

Describe the accounting treatments associated with intangible assets IAS 38. The IAS 38 apply to all intangible asset accounting treatment except to the financial assets, exploration and evaluation assets such as the mineral assets, expenditure that the organization incur in the extraction of the mineral resources, natural gas, oil and other similar resources, the intangible assets earned by the organization as result of insurance contracts received from the insurance companies, intangible assets that are held by the organization for sale including the assets held for the discontinued operations. Additionally the subsequent measured involve the cost value or revaluation model and amortization based on the systematic basis based on the life cycle over useful life of the asset unless the cases in which the asset has indefinite life and the organization cannot determine the life span of the asset. The organization should enhance proper accountability to the intangible assets to enhance the process of transparency and to ensure that the organization meets its required and preserved 5 goals and objectives. In addition IAS 38 standards requires an organization to recognize an asset as intangible if it meets particular criteria (Elshamy et al., 2019). Thus, the organization benefits from the prescribed rights when sold to the other parties.