

S03.03-IS-01-R380-I.8

I - Other operating Gains & Losses: General principles

8. +/- value of disposals of intangible and tangible assets (R382)

Content

- R48670: Losses on asset disposals (recurring)
- R48770: Gains on asset disposals (recurring)

= Gains or losses recorded by an entity on current realizations of tangible and intangible assets.

Do NOT include the elimination of profits in fixed assets (in non-recurring items under "[R48711 + R48611 - Gain \(R48711\) and Loss \(R48611\) on intangible and tangible assets disposals non-recurring](#)").

Gains and losses on the realization of assets are treated as current or non-recurrent depending on whether the transaction can be described as current or non-recurrent. For instance, the realization of a fixed asset as a result of the shutdown of a production line will be treated as non-recurrent, whereas the routine sale of small-scale equipment is deemed current. The non-recurrent elements are reported under "[R48711 + R48611 - Gain \(R48711\) and Loss \(R48611\) on intangible and tangible assets disposals non-recurring](#)".

Disposal of intangible assets

Gains from the sale of items recorded in intangible assets or other long-term investments.

The result on disposal of assets – irrespective of the form of the disposal (sale of securities, disposal of group of assets) follows the same allocation as the allocation of the Capital Employed and the Operating result of the activity concerned. The same « deal » will be accounted for on one and only one company.

It is rare that the disposal relates to more than one company. If it were the case, then one should follow the constraint: « One unique deal ... One unique company ».

This company will be specified by the Corporate Controlling and the Group Consolidation Department.

Disposal of tangible assets

Gains from the sale of tangible assets and the net value of tangible assets that are retired (excluding restructuring).

Comments

- The term "realization" implies that the asset generating the gain or loss has ceased to be the property of the enterprise, as a result of sale, contribution, expropriation, compensation further to a claim, etc...
- In the event of demolition, refer to "[R38100 - Other recurring operating income and expenses](#)".
- For reporting purposes, operations over the year generating significant gains or losses should be commented.