and disclosure). The most important recommendations were crystallized around the necessity of obligating the Jordanian industrial company that implements the financial reporting standard No. 15 “Revenue from contracts with customers” to indicate the impact of the pandemic on the real application of this standard, study its impact, and disclose the operations that took place in accordance with the standard during the time of the Covid-19 pandemic.

Keywords: COVID-19 pandemic: International Reporting Standard No. 15: Jordanian industrial companies

Introduction:

The effects and consequences of COVID-19 pandemic have seriously eroded confidence in the information disclosed in the financial reports of companies of all kinds. Therefore, professional accounting societies have worked in order to attempt to demonstrate the impact of this pandemic on the applications of accounting standards to try to remove any effects that this pandemic may have, Which may affect the quality and value of the accounting information disclosed in the financial reports of companies, so the current study worked on the impact of COVID-19 pandemic on the reality of the application of Financial Reporting Standard No. 15

(revenue from contracts with customers) in Jordanian industrial companies from the point of view of external auditors.

The importance of the study:

-Contribute to the add up of literature and limited studies on the impact of Covid-19 pandemic on the real application of IFRS 15 in Jordanian industrial joint-stock companies

- Attracting Jordanian researchers to conduct more research related to the subject of the study regarding the implementation of International Financial Reporting Standard No. 15.

- Attained results of the study may be useful and beneficial to the Jordanian Auditors Association, the Securities Commission, the Audit Bureau, by helping they develop any future directions in the field of the effects of (COVID-19) on the reality of the application of IFRS 15

The study Problem:

The problem of the study is seeking the answer of the following questions:

The first main question: Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors?

The following sub-questions emerge from this question:

1. Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors?

2. Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors?

3. Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to display from the point of view of external auditors?

4. Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors?

5. Is there an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors?

The second main question: Are there statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s personal variables (educational qualification, specialization, number of Professional certificates other than JCPA, job title, and number of years of experience)?

Study Aims

The study tries to achieve the following objectives:

First: To point out the impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors

The following sub-objectives are extracted from this objective:

1. Identifying the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors
2. Identifying the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors
3. Identifying the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to display from the point of view of external auditors.
4. Identifying the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors.
5. Identifying the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors.

Second : identifying the differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s personal variables (educational qualification, specialization, number of Professional certificates other than JCPA, job title, and number of years of experience).

Hypotheses of the study

The hypotheses of the study are as follows:

The first main hypothesis

H01: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors.

The following sub-hypotheses are derived from this hypothesis:

H01-1: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors.

H01-2: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors

H01-3: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to display from the point of view of external auditors.

H01-4: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors.

H01-5: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors.

The second Main Hypothesis

H02: there are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s personal variables (educational qualification, specialization, number of Professional certificates other than JCPA, job title, and number of years of experience).

The following sub-hypotheses are derived from this hypothesis:

H02-1: There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's educational qualification variable.

H02-2: There are no statistically significant differences in the attitudes of external auditors towards the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's specialization variable.

H02-3: There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the number of professional certificates except for the auditor's JCPA certificate variable

H02-4: There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's job title variable.

H02-5: There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International

Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's number of years of experience variable.

Study Methodology

In order to obtain and achieve the objectives of the study, and to answer its questions, the descriptive analytical approach was used to describe the phenomenon under study, which is to research the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 "Revenue from contracts with customers" in industrial companies from the point of view of Jordanian external auditors. The study used the survey method, where an appropriate questionnaire was designed to collect data from the study sample, and hypotheses were tested using appropriate statistical methods.

Study population and sample

The population of the study consists of external certified accountants practicing the audit profession in Jordan and holders of (JCPA) certificate, and their number until the end of 2019 is (384) practicing certified auditors, according to the statistics of the Jordanian association of Certified Public Accountants. The sample size was determined according to Morgan's law and to Sekaran tables (Sekaran & Bougie, 2013), where the number of sample members was (192) practicing auditors. The questionnaire was distributed to the study sample electronically, and the number of retrieved questionnaires amounted to (184), of which (166) were valid for statistical analysis, after excluding (18) questionnaires because they were not suitable for statistical analysis, and thus the percentage of retrieved and analyzed questionnaires was (86.5 %), which is a statistically acceptable percentage.

Methods of Data collection

In collecting data, the study relied on two types of sources, namely:

- 1- Secondary sources: They included the literature that dealt with the subject of the study, by referring to Arab and foreign scientific references from previous books and studies, in addition to bulletins and websites.
- 2- Primary sources: It included a questionnaire that was designed based on the subject of the study, its objectives and questions, and the nature of the data and information to be obtained.

The five-point Likert scale was used for measuring the attitudes of the sample members towards agreeing to the paragraphs of the questionnaire, according to the variables of the study model, as follows: (5) to a very high degree, (4) to a high degree, (3) to a medium degree, (2) to a low degree, (1) To a very low degree. The relative importance of the questionnaire's fields and paragraphs was judged as follows:

Table 1: Determining the relative importance of the answers of the sample members

Arithmetic mean	Less than 2.33	From 2.33 to less than 3.66	From 3.66 to less than 5.00
Relative importance	Low	medium	high

The Theoretical side:

The most prominent characteristics of IFRS 15 - Revenue from contracts with customers

On May 28, 2014, as a result of the joint cooperation between the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB), the IFRS No. 15 - Revenue from contracts with customers was issued with the aim of (JD Edwards, 2016), (Godwin, 2016):

1. Eliminate inconsistencies and weaknesses in the current revenue recognition literature.
2. Providing a more robust framework for dealing with revenue recognition issues.
3. Improving the comparability of revenues in practices in all industries and capital markets.
4. Reducing the complexity of applying revenue recognition requirements by reducing the size of the relevant criteria.
5. Providing much more useful information to users through using the new disclosure requirements.
6. Improving financial reporting on revenues.
7. Improving the comparison of the most important financial data globally.

The researchers believe that if the data and ideas of this standard were taken and applied in practice, it would undoubtedly solve many problems in the accounting policies related to the recognition of complex revenues and overcome all the difficulties faced by accountants in companies in highlighting the real reality of revenue recognition, which gives important information For those who have a direct and indirect relationship with those establishments or companies.

The most important elements and items highlighted by International Financial Reporting Standard No. 15 “Revenue from contracts with customers.

Khamis (2016) sees that the reason for the emergence of the need for the new standard is as follows:

- Improving the revenue recognition process in order to develop a conceptual framework for it that would improve the financial reporting process by addressing the deficiency in international financial reporting standards in the specific instructions for some transactions.
- Reducing excessive rules by generally accepted principles in the United States (GAAP).
- Correcting inconsistencies and weaknesses in the current standards.
- Meet the needs arising from complex revenue transactions.

The intellectual impact of the impact of COVID-19 on IFRS 15 Financial Reporting:

The changes in economic activity caused by the Corona pandemic (COVID-19) will lead many companies of various kinds, including industrial companies, to renegotiate the terms of contracts and existing arrangements, such as contracts with customers, workers compensation,

rents, and terms related to many of financial assets and liabilities to ensure that the relevant requirements of the International Financial Reporting Standards are applied.

Therefore, industrial companies must reverse the cash flow difficulties experienced by customers as a result of the Corona pandemic (COVID-19) in corporate forecasts, which may lead to an increase in ECL due to defaults by some lenders, losses related to receivables and Loans, debt securities, contract assets and assets arising from the costs of obtaining or fulfilling the sales contract, as well as losses recognized in the measurement of loan obligations, and the increase in the amount of loss due to default as a result of the possible decline in financial guarantee contracts and other assets.

The reality of the impact of (COVID-19) on revenue from contracts with customers: Researchers agree with both (Deloitte: 2020) (Pwc: 2020)

That cases of business disruption and suspension as a result of the pandemic may prevent companies from entering into agreements with customers due to changes in the circumstances that both the company and the customer are going through, so the company may need to take into account certain factors when evaluating its revenues from contracts with customers, and Among these factors are the following:

- The ability to implement the contract, collectability, and the ability to amend the contract.
- Material Right: It means that for the purpose of mitigating any decrease in sales, business companies may offer incentives to their customers to encourage them to buy, such as discounts on future goods or services.
- Revenue recognition: It means that companies may need, due to potential interruptions in supply or any other circumstances, to reconsider the timing of revenue recognition, especially when they are unable to meet their obligations and provide their products to customers in a timely manner.
- Disclosure requirements: It is very possible that the aforementioned circumstances may affect the company's disclosures, such as disclosing significant changes in the contract origin due to depreciation in value, payment terms, and the company's expectation of the time when the revenue of its remaining obligations will be recognized.

The practical side:

The statistical methods used

The study data was analyzed through the use of appropriate statistical analysis tools, through the use of the statistical program (Statistical Package for Social Sciences-SPSS), and the following statistical tests as well:

1. Descriptive Statistics, using frequencies, percentages, arithmetic averages, and standard deviations to describe the personal and functional characteristics of the study sample members, and the degree of their agreement with the different paragraph.

2. The internal consistency coefficient (Cronbach Alpha), in order to measure study instrument stability.
3. One-sample t-test, to test the study's hypotheses.
4. Onaway-ANOVA, to test the hypotheses of differences.

Study instrument stability test

The instrument reliability used to measure the variables, was tested using the Cronbach Alpha Coefficient, where the measured result is statistically acceptable if the value of Cronbach's alpha is greater than (0.60) (Sekaran, 2006, 311), and the closer the value is to (100%) then it indicates higher degrees of stability for the study instrument. observing the data in the following table ,Table(2), the internal consistency coefficient of Cronbach's alpha was measured, for the study variables and their dimensions, and for the study instrument as a whole, to see the consistency in the answers; and that is as follows:

Table 2: Cronbach Alpha values for the paragraphs of the study instrument

Number	Field	Paragraph limits	Paragraph number	Cronbach Alpha
1	Recognition	6 - 1	6	0.748
2	Measurement	6 - 1	6	0.720
3	Display	6 - 1	6	0.612
4	Disclosure	7 - 1	7	0.798
5	Contract costs	7 - 1	7	0.734
All paragraph			32	0.908

We notice from Table (2) that the Cronbach's alpha internal consistency coefficient values for the study instrument paragraphs ranged (0.612-0.798), and the Cronbach's alpha coefficient value for all study instrument paragraphs was (0.908), and therefore all values are greater than the value (0.60) and this is considered as an indication of consistency Among the paragraphs of the study instrument , and the possibility to rely on it to perform the statistical analysis.

Description of the demographic variables

Table 3: Description of the demographic variables for the study sample

Variable	Category	Frequency)N(166=	Percentage
Qualification	Diploma	3	1.8
	Bachelor	129	77.7
	M.S.c	29	17.5
	PhD	5	3.0
Scientific specialization	Accounting	121	72.9
	Business Administration	11	6.6
	Banking and Financial Sciences	30	18.1
	Other	4	2.4
Professional Certificates other than JCPA	None	150	90.4
	One	11	6.6
	Two	3	1.8
	More than two	2	1.2
Job title	Owner or partner of an audit office	47	28.3
	chief auditor	58	34.9
	finance auditor	61	36.8
Years of experience	Less than 5	4	2.4
	From 5 – less than 10	19	11.4
	From 10 – less than 15	29	17.5
	From 15-less than 20	88	53.0
	20 years and more	26	15.7

Table (3) shows that the diploma holders constituted the lowest percentage of the sample members, which amounted to (1.8%), while the bachelor's degree holders constituted the largest proportion of the sample members, which amounted to (77.7%), while the graduate degree holders (Master's and PhD) are (20.5%) of the sample members, and this indicates that the Jordanian external auditors possess professional competence and scientific knowledge, and that they hold a reasonable level of scientific qualification that enables them to apply audit procedures.

It was found from the previous table that the specialization of accounting constituted the largest proportion of the specializations of the sample members, as the percentage of accountants was (72.9%), and this corresponds to the fact that auditing is one of the branches of accounting science, and that working in the audit profession requires sufficient knowledge of accounting and the accounting procedures used in preparing the financial statements. It also indicates that the sample members possess the minimum knowledge in accounting and auditing.

It was also shown from the previous table that the sample members obtained only the JCPA certificate, with a clear majority, as their percentage reached (90.4%), while the sample

members who obtained other professional certificates in addition to the JCPA certificate constituted a percentage of (9.6%). This might be due to the increased professional burden on Jordanian external auditors, which makes it difficult to devote themselves to obtaining other professional certificates.

With regard to the job title, it was shown from the previous table that the sample members were distributed in somewhat close proportions in the job levels, and this indicates that all job ranks participate in the implementation of the audit process.

As for the number of years of experience, it was found that the experience category (from 15 - less than 20 years) constituted the largest proportion of the sample, which amounted to (53.0%), followed by the experience category (from 10 - less than 15 years), which amounted to The rate is (17.5%), which is considered an indication of the eligibility of the Jordanian external auditors and that they have the necessary experience that enables them to carry out the audit procedures in the most complete manner.

Description of the sample members answers,

The arithmetic averages, standard deviations, and the relative importance ranks were relied upon in describing the answers of the sample members to the questionnaire paragraphs, and the results were as follows:

Table 4: Description of the answers of the sample members to the paragraphs of the questionnaire

Field	Mean	Standard deviations	Rank	Relative importance
Recognition	3.972	0.557	3	High
Measurement	3.931	0.513	4	High
Display	4.026	0.440	2	High
Disclosure	3.886	0.516	5	High
Contract costs	4.047	0.770	1	High
(COVID-19) and the reality of the application of IFRS 15 "Revenue from contracts with customers"	3.972	0.399		High

It is evident from Table (4) that the general measure of the sample members' attitudes about the COVID-19 pandemic and the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" in terms of relative importance was high, where the arithmetic mean was (3.972), and with a deviation of (0.399). All fields related to the COVID-19 pandemic and the reality of the application of IFRS 15 "Revenue from Contracts with Customers" appeared with high relative importance, as it came after (contract costs) in the first place, with a mean of (4.047), and with a standard deviation of (0.770), as well as with a high relative importance, while (disclosure) came in the last rank, with an arithmetic mean of (3.886), and the standard deviation was (0.516) and a high relative importance.

Study hypotheses test

The hypotheses of the first main study and its branches were subjected to a one-sample t-test, where this test was relied on to verify the extent to which the answers of the study sample differ from the value (3.0), which represents the average selection of the answers of the sample members for the study instrument paragraphs, as well as the significance of the (t) value of the difference between the arithmetic mean of the answers of the sample members on the axis with the reference (hypothetical) arithmetic mean was judged by the value of (Sig t), where the difference is statistically significant if the value of (Sig t) is less than 0.05, The branching hypotheses of the second main hypothesis were also subjected to the Oneway-ANOVA test, and the results were as follows:

First Main Hypothesis H01

The first main hypothesis states that: There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors.

The following table shows the results of the one-sample t-test, which is related to the first main hypothesis.

Table 5: Results of the t-test for the first main hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	difference between the two means	calculated t value	Significance level Sig t*
H01	3.9699	0.4596	3.000	0.9699	27.190	0.000

The data in Table (5) indicate that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors has reached (3.9699), which is greater than the reference or hypothetical arithmetic mean is (3.0), with a difference of (0.9699) and this difference is considered significant based on the significance value (Sig = 0.000) which is less than 0.05, which indicates the approval of the sample members on the existence of an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors, and this means rejecting the first main hypothesis and accepting the alternative which states that:

“There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors.”

First sub-hypothesis H01-1

The first sub-hypothesis states: “There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors..

The following table shows the results of a one-sample t-test, related to the first sub-hypothesis.

Table 6: Results of the t-test for the first sub-hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	difference between the two means	calculated t value	Significance level Sig t*
HO1-1	9940.3	0.5773	3.000	0.9940	22.183	0.000

The data in Table (6) indicates that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors has reached (3.9940), which is greater than the reference arithmetic (3.0), with a difference of (0.9940), and this difference is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, which indicates the approval of the sample members on the existence of an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors, which means rejecting the first sub-hypothesis and accepting the alternative which states that:

“There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to recognition from the point of view of external auditors.”

Second sub-hypothesis H01-2

The second sub-hypothesis states that: “There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors

The following table shows the results of a one-sample t-test, related to the second sub-hypothesis.

Table 7: Results of the t-test for the second sub-hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	difference between the two means	calculated t value	Significance level Sig t*
HO1-2	3.9398	0.5245	3.000	0.9398	23.083	0.000

The data in Table (7) indicates that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” and related to the measurement from the point of view of external auditors has reached (3.9398), which is greater than the reference arithmetic which is (3.0), with a difference of (0.9398), and this difference is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, which indicates the approval of the sample members on the existence of an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors, and this means rejecting the second sub-hypothesis and accepting the alternative which states that:

There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to measurement from the point of view of external auditors.

Third sub-hypothesis H01-3

The third sub-hypothesis states: “There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to display from the point of view of external auditors.

The following table shows the results of the one-sample t-test, which is related to the third sub-hypothesis.

Table 8: Results of the t-test for the third sub-hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	difference between the two means	calculated t value	Significance level Sig t*
H01-3	4.0361	0.4389	3.000	1.0361	30.417	0.000

The data in Table (8) indicate that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” and related to display from the point of view of external auditors has reached (4.0361), which is greater than the reference arithmetic which is (3.0), with a difference of (1.0361), and this difference is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, which indicates the approval of the sample members that there is an impact of the (COVID-19) virus on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to the display from the point of view of external auditors, and this means rejecting the third sub-hypothesis and accepting the alternative which states that:

There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to display from the point of view of external auditors.

Fourth sub-hypothesis H01-4

The fourth sub-hypothesis states: “There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors

The following table shows the results of a one-sample t-test, related to the fourth sub-hypothesis.

Table 9: Results of the t-test for the fourth sub-hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	difference between the two means	calculated t value	Significance level Sig t*
HO1-4	8614.3	0.5711	3.000	0.8614	19.435	0.000

The data in Table (9) indicate that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” and related to disclosure from the point of view of external auditors has reached (3.8614), which is greater than the reference arithmetic which is (3.0), with a difference of (0.8614), and this difference is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, which indicates the approval of the sample members on the existence of an impact of the COVID-19 pandemic on the reality of the application International Financial Reporting Standard No. 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors, and this means rejecting the fourth sub-hypothesis and accepting the alternative which states that:

There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to disclosure from the point of view of external auditors.

Fifth sub-hypothesis H01-5

The main hypothesis states that: “There is no impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors.

The following table shows the results of a one-sample t-test, related to the fifth sub-hypothesis.

Table 10: Results of the t-test for the fifth sub-hypothesis

Hypothesis	mean	standard deviation	Hypothetical mean	Difference between the two means	calculated t value	Significance level Sig t*
HO1-5	4.0120	0.5612	3.000	1.0120	23.233	0.000

The data in Table (10) indicates that the arithmetic mean of the impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors has reached (4.0120), which is greater than reference mean which is (3.0), with a difference of (1.0120), and this difference is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, which indicates the approval of the sample members on the existence of an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors, and this means rejecting the fifth sub-hypothesis and accepting the alternative which states that:

There is an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to contract costs from the point of view of external auditors.

Second Main Hypothesis H02

The second main hypothesis states that: “There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s personal variables

The following sub-hypotheses are derived from this hypothesis:

First sub-hypothesis H02-1

The first sub-hypothesis states that: “There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's educational qualification variable..

The following table shows the results of the Oneway-ANOVA test, related to the first sub-hypothesis.

Table 11: Results of the Oneway-ANOVA test for the first sub-hypothesis

Educational qualification	Source of variance	Sum of squares SOS	Degrees of freedom DF	Mean sum of squares MS	Calculated F	Sig
(COVID-19) and the reality of the application of IFRS 15 “Revenue from contracts with customers”	Between Groups	0.715	3	0.238	1.131	0.338
	Inside Groups	34.135	162	0.211		
	Total	34.849	165			

Table (11) shows that there are no statistically significant differences in the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s educational qualification variable, as it was found that the value of (F) calculated and when it was on (3) Degrees of freedom were are not statistically significant at the significance level ($\alpha \leq 0.05$) with a value of (1.131) and at the significance level (Sig = 0.338)) which is greater than (0.05), and accordingly it is clear that:

There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's educational qualification variable

Second sub-hypothesis H02-2

The second sub-hypothesis states: “There are no statistically significant differences in the attitudes of external auditors towards the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's specialization variable.

The following table shows the results of the Oneway-ANOVA test, related to the second sub-hypothesis.

Table 12: Results of the Oneway-ANOVA test for the second sub-hypothesis

Specialization	Source of variance	Sum of squares SOS	Degrees of freedom DF	Mean sum of squares MS	Calculated F	Sig
(COVID-19) and the reality of the application of IFRS 15 "Revenue from contracts with customers"	Between Groups	0.279	3	0.093	0.436	0.727
	Inside Groups	34.570	162	0.213		
	Total	34.849	165			

Table (12) shows that there are no statistically significant differences in the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's specialization variable, as it was found that the value of (F) calculated and when it was on (3) Degrees of freedom were are not statistically significant at the significance level ($\alpha \leq 0.05$) with a value of (0.436) and at the significance level (Sig = 0.727)) which is greater than (0.05), and therefore it is clear that:

There are no statistically significant differences in the attitudes of external auditors towards the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's specialization variable

Third sub-hypothesis H02-3

The third sub-hypothesis states: “There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the number of professional certificates except for the JCPA certificate variable"

The following table shows the results of the Oneway-ANOVA test, related to the third sub-hypothesis.

Table 13: Results of the (Oneway-ANOVA) test for the third sub-hypothesis

Number of professional certificates except for the JCPA certificate	Source of variance	Sum of squares SOS	Degrees of freedom DF	Mean sum of squares MS	Calculated F	Sig
(COVID-19) and the reality of the application of IFRS 15 "Revenue from contracts with customers"	Between Groups	0.047	3	0.016	0.073	0.974
	Inside Groups	34.802	162	0.215		
	Total	34.849	165			

Table (13) shows that there are no statistically significant differences in the impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the number of professional certificates except for the JCPA certificate variable, as it was found that the value of (F) calculated and when it was on (3) Degrees of freedom were are not statistically significant at the significance level ($\alpha \leq 0.05$) with a value of (0.073) and at the significance level (Sig = 0.974)) which is greater than (0.05), and accordingly it is clear that:

There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the number of professional certificates except for the JCPA certificate variable.

Fourth sub-hypothesis H02-4

The fourth sub-hypothesis states: "There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's job title variable.

The following table shows the results of the Oneway-ANOVA test, related to the fourth sub-hypothesis.

Table 14: Results of the Oneway-ANOVA test for the fourth sub-hypothesis

Job title	Source of variance	Sum of squares SOS	Degrees of freedom DF	Mean sum of squares MS	Calculated F	Sig
(COVID-19) and the reality of the application of IFRS 15 "Revenue from contracts with customers"	Between Groups	0.318	2	0.159	0.751	0.474
	Inside Groups	34.531	163	0.212		
	Total	34.849	165			

Table (14) shows that there are no statistically significant differences in the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's job title variable, , as it was found that the value of (F) calculated and when it was on (2) Degrees of freedom were are not statistically significant at the significance level ($\alpha \leq 0.05$) with a value of

(0.751) and at the significance level (Sig = 0.474)) which is greater than (0.05), and accordingly it is clear that:

There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's job title variable.

Fifth sub-hypothesis H02-5

The fifth sub-hypothesis states: "There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's number of years of experience variable

The following table shows the results of the Oneway-ANOVA test, related to the fifth sub-hypothesis.

Table 15: Results of the Oneway-ANOVA test for the fifth sub-hypothesis

Number of years of experience	Source of variance	Sum of squares SOS	Degrees of freedom DF	Mean sum of squares MS	Calculated F	Sig
(COVID-19) and the reality of the application of IFRS 15 "Revenue from contracts with customers"	Between Groups	0.209	4	0.052	0.243	0.913
	Inside Groups	34.640	161	0.215		
	Total	34.849	165			

Table (15) shows that there are no statistically significant differences in the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the number of years of experience of the auditor variable, as it was found that the value of (F) calculated and when it was on (4) Degrees of freedom were are not statistically significant at the significance level ($\alpha \leq 0.05$) with a value of (0.243) and at the significance level (Sig = 0.913)), which is greater than (0.05), and therefore it is clear that:

There are no statistically significant differences in the attitudes of external auditors towards the impact of the COVID-19 pandemic on the reality of applying the International Financial Reporting Standard No. 15 "Revenue from contracts with customers" due to the auditor's number of years of experience variable.

Results:

Through data analysis and hypothesis testing, the following results were reached:

1. The descriptive analysis results showed high level of relative importance of the sample members' attitudes about the COVID-19 pandemic and the reality of the application of International Financial Reporting Standard No. 15 "Revenue from contracts with customers", and all dimensions(fields)appeared with high relative importance, as it came

- after (contract costs) in the first rank, followed by (Display) in the second rank, then after (recognition) in the third rank, and after (measurement) in the fourth rank, and after (disclosure) it came in the fifth and last rank.
2. The results of testing the first main hypothesis of the study showed an impact of the COVID-19 pandemic on the reality of the application of International Financial Reporting Standard No. 15 “Revenue from contracts with customers” in industrial companies from the point of view of external auditors.
 3. The results of the hypothesis testing results from the first main hypothesis showed an impact of the COVID-19 pandemic on the reality of the application of IFRS 15 “Revenue from contracts with customers” related to (recognition, measurement, display, disclosure, and contract costs) From the point of view of external auditors.
 4. The results of testing the hypotheses branching from the second main hypothesis showed that there were no statistically significant differences in the direction of external auditors towards the impact of the (COVID-19) virus on the reality of the application of International Financial Reporting Standard No. 15 “Revenue from contracts with customers” due to the auditor’s personal variables (Educational qualification, specialization, number of professional certificates except for the JCPA certificate, job title, and number of years of experience).

Recommendations

1. The necessity of obligating the Jordanian industrial company that implements the Financial Reporting Standard No. 15 “Revenue from Contracts with Customers” to show the effect of the pandemic on the real application of this standard.
2. The necessity for the supervisory and educational authorities, especially the Jordanian Association of Certified Accountants and universities, to hold workshops, lectures and training programs, to explain the impact of the pandemic on the applications of Financial Reporting Standard No. 15 “Revenue from Contracts with Customers”.
3. Emphasis on the Jordanian industrial companies that have been affected by this pandemic to study its effects by following the steps of revenue recognition as stipulated in the body of the standard, which includes defining the contract, defining performance obligations, determining the transaction price, allocating the transaction price, and then recognizing revenue when or (as if) performance obligations have been fulfilled.
4. Emphasis on the Jordanian industrial companies that have been affected by this pandemic to abide by all the accounting controls on the contract with the customer, especially those which are related to the verbal or written agreement between the parties to the contract, or to prevent the re-evaluation of the controls committed, with the aim of limiting their future effects on those contracts
5. The necessity for the Jordanian industrial company to increase the level of qualitative disclosure as well as quantitative , of all operations carried out in accordance with

Financial Reporting Standard No. 15 “Revenue from Contracts with Customers” that were affected by the pandemic .

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