



**PROJACS ACADEMY**  
by  **egis**



# CWIP and Assets Leases Treatment

27 November – 01 December 2023

Amsterdam / Netherland

## Introduction

CWIP and Assets Leases Treatment is critical for any organization as fixed assets are the major resources used to produce products and generate future benefits. This course discusses the management and accounting of these assets based on the British Standard Institute Publicly Available Standard (PAS 55). This course includes the 28 points of PAS 55 which help maximize the utilization of fixed assets and which are divided into: fixed assets policy, strategy, management enablers and controls, implementation of management plans, performance assessment and improvement, and management review. The management and accounting of fixed assets covers all life-cycles of fixed assets from creation or acquisition to utilization and maintenance until renewal or disposal. The management part also includes decision making tools such as NPV, IRR and other capital budget comparative tools used to decide whether to acquire, replace or refurbish assets.

The accounting part is based on the International Financial Reporting Standards (IFRS), mainly standard number 16 for property plant and equipment, and IFRS 38 for intangibles. The course covers capitalization rules for fixed assets and intangibles, and rules for measuring assets at fair value. In addition, the course covers various depreciation methods and assets impairment rules, measurement and accounting.

## Objectives

By the end of this course practitioners shall learn to:

- Apply the 28 point requirements to establish a whole life asset management system according to PAS 55 and ISO 55000
- Evaluate investments in fixed assets according to Net Present Value (NPV), Internal Rate of Return (IRR) and other methods
- Recognize and correctly measure fixed assets and intangible assets under International Financial Reporting Standards (IFRS)
- Justify the accounting and reporting for transactions throughout the life of the assets
- Account properly for impairment, disposals, and sales of long lived assets

## Target Audience

Fixed assets professionals including supervisors, account managers, purchasing and facility supervisors and coordinators, financial controllers, new employees handling fixed assets, internal auditors, maintenance assistants and managers, and operations managers.

## Target Competencies

- Applying assets management
- Increasing assets utilization
- Making investment decisions
- Formulating policies and procedures
- Utilizing assets information system
- Monitoring assets performance
- Applying capitalization rules
- Accounting for assets per IFRS

## Course Outline

### Day One

#### **Fixed Asset Acquisition:**

- Introduction to Fixed Assets.
- Recorded Cost.
- Costs Incurred Subsequent to Purchase.
- Initial Fixed Asset Recognition.

#### **Fixed Assets Disposal & Retirement:**

- Asset Retirement Obligations
- Fixed Asset Disposal..
- Fixed Asset Impairment.
- Fixed Asset Disclosures.
- Fixed Asset Measurements.

### Day Two

#### **Fixed Assets Controls:**

- Risk management.
- Fixed Asset Auditing.
- Fixed Asset Controls.
- Depreciation and Amortization.
- Other Fixed Assets Activities.

#### **Other Considerations:**

- Accounting Considerations.
- Non-monetary Transactions.
- Other Impairment Considerations.
- Long-Lived Assets to be Disposed of by Sale, and Other than by Sale.

- Discontinued Operations.
- Construction of tangible assets for internal use.

## **Day Three**

### **Special topics in accounting for fixed assets:**

- Capitalization of borrowing costs.
- Decommissioning costs.
- Measurement and recognition of investment property.
- Measurement and recognition of intangible assets.
- Required disclosures.
- Accounting Treatment of CWIP.
- Construction in Progress.

## **Day Four**

### **Accounting over the life of the asset:**

- Costs incurred subsequent to purchase.
- Leasehold improvements.
- Accounting for leased assets.
- Finance Leases.
- Operating Leases.
- Accounting for assets under fair value model.
- Concept of component depreciation.
- CAPEX procedures & preparation.

## **Day Five**

### **Intangible Assets:**

- Conceptual issues related to research and development costs.
- Presentation of intangible assets and related items.
- Amortizing intangible assets.
- Accounting procedures for recording goodwill.
- Subsequent expenditures on Tangibles.

## Training Method

- Pre-assessment
- Live group instruction
- Use of real-world examples, case studies and exercises
- Interactive participation and discussion
- Power point presentation, LCD and flip chart
- Group activities and tests
- Post-assessment

## Program Support

This program is supported by interactive discussions, role-play, case studies and highlight the techniques available to the participants.

## Schedule

**The course agenda will be as follows:**

- |                     |                  |
|---------------------|------------------|
| • Technical Session | 08.30-10.00 am   |
| • Coffee Break      | 10.00-10.15 am   |
| • Technical Session | 10.15-12.15 noon |
| • Coffee Break      | 12.15-12.45 pm   |
| • Technical Session | 12.45-02.30 pm   |
| • Course Ends       | 02.30 pm         |

## Course Fees\*

- **7,950 USD**  
*\*VAT is Excluded If Applicable*