Fixed Assets, Intangibles and Impairment: IAS 16, IAS 38 and IAS 36

CertiFi micro-credential

1 course · 5 lessons · about 3 study hours · issued 28 Nov 2026

IFRS-07

Fixed Assets, Intangibles and Impairment: IAS 16, IAS 38 and IAS 36

About 3 study hours · 5 lessons · pass mark 70% · AED 299

What goes into the cost of an asset, how long to depreciate it, whether software can be capitalised and when an asset must be written down are questions that come up every year. Following an Abu Dhabi distributor, you will apply IAS 16, IAS 38 and IAS 36 to racking, forklifts, land, an ERP system and a branch that is losing money. This is a CertiFi certificate of completion and is not a qualification of the IFRS Foundation.

On completion, you will be able to:

- Determine the cost of property, plant and equipment and treat later expenditure correctly
- Depreciate by component and account for changes in useful life and residual value
- Apply the revaluation model and account for disposals
- Decide which software, development and other intangible costs can be capitalised
- Identify impairment indicators, measure recoverable amount and allocate an impairment loss

Learning outcomes by lesson

1. Property, plant and equipment: what is cost?

- Apply the recognition criteria
- List what is included in, and excluded from, cost
- Treat subsequent expenditure
- Set a sensible capitalisation threshold

2. Depreciation, revaluation and disposal

- Depreciate by significant component
- Account for changes in useful life and residual value
- Apply the revaluation model
- Calculate the gain or loss on disposal

3. Intangible assets, software and development costs

- Apply the definition and recognition criteria of IAS 38
- Separate research from development
- Account for purchased software, cloud arrangements and websites
- Amortise intangible assets

4. Impairment: indicators and recoverable amount

- State when an impairment test is required
- Identify external and internal indicators

- Measure recoverable amount
- Estimate value in use

5. Cash-generating units, goodwill and reversals

- Identify a cash-generating unit
- Allocate an impairment loss
- Apply the rules for reversing impairment
- List the main disclosures and controls