

Guidance on Revenue Recognition Transition

Dear Team,

As we transition to the new revenue recognition standards, it's important to ensure that we are all aligned and understand the changes that will affect our reporting processes. This letter serves as a guideline to help you navigate this transition effectively.

Key Changes to Revenue Recognition

- Introduction of the five-step model for revenue recognition.
- Increased disclosure requirements for revenue streams.
- Changes in timing for recognizing revenue from contracts with customers.

Actions Required

1. Review the new standards that are applicable to your department.
2. Attend the upcoming training sessions scheduled for next week.
3. Identify any contracts that may be affected by the new guidelines.

Resources Available

For additional support, please refer to the following resources:

- Internal Policy Document on Revenue Recognition
- Training Materials available on the intranet
- Contact our finance team for any specific queries

Thank you for your attention to this important matter. Your cooperation will be essential for a smooth transition.

Sincerely,

[Your Name]

[Your Position]

[Company Name]