ACCOUNTING FOR REVENUES

1. Revenue is _____ that results from the _____ activities of an entity.
2. Income is made up of both _____ and _____.
3. Three categories of income are:
   - The sale of _____
   - The rendering of _____
   - The use of entity's _____ by others (interest, royalties and dividends)
4. Revenue is recognized when it is probable that _____ _____. benefits will flow to an entity and these benefits can be measured _____.
5. Five steps for revenue recognition are:
   - Identify the _____ with a customer
   - Identify the _____ _____ in the contract
   - Determine the _____ _____
   - Allocate the _____ _____ to the _____ _____ in the contract
   - Recognize _____ when the entity satisfies a _____ _____
6. The amount of revenue to be recognized or recorded is measured at the _____ _____ of the consideration received or receivable (cash to be collected or received in the future).
7. The _____ basis and _____ concept of accounting are the two main accounting concepts and assumptions to be complied with in recording revenue.

LIVEWORKSHEETS