



# DEFINITION

Identifiable nonmonetary asset without physical substance. e

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# IDENTIFICATION

yes, there is an element of asset.

## CLASSIFICATION

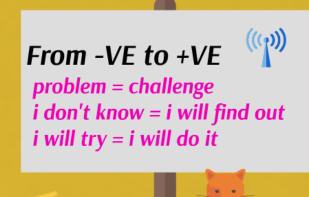
Intangible asset is classified under MFRS 138.
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RECOGNITION

- It is probable that the Future Economic Benefits that are attributable to the asset will flow to the entity.
- The cost of the asset can be measured reliably.
- Identifiable. (\*It must be separable from the asset as a whole)
- Control over a resource.

## INITIAL MEASUREMENT

Will be initially measured at COST
The sum of the expenditure incurred
from the date when it meets the
recognition criteria, to the date of its
completion such as:

- Costs of materials and services used or consumed in generating the IA
- Costs of employee benefits arising from the generation of the IA
- Fees to register legal right
- Amortization
- Borrowing costs to the extent that they meet the capitalization criteria



#### How to calculate initial cost???

#### cost

- -trade discount
- -rebates
- +Any directly attributable cost of preparing the asset for intended use

initial cost











### SUBSEQUENT MEASUREMENT

#### COST MODEL

#### REVALUATION MODEL

CA=cost-acc amortisation- acc impairment loss

FV ignores

Revalue the FV

 FV vs CA surplus or deficit

Dr Cost Cr Intangible Asset Dr Deficit on revaluation
Cr Intangible Asset
Dr Intangible Asset
Cr Surplus on revaluation

### DERECOGNITION

- No future economic benefit
- Disposal

CA VS NET DISPOSAL VALUE

CA > NDV = LOSS (EXPENSES)

CA < NDV = GAIN (REVENUE)



