RECEIVABLES

- Refers to amounts owed by customers to a company at a particular time and not yet paid.
- Contractual rights to receive cash or other Financial Asset from another entity.
- SOURCE:

PFRS 15, paragraph 108

a receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

TRADE RECEIVABLES

Claims from sale of goods or services <u>*in the ordinary course of business.*</u>

- Accounts Receivable — Receivable that is <u>not supported</u> by promissory note.
- Notes Receivable — Receivable that is <u>supported</u> by promissory note.

CURRENT TRADE RECEIVABLES

One (1) Year
or
Normal Operating Cycle

Whichever is LONGER

NON-CURRENT TRADE RECEIVABLES

Claims from sale of goods or services in the ordinary course of business that are not expected to be realized in cash within 12. months.

NON-TRADE RECEIVABLES

When a customer owes the seller money not related to providing a service or selling a product. Unlike Trade Receivables, for it to be considered <u>current non-trade receivables</u>, it should be <u>**1 year or within 1 year only.**</u>