

Kontant princippet (Cash principle)

Analog has no physical cash in our finances, but we choose to act like our online finances are described as if we had a cash box of money. Say we pay for a service or earn money, then we bookkeep it on the same day that our money leaves or enters our bank account.

This means that if we place and order for coffee in one financial year (eg. June, 2020) and pay it in another financial year (eg. July, 2020). Then we bookkeep it as it was money spent in the financial year of the payment (eg. June, 2020). This seems counterintuitive, but it is either this or that we make sure all dates match the day that we place the order or the money is paid to us. This is a legal requirement.

We were advised to do our finances this way by **Harboe Consult** back in 2020.

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