



“Revenue Recognition under IFRS 15, Internal Controls, and
Revenue Assurance in Online Gaming Platforms in Greece”

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Abstract

The Online Gaming industry has faced a rapid growth into the last decade, driven by the constant technological advancement. This growth, has created new opportunities and new challenges in the financial reporting standards and especially into the revenue recognition. Online gaming Platforms are generating Revenue through complex and different streams such as Sportbetting, Casino RnG and Live, Bonuses, Fantasy and Virtuals, all of which involve uncertainty.

The purpose of this study is to examine how revenue is recognized in online gaming platforms that Operates In Greece, under the IFRS 15 standard, and to analyse the importance of internal controls and revenue assurance mechanisms in order to ensure the accuracy of the financial reporting. The dissertation also examines the impact of the regulatory and tax enforcement, which enhances the complexity of the revenue recognition due to the strict compliance requirements and the difference between the accounting and tax reporting.

The findings, show that IFRS 15 provides a more structured and clean framework into revenue recognition in comparison to the previous standard for digital environments. However, the variables into this environment, the different revenue streams, and the the difference between placement and settlement, creates many concerns and challenges that makes the internal controls and reconciliation extra necessary.

“αναγνώριση Εσόδων βάσει IFRS 15, Εσωτερικοί Έλεγχοι και Revenue Assurance σε Εταιρείες Online Gaming στην Ελλάδα”

“ΑΘΑΝΑΣΙΟΣ ΚΟΥΡΟΓΙΩΡΓΑΣ”

Περίληψη

Η βιομηχανία του Online Gaming έχει παρουσιάσει μια ραγδαία ανάπτυξη την τελευταία δεκαετία, η οποία οφείλεται στη συνεχή τεχνολογική εξέλιξη. Αυτή η ανάπτυξη έχει δημιουργήσει νέες ευκαιρίες αλλά και νέες προκλήσεις στα πρότυπα χρηματοοικονομικής αναφοράς και ειδικά στην αναγνώριση εσόδων. Οι πλατφόρμες online gaming δημιουργούν έσοδα μέσα από σύνθετες και διαφορετικές πηγές όπως το αθλητικό στοίχημα, τα παιχνίδια καζίνο RNG και Live, τα bonus, τα fantasy και τα virtuals, τα οποία εμπεριέχουν αβεβαιότητα.

Σκοπός της παρούσας μελέτης είναι να εξετάσει τον τρόπο με τον οποίο αναγνωρίζονται τα έσοδα στις online gaming πλατφόρμες που δραστηριοποιούνται στην Ελλάδα, βάσει του προτύπου IFRS 15, καθώς και να αναλύσει τη σημασία των εσωτερικών ελέγχων και των μηχανισμών revenue assurance προκειμένου να διασφαλιστεί η ακρίβεια της χρηματοοικονομικής πληροφόρησης. Η εργασία εξετάζει επίσης την επίδραση της κανονιστικής και φορολογικής συμμόρφωσης, η οποία αυξάνει την πολυπλοκότητα της αναγνώρισης εσόδων λόγω των αυστηρών απαιτήσεων και της διαφοράς μεταξύ λογιστικής και φορολογικής αναφοράς.

Τα ευρήματα δείχνουν ότι το IFRS 15 παρέχει ένα πιο δομημένο και “καθαρό” πλαίσιο για την αναγνώριση εσόδων σε σύγκριση με το προηγούμενο πρότυπο για τα ψηφιακά περιβάλλοντα. Ωστόσο, οι μεταβλητές που υπάρχουν σε αυτό το περιβάλλον, οι διαφορετικές πηγές εσόδων, καθώς και η διαφορά μεταξύ τοποθέτησης και εκκαθάρισης δημιουργούν αρκετά θέματα και προκλήσεις, που κάνουν τους εσωτερικούς ελέγχους και τις διαδικασίες συμφωνίας ακόμα πιο απαραίτητες.

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1. Introduction

The online Gaming industry is constantly growing globally over the past decade, alongside with constant technological advancements and internet. In Greece, the first step in Online Gaming Platforms were made in 2012 and since then the number of Online Gaming Companies is constantly increasing. Online Gaming Platforms generate Revenue through a wide range of products and services such as SportsBook (Pre Event & Live Betting), Casino (Live & RnG) Virtual Sports and Poker. All these revenue streams involve various and complex transactions which they have to be recorded as accurately as possible.

The accuracy of the Revenue Recognition is a critical issue for Online Gaming Companies since there are constant transactions and bets which must be recorded accurately. The adoption of IFRS 15 (Revenue from Contracts with Customers), has significantly changed the way gaming companies recognise revenue requiring transparency and consistency. For Online Platforms the adoption of IFRS 15 is particularly challenging due to the digital nature of services, customer wallet system and promotions (bonus, Free Bets) which significantly affect the Revenue streams.

In order to be able to minimize the risk related to Income and Outcome, gaming companies are required to perform strong internal control activities such as Revenue, Tax and Payments Reconciliations in order to ensure that all transactions has been recorded accurately and the Backoffice systems are working properly. In Greece, there is an additional regulatory oversight by the Hellenic Gaming Commission (EEEE) with taxation requirements each month (35% of Gross Gamming Revenue “GGR”), forcing the companies to accurately record both Pay In and Pay Out of the company.

This study examines the Revenue Recognition in Online Gaming Industries under IFRS 15 and the role of internal control activities and revenue assurance in order to ensure the accurate reflection of Revenue.

1.1 Background and Industry Context

1.1.1 Growth of Online Gaming Platforms in Greece

Online Gaming Platforms has rapidly increased over the last 13 years. The initiation was made from Stoiximan which was created in 2012 and it was officially the first company that entered the Greek Online Gaming. On January 2026, there are 19 Gaming Companies that are licenced and Greece and working under the observation of EEEF. *(article Στοιχηματικές Εταιρίες στην Ελλάδα (Ιανουάριος 2026))*. Technological innovation, has been the key factor in this expansion potitioning Online Gaming one of the most important segments of economy in Greece. More specifically for the first 9 months of 2025 the Total Gaming Revenue (TGR) was 12,02 billion Euro according to Nafteboriki *(Greece’s gambling market moved upwards in Jan-Sept)*.

1.1.2 Complexity of Digital Revenue Models

Online gaming platforms offer services with customer wallets, betting engines, Casino Game Providers and Payment Services. Main Revenue Streams in Gaming Companies are Sportsbook Betting (Pre event & Live), Casino (Live, RnG), Virtual Sports and Poker.

1.1.3 Importance of Accurate Revenue Recognition

Accuracy in revenue recognition is essential for not only maintaining the stakeholders trust and for compliance with laws and regulations. Misstatements in Revenue recognition can lead to penalties from regulator (EEEP), tax authorities and the state and can damage the reputation and the reliability of the company.

1.2 Research Scope and Methodology

1.2.1 Research Objectives and Questions

The main objective of this study is to analyze the application of IFRS 15 into the online gaming platforms in Greece and to evaluate the role of the internal controls that supports the accurate revenue recognition. Throughout this study, the following questions are going to be addressed.

- 1) How IFRS 15 applies to Revenue Streams of an online gaming company
- 2) How do internal controls ensure that revenue is correct recorded and recognized mitigating the risks?
- 3) What are the main risk areas into revenue recognition?

1.2.2 Methodological Approach

A qualitative approach is going to be adopted into this study by reviewing the accounting standards, regulations, academic literature and examples from the industry and how companies approach the matter. A conceptual case study is going to be used in order to understand the application of IFRS 15 into a Gaming Company in Greece.

1.2.3 Structure

The study is structured as follows. Chapter 2 presents the revenue recognition under IFRS 15 in theory, points out the key accounting principles relevant to digital platforms and analyses the application of IFRS 15. Chapter 3 is going to provide an overview of the Online gaming industry and its main revenue streams. Chapter 4 will examine the tax and regulatory environment into Greece. Chapter 5 focuses on internal procedures and revenue assurance mechanisms in order to test the accuracy of Revenue recorded and finally chapter 6 is the conclusion and suggestions for future research.

2. Revenue recognition Before & After IFRS 15

Revenue recognition is one of the most critical areas of financial reporting for all industries in the world especially Online Gaming Platforms. Prior the IFRS 15, revenue recognition was covered by the IAS 18 (Revenue and related interpretations). Despite the fact that IAS 18 provided general principles to recognize revenue, it proved inaccurate for more complex issues especially in digital business models such as online gaming platforms. (Filip & Raffournier, 2014, Deloitte 2018)

The rapid growth of technology allowed Online Gaming Platforms to shoot up in less than 15 years exposed significant weaknesses into IAS 18 framework, in relation to the bundled services, outcome-based transactions and customer wallet mechanisms. In order to cover the gap, International Accounting Standards Board (IASB) introduced IFRS 15 framework (Revenue from Contracts with customers applicable to all the industries (IASB 2014). Through this chapter, we are going to examine the evolution of revenue recognition and analyze how IFRS 15 boosted revenue recognition in Online Gaming Platforms.

2.1 Revenue recognition Prior IFRS 15

Before IFRS 15, IAS 18 was the key framework for the Revenue Recognition across all Industries, where revenue recognized when it was probable that economic benefits would flow to the entity and the amount of revenue could be measured reliably. The Standard was straightforward for companies that produced revenue through goods and services but offered limited guidance to more complex and multiple transactions revenues (IASB 2014)

2.1.1 Limitations of IAS 18 for Online Gaming Platforms

IAS 18 first exposure was on April 1981 and it was Effective on 1 January of 1984. Throughout the years IAS 18 had many Amendments until 2018 where superseded by IFRS 15.

First of all, IAS 18 lacked of guidance on multiple-element arrangements, such as betting services to gaming platforms. This resulted in inconsistencies in revenue recognition on these companies (Cormier et al., 2016).

Secondly, the standard had weaknesses regarding the Variable Consideration approach, a fundamental characteristic of all online transactions. Winnings, bonuses, free bets created a significant uncertainty regarding the amount of revenue earned by the organization. IAS

18 provided with limited instruction and guidance on how these variables should be estimated in order to be consistent, increasing the risks of overstatements in Revenue (PwC 2017)

Lastly, IAS 18 offered insufficient instruction regarding the timing of revenue recognition in digital environments. In Online Gaming Platforms, customers deposit money into their wallets before participating with any type of Gaming Activities. Under IAS 18, recognition varied regarding deposits, stakes or settled bet, leading to reduce consistency across financial statements (Filip & Raffournier, 2014).

2.1.2 Revenue Recognition Challenges in Online Gaming Platforms

Online Gaming Platforms operate through IT Systems that every day process billions of transactions. Revenue is coming from betting margins or gaming commissions, rather than from fixed priced paid by customers. This created inconsistencies under IAS 18 regarding whether revenue should be recognized on gross or net basis and when a company should consider that revenue is earned (Parker et al, 2016)

In addition, Promotions such as bonuses (free bets, free spins etc) that are used to attract customers, create a more complicate revenue measurement. The lack of a consistent accounting standard, under IAS 18 increased reliance on managerial judgement and raised many concerns regarding the earnings management and the reporting reliability (Cornier et al. 2016)

2.2 Introduction of IFRS 15 and its objectives.

IFRS 15 was introduced, in order to solve some deficiencies of IAS 18 regarding the revenue recognition. By establishing a principles based model applicable to all contracts with customers (IASB 2014). The main objective of this standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

2.3 Application of IFRS 15 to Online Gaming Platforms.

The establishment of IFRS 15 had a great impact in gaming and betting platforms by improving the consistency and the transparency of revenue recognition practices. By requiring an analysis of performance obligations, the tandard provided a clear guidance of how the revenue should be recognized in the gaming industry (EY, 2020)

2.3.1 Identification of Contracts and Performance Obligations.

Under IFRS 15, all customers are obligated to accept terms and conditions in order to be able to play. This is a sort of a contract between the company and the customer. Each bet or a session in casino, can be recognized as a performance obligation since it provides a benefit to the customer.

2.3.2 Variable Considerations and their treatment.

The most important improvement introduced by IFRS 15, is the variable considerations and their treatment. Online Gaming Platforms are usually facing variability in transaction prices due to different gaming outcomes and promotional bonuses-gifts. IFRS 15 requires companies to calculate these variables and to ensure that revenue is recognized only to the extent that it is highly probable that there will be no significant reversals. Through this approach the reliability of the revenue recognition is enhanced and companies are more confident for the correction of the reported revenue figures.

2.3.3 Timing of Revenue Recognition and Customer Wallets.

IFRS 15 helped companies to clarify that the customer deposits that are held into their wallets are not revenue unless they proceed with a betting activity. Revenue is going to be recognized only when the betting event is settled (sportsbook) or a gaming round is completed (casino). That way, companies reduce the risk of premature revenue recognition.

2. 4 Contribution of IFRS 15 to Revenue Recognition in the Gaming Industry

With IFRS 15, Gaming Industry Companies have manage to enhance transparency and comparabiliry into revenue recognition. Cormier study in 2016 and Bedard in 2020 showed that the adoption of IFRS 15 has improved significatelly the accounting information quality and has reduced managerial discretion. (Cormier et al., 2016; Bédard et al., 2020)

3. Industry Overview and Revenue Streams in Online Gaming Platforms

The Online Gaming industry has experienced a significant growth over the past decade due to technological advancements, the rapid internet increase and the widespread adoption of smartphones. Gaming platforms, has replaced the traditional gambling activities such as betting shops and Casinos, since now you can gamble from your home. This led to a more complex environment for gaming companies such as online live casino, live sportsbetting and a really complex payment system.

The generation of Revenue in these types of companies comes from various streams such as sportsbetting, Online Casino (live & RnG games), poker and promotions. Each of these revenue streams has different characteristics under IFRS 15, which requires companies to have a close look in Revenue Recognition.

3.1 Sports Betting Revenue

Sports Betting represents the primary revenue source for most of the online gaming platforms especially at the beginning. Customers are placing bets on sport events (both real and virtual) both pregame and during the games in live odds. The operator's Gross Gaming Revenue (GGR) is typically derived from the margin between the total stakes placed and the winnings paid out to them.

Example:

If a customer places a bet of 10€ of real money on a football match and the odd offered is 2,00€.

- If the customer loses the bet then the operator will retain 10€ as Revenue.
- If the customer wins the bet then the operator will retain $10€ - 20€ = -10€$ as Revenue

In reality, the operator generates revenue through the margin embedded in the odds that offers to the players. Under IFRS 15, revenue is recognized only when the bet has been settled either as lost or won.

Example:

If a customer places a €10 real-money bet and the sports event is cancelled, the operator will refund the €10 to the player, resulting in no movement in the General Ledger.

3.2 Online Casino Games

Another very important revenue stream for online gaming platforms is the Casino Games (live and rng), such as live roulette, blackjack and Slot games. These games are most of the times provided by third party gaming software providers which they offer their games in exchange for a variable fee based on the GGR produced from their games.

Example:

If a third party provider offers 3 games to an online gaming platform, they are going to receive the 10% of the total GGR produced by those three games during the month.

Example 2:

If a player deposits 50€ into their wallet and use the entire amount into slot games then:

- The player wins 30€ and loses the remaining 20€. Then the operator will record 20€ Revenue.

For accounting purposes, revenue in Casino is recognized after each game session is completed. Each session can last maximum of 24 hours and then the game restarts the player with a new session.

3.3 Bonuses and Promotional Incentives

Online Gaming Companies usually offer promotional bonuses to customers in order to attract new and retain the existing players. These incentives may include welcome bonuses, free bets, free spins or golden chips. Despite the fact that promotions are mostly for marketing purposes, they have significant accounting implications because they affect the transaction price under IFRS 15.

Example:

A customer deposits 100€ and receives a 20€ free bet as part of bonus.

- The customer plays a bet with the free bet 20€ in an odd of 3€.
- If the customer wins the bet then he will receive $(3 \times 20 - 20 = 40\text{€})$. Total GGR recorded into General Ledger is -40€ as Free Bets Winnings. If the customer loses the bet then there will be no recordings into General Ledger since Free Bets are not actual income for the company.

3.4 Customer Wallets and Deposits.

Online Gaming Platforms typically operate through digital wallets, where customers deposit money in order to participate in any gambling activities. These wallets allow customers to track the money they own and gamble, deposit or withdraw money.

Example:

If a customer deposits 100€. The company cannot record any revenue until the player performs any gambling activities. The remaining balance in the customer accounts is recognized as a Players Liability for the company.

3.5 Loyalty Programs and Customer Retention.

Many online Gaming Companies are often using a loyalty program that rewards customers based on their activity in the platform. These programs may include Points, Cashbacks, Bonuses and many other reward benefits.

Example:

A Platform awards 10,000€ each month to the top 100 users in Revenue.

Under IFRS 15, these monies are expenses for the company and it is recognized as an obligation towards customers.

3. 6 Importance of Revenue Structure for Financial Reporting.

The diversity of revenue streams into an Online Gaming Platform highlights the complexity of Revenue recognition. Transactions are often involve complicated variables and digital wallets and requires carefull assessment under accounting standards.

It is very important to understand and record correct these revenue streams under IFRS 15, in order to be able to design specific internal control mechanisms that will ensure the accurate financial reporting.

4. Tax Environment and Regulatory of Online Gaming-Gambiling in Greece

The online gaming industry in Greece operates within a highly regulated environment under National Legislation, Regulatory oversight and taxation rules. The structured regulatory framework that exists in Greece, has led the Gambling market into a transparent an controlled environment which attracts many industries both domestic and international.

Regulation is very important for online gaming industry due to the high risks related to financial transactions, customer protection, fraud and money laundering. That way, operators are obliged to comply with strict regulations and tax regulations. These regulations, have impact on Revenue recognition, internal controls, anti-money laundering controls, and financial reporting processes.

4. 1 Regulation for Online Gaming platforms in Greece

The regulation of Gambling activities in Greece (online or not), are operating under the law 4002/2011, which established for the operation of online gaming and betting services. The law is related with the compliance, responsible gaming policies and financial reporting requirements. The regulator who is responsible for supervising all gaming industries in Greece is Hellenic Gaming Commision (EEEE). This regulator, oversees all the operators, monitors their compliance with the relevant laws and regulations and protect the players.

Operators, in order to work in Greece, they must obtain a license from EEEP which usually includes:

- SportsBooking license (pregame, live & virtuals)
- Casion License (live & RnG)
- Fantasy License

Operators also, in order to receive this license, are required to ensure:

- Real-time monitoring of customer transactions (deposits – withdrawals)
- Transparency in reporting gaming activities
- Settlement of taxes within the time limits prescribed each month

4. 2 Operational Obligations and Requirements.

In order to operate legally in Greece, online gaming platforms must work under strict licensing requirements that EEEP has set. Through these requirements, financial stability, transparency and player protection can be succeeded. The obligations are the following (Greek Law 4002/2011)

- All platforms must use a certified system to monitor transaction processing and gambling operation
- Operators each month must report their gaming activity such as (bets placed, winnings)
- Based on their reports, operators are obliged to pay a betting tax to Greek authorities each month (35% of their GGR)
- All operators, must verify their customer identity and monitor any suspicious transactions, in order to prevent money-laundering.

4. 3 Operational Obligations and Requirements.

Taxation in Greece is based mainly on Gross Gaming Revenue (GGR), which depicts the difference between the total bets placed minus the total winnings of the customers. The main components of the Greece taxations are the Betting tax and the player tax.

- Betting Tax is the 35% of the GGR each month, and it is paid to Greek Tax Authorities (34,5% goes to GR Tax Authorities and 0,5% to the Regulator)
- Player Tax, are tax rates that are progressive and depend on the level of player winnings (for sportsbook and casino). For sportsbook, taxation is applied per betting slip and for casino per gaming session. A session shall mean the period of time that a user remain connected in a game (max 24hours)
- Below you may find the taxed based on the profit per ticket.

SportsBook (each ticket)

0 to 100€ winning : Tax free rate
100,01 to 200€ winning: 2,5% tax
200,01 to 500€ winning: 5% tax
Over 500,01€ winning: 7,5% tax

Casino (each session)

0 to 100€ winning: tax free rate
100,01 to 500€ winning: 15% tax
Over 500,01€ winning: 20% tax

Example 1 (Sportsbook)

If a player places a bet with total winnings amounting to 400€, the system automatically calculates the applicable player tax. In this case, a 5% tax is applied to the winnings, resulting in a payout of 380€ ($400 - 400 * 5\%$). The 5% tax withheld from the player's winnings is retained by the operator and paid to the Greek authorities on a monthly basis.

Example 2 (Casino)

In case of casino, if a player connects into a slot game and manage to win 400€ and then logs out, the system automatically will calculate and withheld the applicable tax. In this case, a 15% tax is applied to the winnings, resulting a payout of 340€ ($400 - 400 * 15\%$).

The 15% tax withheld from player's winnings, is paid by the operator to the Greek authorities on a monthly basis.

Finally, based on the regulation, an important difference arises between financial reporting and regulatory reporting in relation to the Revenue Recognition. More specifically, under IFRS 15 standards, Revenue recognized upon the settlement of a sportbook event (when the obligation to the customer has been satisfied). In the contrary, regulator defines revenue recognition with the placement of the bet. This timing difference can create discrepancies between the two reports since there are open bets that has not settled by the end of the reporting period. For example if a player places a bet 100€ at 25 of January and the bet settles at 3 of February winning 300€, then the accounting report will recognize pay in 100€ and pay out 300€ at the 3rd of February. However, based on the regulator instructions, the tax report will recognize pay in at 25th of January 100€ and Pay out an 3rd of February 300€. This difference requires close monitoring and reconciliations to ensure consistency and compliance to both reports.

4. 4 Compliance and internal controls and business Strategy

The strict regulatory environment in Greece forces companies compliance a critical component to gaming platforms in order to be able to continue their operations. Companies have to implement internal control systems in order to ensure that all transactions are accurately recorded and recognized in the correct reported period. Key control areas are:

- Reconciliations between accounting reports and taxation reports (mentioned in 4.3)
- Daily monitoring and reconciliations of customers wallets, deposits and withdrawals
- Audit all customer transactions for AML purposes

Based on all the above, companies must adapt their strategy and design all the campaigns adjusted to the accounting standards and regulation standards. For example, high amount of bonuses to players may have impact to the accounting revenue and to the regulators taxation. For example, if a player uses a free bet to gamble in a bet, company cannot recognize Pay in since it is considered a gift. However, if the player wins the bet, then company must recognize pay out since the player will receive real money.

5. Application of IFRS 15 in Online Gaming Platforms

The application of IFRS 15 in Online Gaming Platforms, presents many challenges due to complexity of transactions and the digital nature of service delivery. Unlike the traditional industries, Online Gaming Platforms have high volume of transactions in their everyday lives with many deposits and withdrawals 24/7. IFRS 15, introduced a five step model for revenue recognition which must me adapted to the demands and the specific characteristics of the gaming industry. (International Accounting Standards Board, 2014; KPMG, 2017).

5.1 Identification of Contracts with Customers

Under IFRS 15, a contract is an agreement between two parties that have transactions and create rights and obligations. In online gaming platforms, the contract between the two parties is established when a customer registers for first time on the platform and accepts all terms and conditions. However, each different transaction may be a different contract between the two parties since there is the demand from the player to receive a standard service and the obligation from the operator to provide it. (International Accounting Standards Board, 2014; Deloitte, 2018). E.g. If a customer places 3 bets, this represents 3 different contracts between the two parties, as it involves participating in a specific event with an outcome.

5.2 Performance Obligations and Transaction Price & Revenue Recognition

Based on IFRS 15, entities must identify the obligations included in their contracts with clients and determine the relevant price. In online Gaming Platforms, this obligation vary depending on the type of service provided and include participation in Sportsbook events. Casino RnG Games, Casino Live Games. (International Accounting Standards Board, 2014; Deloitte, 2018). In SB activities, the contract between the two parties is created, once the customer places a bet and it ends once the bet is settled. In Casino Games, the obligation the obligation is satisfied upon the completion of each Casino Session.

Revenue is recognizd when the obligation is satisfied, which in Online Gaming Platforms this happens when the bet is settled (in SportsBook) or when the player logs out from a game (in Casino). Through this approach, the revenue is more accurate and reflects the completion of the contracts between the customers and the operators.

For example, if a player places 10€ bet to an odd of 3€, the operator's revenue depends whether the player wins or loses the bet. Therefore, the recognition of the Revenue will happen once the bet is settled and then the operator will recognize 10€ Pay In if the bet is lost, or 10€ Pay In and 30€ Pay Out, if the bet is won.

Based on the instructions from the Regulator, for tax purposes, the recognition occurs on the placement of the bet as Pay In and the outcome when the bet is settled. This may create some differences between the two reports since there are many bets that can be settled on different periods. For that reason, the tracking and the constant reconciliation between the two reports is necessary to avoid any discrepancies.

5.3 Regulatory and Tax Reporting

An important challenge in the application of IFRS 15 in online gaming platforms, is the different Revenue Recognition between the General Ledger and the Regulatory Reports. As mentioned previously, in General Ledger the recognition of Revenue happens when the bets are settled and the obligations are fulfilled. However, based on the regulatory the Pay In recording takes place once the bets placed and the Pay Out once the bets are settled. This difference may create some discrepancies between the two reports and difficulties into reportings. For that reason, companies should maintain systems and control activities to ensure accurate reconciliations. These coexistence, of these two different reports creates even more complex environment.

6. Internal Controls and Revenue Assurance in Online Gaming Platforms

The Rapid growth of online gaming platforms and the constant increase in the complexity of digital transactions, have a significant impact on the importance of internal controls and revenue assurance. These platforms, process an enormous amount of transactions each day including customer deposits-withdrawals, betting activities, winnings, Bonuses and tax calculations. This means that even a minor error in the transactions can lead to a financial misstatement, regulatory penalties and wrong reported Revenue which may lead to a reputation damage for the company. Especially in Greece, which is a country with strict regulations, internal controls are particularly important for tax requirements and correct regulatory reporting.

6.1 Internal Controls in Online Gaming Platforms

Internal control are procedures and policies that an organization has established, to ensure effective operations and reliable financial reporting. The automation of gaming transactions makes the need of internal controls even more bigger. Some of the most important areas that demands everyday monitoring are the customer wallet transactions, revenue recording and recognition, bonuses and other promotional activities and Tax calculations. A significant challenge in the online platforms is the different timing of revenue recognition between General Ledger and tax reporting. Under IFRS 15, revenue is recognized upon the settlement of the betting event, while based on the regulators instructions, the recognition takes place at the placement of the bet. This creates two discrepancy between the two reports, the bets that placed during the period and remain unsettled at the end of the period and the bets that settled during the period but settled previous periods. For example, If a customer places a bet on 20.12.2025 and the bet settles on 10.01.2026, the Tax Report will recognize the Pay In in 2025 (bet placement date) and the Pay Out in 2026 (bet settlement date), while the General Ledger will recognize both the Pay In and the Pay Out in January 2026, upon settlement of the bet. The above discrepancies, creates the need of a monthly reconciliation between the two reports in order to confirm that the correct GGR has been recorded and the tax calculations are correct.

6.2 Automated Controls, Audit and Strategic Importance

Given the complexity of the transaction volume of online platforms, manual controls are not enough to ensure the reliability of the financial reporting. As a result, platforms rely mostly on automated controls within the systems. Some of the most common automated controls are the real-time wallet reconciliations, duplicate transaction checks, GGR Reconciliations and tax calculations.

Another critical component of the control environment is the maintenance of the audit proofs. Every recorded transaction must have supporting documentation and must be traceable from the customer wallets to the general ledger. This is especially important in the online gaming industry for external audits, regulatory inspections and AML reviews. For example, if an external auditor requests verification of a specific player transactions,

the company must be able to track down all the transactions and activities of the specific player (Deposits, withdrawals, betting activities).

Effective control environment also improves operational efficiency, enhances the management decision making strengthen the companys reputation and reduce the financial risks.

7. Conclusions

The online gaming industry has a rapid growth during the last 10 years and the digital sector evolution has helped them to be able to process enormous transactions. This evolutions has also increased the importance of the accuracy of revenue recognition, effective and efficient internal controls and revenue assurance mechanisms. The purpose of this work was to examine the importance of IFRS 15 in online gaming platforms and to analyse the accounting and regulatory standards for Online Gaming Platforms.

The study showed that IFRS 15 provides a structure for revenue recognition compared to previous accounting standards IAS 18. Through this framework, operators are better able to recognize revenue in a way that reflects the actual services that customers received.

The analysis also mentions that online gaming platforms facing many different difficulties with Revenue recognition. More specifically, based on IFRS 15 standard, revenue is recognized on the settlement of the bet or gaming activity. However, based on regulatory instructions, recognition is based on the placement. This difference creates a temporary discrepancy between the two reports and increases the necessity of internal controls.

Furthermore, the study also examined the taxation framework in Greece. Greek online gaming platforms must operate under the strict supervision of Hellenic Gaming Commision (EEEE) and includes taxations that are calculated based on the Gross Gaming Revenue (GGR), as well as taxation on player winnings. The above obligations towards the regulator, increases the complexity of the industry, and requires from companies to maintain accurate reporting systems that ensure consistency and compliance with tax and regulatory requirements. Another important conclusion is that revenue assurance is probably the most important part in these companies and internal control mechanisms have a critical role in ensuring reliability of financial reporting. Automated monthly reconciliations, audit trails and transaction monitoring systems, help companies to reduce revenue leakage and financial misstatements.

Overall, the study shows that the accounting standards, technology and regulation are closely connected within the online gaming industry. The implementation of IFRS 15 standard in combination with internal control activities and revenue assurance, have significantly improve the transparency, better and more reliable financial reporting.

While the online gaming platforms expand in Greece, there is an increased demand for regulatory requirements and control systems that will minimize the revenue leakage.

Author's Statement:

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