

Deferred Revenue Processing

Last Modified on 10/13/2025 8:06 pm EDT

Recurring invoices only recognize deferred revenue through the RMR Process Date when generating the invoice. Future deferred revenue can be recognized manually in the Process Deferred Income page or automatically on the Deferred Posting Day if Auto-Process Deferred Income is turned on (this setting is on Setup > Preferences GL Account tab).

This helps ensure that deferred revenue is properly recognized and processed in accounting periods so accounting teams can accurately close periods only when all deferred revenue has been properly recognized and recorded and helps ensure that GL entries are generated for deferred invoices.

Prevent Closure of Accounting Period with Unrecognized Deferred Revenue:

- Accounting periods cannot be closed if there is any deferred revenue that has not been fully recognized.
- This check is automatic and enforced before an accounting period is closed.

Deferred Entries for Late Recognized Revenue:

- If deferred revenue is recognized late (after the initial recognition period), the system automatically creates an entry for each relevant month, even if the accounting period has already been closed.

Deferred Invoice GL Entries:

- The system ensures that GL entries are not created in bulk at the time of invoice creation.
 - Both manual and automated processes for recognizing deferred revenue are supported with the system processing the appropriate GL entries only when the deferred revenue is recognized.
 - The GL entries align with the recognized amounts for each period, respecting the correct recognition schedule.
-