

Revenue Recognition Guidelines

Date: [Insert Date]

To: [Insert Recipient Name]

From: [Insert Your Name]

Subject: Internal Revenue Recognition Guidelines

Dear [Insert Recipient Name],

As part of our ongoing efforts to ensure compliance with applicable accounting standards and to maintain consistency in our revenue recognition practices, please find below the internal guidelines for revenue recognition:

1. Scope of Revenue Recognition

These guidelines apply to all revenue-generating activities across the organization, including sales of goods, services, and any other revenue streams.

2. Recognition Criteria

- Revenue should be recognized when control of the goods or services is transferred to the customer.
- Revenue can be reliably measured.
- It is probable that economic benefits will flow to the entity.

3. Revenue Recognition Process

All departments must adhere to the following process:

1. Ensure proper documentation of agreements and sales contracts.
2. Confirm customer acceptance of goods/services.
3. Record revenue in the appropriate accounting period.

4. Review and Compliance

Regular reviews will be conducted to ensure adherence to these guidelines. Any deviations should be reported immediately to the accounting department.

Thank you for your attention to this important matter. Should you have any questions or require further clarification, please do not hesitate to reach out.

Sincerely,

[Your Name]

[Your Position]

[Your Contact Information]