

IFRS Learning Module: *Property, Plant and Equipment*

Course Description

IFRS Learning Modules are a series of courses that provide in-depth overviews of various topics related to *International Financial Reporting Standards ("IFRS")*. IFRS represents the global accounting principles that provide the foundation for most of the world's financial reporting. These Standards establish the recognition, measurement, presentation and disclosure requirements for transactions and events reflected in IFRS financial statements.

The growing acceptance of IFRS as a basis for U.S. financial reporting represents a fundamental change for the U.S. accounting profession. The *International Accounting Standards Board (IASB)* and their U.S. equivalent (the FASB) have made commitments towards the convergence of U.S. GAAP and IFRS and are working to eliminate as many differences between the two Standards as possible. In addition, the Securities and Exchange Commission has endorsed the outright adoption of IFRS in the United States. Therefore it is clear that IFRS represents the future of financial accounting and reporting in the United States.

Module 7 of the *IFRS Learning Module* series presents an overview of IAS 16 *Property, Plant and Equipment*, the accounting standard for classifying and measuring property, plant and equipment (also known as 'fixed assets') in IFRS financial statements. The course also discusses the IASB's and FASB's efforts towards achieving convergence in fixed assets reporting.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

CPE Credits: 3 (CPA)

Category: Accounting

Prerequisite: None.

Advanced Preparation: None

Course Learning Objectives

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1. Explain the proper accounting treatment for acquisitions of property, plant and equipment (and other associated costs) under IFRS.
2. Calculate depreciation using the methods permitted under IAS 16.
3. Describe the process for determining whether or not a long-lived asset is impaired under IAS 36.
4. Distinguish between the 'cost' and 'revaluation' accounting models (as described in IAS 16).
5. Describe the similarities and differences between IFRS and U.S. GAAP in the area of property, plant and equipment.