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.