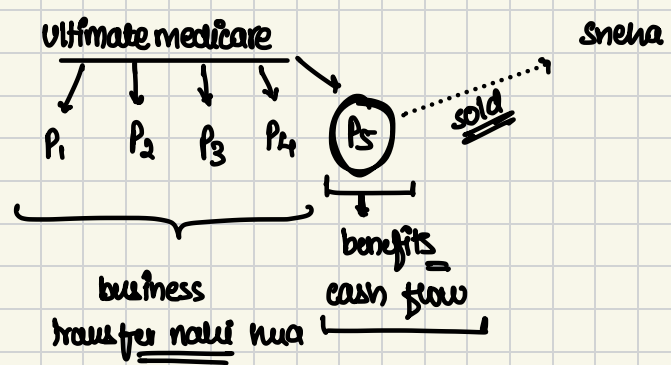
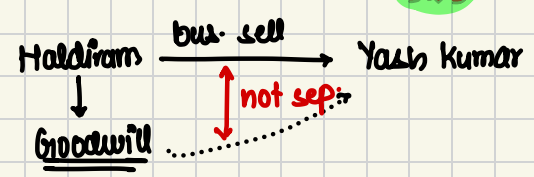
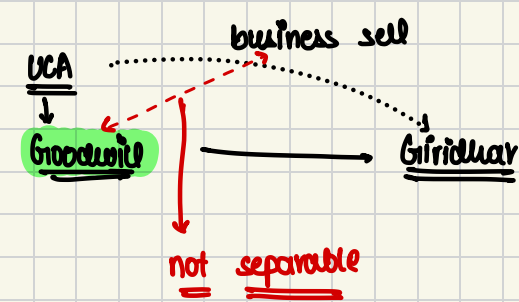




Monetary Items / Non-monetary Items →

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

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

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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

IA that is Internally Generated

Purchased against cash

Purchased against exchange of other assets.

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

Goodwill → cost x

1. Basic purchase price
2. - Trade disc. / rebates

1. Fair value of asset given up.