Sales (Finance)

@wikipedia

Synonym: Operating Revenue = Sales

A part of Total Revenue which is related to primary Business activity, usually from:

- Selling Products if core Business activity is selling of Goods and/or Services
- Interest payments if core Business activity is financial investments
- Royalty payments if core Business activity is Product Development and/or Leasing

The time moment when Operating Revenue is captured and appreciated by the Financial Accounting depends on the Business specifics.

The general practice is to capture Operating Revenue when the Invoice has been submitted to a Customer.

There is a natural delay in Cash Collections from the timing when the Operating Revenue was captured due to approval/processing/transfer process, and which is called Days Sales Outstanding (DSO).

A very popular DSO range is between 30 days and 90 days.

See also

Business / Business Administration / Financial Management / Financial Accounting / Profit and Loss (P&L)

[Total Revenue][Non-Operating Revenue]

[Net Income][NOPAT]