

IAS 16, which stands for International Accounting Standard 16, is a standard issued by the International Accounting Standards Board (IASB). If an entity chooses to revalue, it must revalue the entire class of assets to which the asset belongs, and the revaluations should be performed with sufficient regularity to ensure that the carrying amount does not materially differ from fair value. Derecognition: PP&E is derecognized when it is disposed of or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of PP&E is recognized in profit or loss. Overall, IAS 16 provides comprehensive guidance on the recognition, measurement, subsequent expenditure, depreciation, revaluation, and derecognition of Property, Plant, and Equipment, ensuring consistency and comparability in financial reporting. Subsequently, PP&E is measured at cost less accumulated depreciation and any accumulated impairment losses. Subsequent Costs: Subsequent costs are generally capitalized if they meet certain criteria, such as increasing the future economic benefits of the asset or extending its useful life.