

# Resort Village of Aquadec

<u>Policy Title</u>	<u>Policy #</u>	<u>Resolution</u>	<u>Resolution Date</u>	<u># of pages</u>	<u>Forms</u>
Revenue Recognition Policy	GG-025	#21/26	Feb 20/2026		0

**Policy Objective:**

To determine what accounting method is used for the goods or services that are delivered to a customer to prevent overstating or misrepresenting financial health and avoid financial manipulation

**Background:****Policy:**

1. Cash Accounting
  - a. When revenue is received, it is recognized as being a receipt for the Month in which it was received.
    - i. General receipts for products and services. General receipts are for products that are immediate.
2. Accrual accounting
  - a. This is recognizing the revenue when it is earned and the good has been delivered
    - i. Taxation and Utility accounts shall be recognized in accrual accounting in the case where outstanding amounts are left owing at the end of the year. These accounts are then enforceable through the Tax Enforcement Act.
    - ii. Accounts Receivable shall be recognized in accrual accounting as these products are invoiced for the following months. Such as compound fees which may be invoiced in April, but due in May.
3. Documentation
  - a. Invoices will reflect the document as to when a product is due.

GG-025

RESORT VILLAGE OF AQUADEC

Policy Title: Revenue Recognition Policy

Date Issued: Res #21/26 – Feb 20/26

Replaced – Res #

\_\_\_\_\_  
Mayor