







Home ▶ All Journals ▶ European Accounting Review ▶ List of Issues ▶ Volume 12, Issue 4 ▶ Accounting for intangible assets: curren ....

## European Accounting Review >

Volume 12, 2003 - Issue 4: Intangibles and Intellectual Capital

2,994 29

3

Views CrossRef citations to date Altmetric

**Original Articles** 

## Accounting for intangible assets: current requirements, key players and future directions

Stephen Powell

Pages 797-811 | Published online: 17 May 2010

Sample our
Economics, Finance,
Business & Industry Journals
>> Sign in here to start your access
to the latest two volumes for 14 days

Full Article

Figures & data

References

**66** Citations

**Metrics** 

Reprints & Permissions

Read this article

## Abstract

This artic' requiren

potentia

for intan

regulation

on accou



## We Care About Your Privacy

We and our 842 partners store and/or access information on a device, such as unique IDs in cookies to process personal data. You may accept or manage your choices by clicking below, including your right to object where legitimate interest is used, or at any time in the privacy policy page. These choices will be signaled to our partners and will not affect browsing data. <a href="Privacy Policy">Privacy Policy</a>

We and our partners process data to provide:

Use precise geolocation data. Actively scan device characteristics for identification. Store and/or access information on a device. Personalised advertising and content, advertising and content measurement, audience research and services development.

List of Partners (vendors)

I Accept siders counting

Essential Onlyy and ring debate

Show Purpose

Notes

<sup>1</sup>The views expressed in this article are solely those of the author. The author wishes to thank Dr Anne Wyatt from the University of Melbourne for reviewing an earlier draft of this paper.

<sup>2</sup>Lev (2001) provides a summary of this evidence.

<sup>3</sup>Consistent with this, Lev and Zarowin (<u>1999</u>) provide evidence not only of a decline in the usefulness of financial accounting information during the period 1978 to 1996 but also that this decline is most pronounced in enterprises that have increased expenditure on intangible assets (as measured by enterprise expenditure on research and development).

<sup>4</sup>A comprehensive review of the accounting requirements for intangible assets in a range of countries can be found in Stolowy and Jeny-Cazavan (2001).

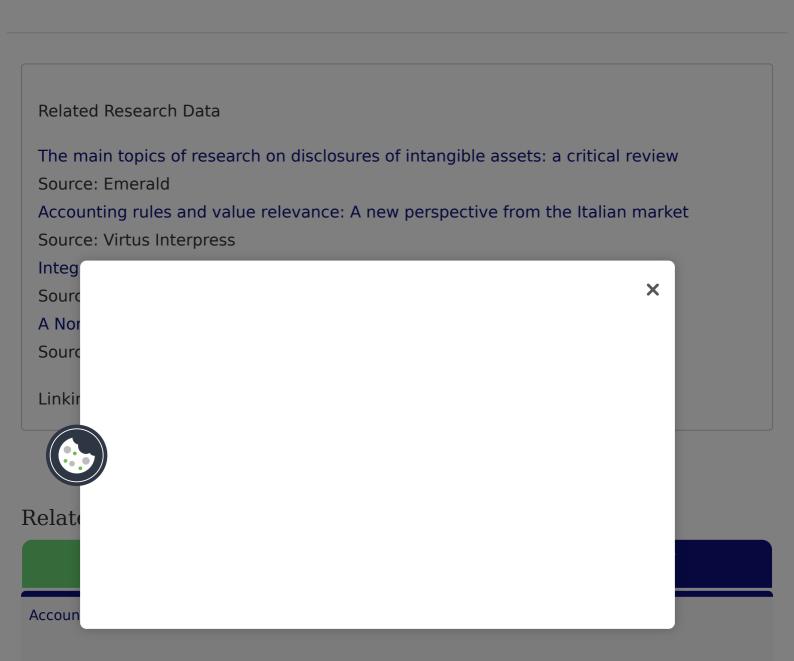
<sup>5</sup>Throughout this article, the term 'jurisdictions' should be taken to refer to the eight national jurisdictions and also the IASB.

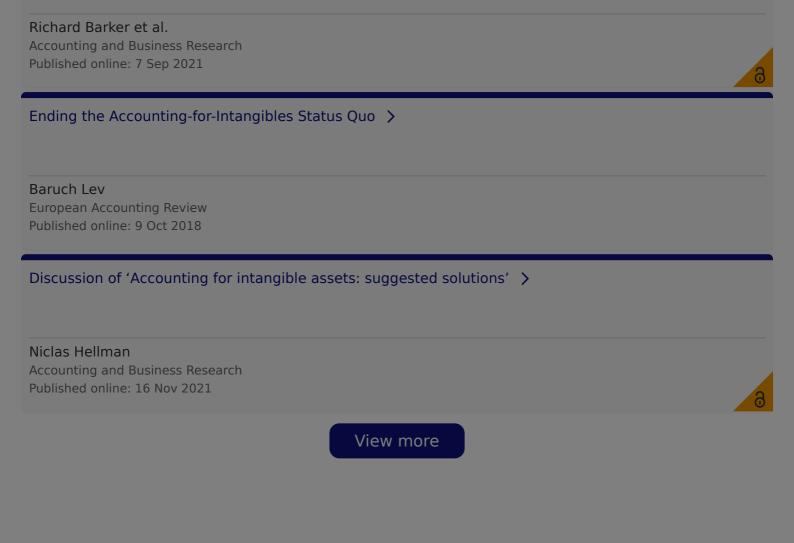
<sup>6</sup>In the UK, FRS 6 'Acquisitions and Mergers' (ASB, <u>1994</u>) sets out a series of conditions that must be satisfied for the transaction to be a merger. The IASB sets out similar conditions for a transaction to be considered a uniting of interests.

<sup>7</sup>In France, only applied research costs can be capitalized; basic research costs must be expensed.

<sup>8</sup>The position in Australia is slightly different to that of EU countries. In Australia, an adopted companies. X entities Howeve ould not be where it applicab <sup>9</sup>The pos / adopted Standards IAS/IF additional Board oted in New requiren Zealand 2003). <sup>10</sup>Nation t covered by an IAS/IF

- <sup>11</sup>Haller (<u>2002</u>) provides a history of financial accounting developments in the EU, including the impact of 2005.
- <sup>12</sup>National accounting requirements will still be needed in circumstances not covered by an IAS/IFRS; for example, to cover an issue that is jurisdiction specific.
- <sup>13</sup>See Lev (<u>2001</u>), Upton (<u>2001</u>) and Wyatt (<u>2002a</u>) for a further discussion on the economic properties of intangible assets.
- $^{14}$ See Aboody and Lev ( $\frac{1998}{}$ ), Abrahams and Sidhu ( $\frac{1998}{}$ ) and Healy et al. ( $\frac{2002}{}$ ).
- <sup>15</sup>Under the Lev and Zarowin approach, reinstatement would occur once the project's feasibility has been established.
- <sup>16</sup>Concerns regarding the degree of judgement required to apply the condition-based capitalization approach was stated by the FASB as one of the reasons why it was not adopted in the US (FASB, <u>1974</u>).







Information for Open access Authors Overview R&D professionals Open journals Editors **Open Select** Librarians **Dove Medical Press** Societies F1000Research Opportunities Help and information Reprints and e-prints Advertising solutions Newsroom Accelerated publication Corporate access solutions Books Keep up to date Register to receive personalised research and resources by email Sign me up Taylor & Francis Group Copyright © 2024 Informa UK Limited Privacy policy Cookies Terms & conditions Accessib X

