L23

UCA ⟶ business sell ⟶ Giridhar

UCA → Goodwill → Giridhar

not separable

Haldiram $\xrightarrow{\text{bus. sell}}$ Yash Kumar

Haldiram → Goodwill

not sep.

Ultimate medicare → P_1, P_2, P_3, P_4, P_5

P_5 ⟶ sold ⟶ Sneha

P_5 → benefits = cash flow

P_1 – P_4: business transfer nahi hua

Monetary Items / Non-monetary Items ⇒

31/3

Debtors →	m →	fixed / determ. amount
Creditors →	m →	" " "
Bank loan →	m →	" " "
Deb. Issue →	m →	" " "
Invst in Deb →	m →	
Land →	nm	
ES issue →	nm	
Invst in ES →	nm	
Patent →	nm	

Intangible Assets :-

1. Identifiable
2. Non-monetary assets
3. without physical substance

} CHARACTERISTICS

USES :- a. production of goods
b. supply of services
c. rental to others
d. admin purpose.

IDENTIFIABLE : Separable / Distinguishable from goodwill.

Goodwill :
↓
If transferred the FEB's of

For an IA to separable
↓
If an IA other than goodwill is

the entire revenue generating activity gets transferred.

sold / rented / exchanged then the FEB's of only that IA are transferred and not of the entire revenue generating activity.

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NON - MONETARY :- The amount that can be realised from an IA is not fixed / determinable.

WITHOUT PHYSICAL SUBSTANCE :

1. Software in a CD :- CD is immaterial. Software will still be considered an IA.

2. Motion picture in reel :- Reel is immaterial. Motion picture will still be considered an IA.

3. Operating system in a laptop :-
4. Automation Software in a PPE :- (mach.)

The PPE has a material/significant value & the IA forms an integral part for operating the PPE. The entire asset will be considered as a PPE.

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RECOGNITION CRITERIA :- 1. FEB from that asset flow to the entity.
2. Costs can be reliably measured.

Control over the intangible asset

1. Patent → control
2. mining rights → control
3. License to operate buses on a particular route → control
4. Time slots for take off for an airline company → Control
5. Super skill highly specialised staff → no control exists.

HOW TO MEASURE THE COST

IA that is purchased

- Purchased against cash
  1. Basic purchase price
  2. - Trade disc. / rebates
- Purchased against exchange of other assets.
  1. Fair value of asset given up.

IA that is Internally Generated

→ Internally generated goodwill, brands, mastheads, customer lists cannot be recognised as an IA.

Goodwill → cost ×