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Tangible vs. Intangible
Tangible assets include any resources with a physical presence. Some examples include cash, fixed assets, and equipment. Some of these resources are depreciated while others are not. Intangible assets are resources that don't have a physical presence. You can't touch an idea, but it is real and it's a thing. Some examples include patents, copyrights, and trademarks. Most of these resources are amortized over their useful lives or periodically checked for impairment losses. How are Assets Valued and Recorded in Accounting? Notice when I define assets, I didn't talk about how they were valued or recorded on the books of a company. Each resource is valued somewhat differently depending on its nature and how it was acquired. According to the historical cost principle, assets are recorded on the books at the price the company paid for them. This is true for all assets except for a few different types of investments that are adjusted to fair market value and some intangible assets that are purchased indirectly like goodwill. Since a company depends on its resources to generate revenues, many businesses are often valued by their level of asset ownership. In other words, an investor could calculate a rough value of a business by subtracting the outstanding loans from the assets of the company to see what resources the company actually owns. A company with more resources is generally deemed to be worth more than one with fewer resources. This isn't always the case, however. Most investors predict return rates on assets. If the company doesn't perform well, the company valuation could go down simply because it isn't using its resources effectively. Assets and Depreciation
In accrual accounting, if an resource can be used for more than one period, it shouldn't be expensed immediately. Instead, it is capitalized and the cost of the asset is recognized over the life of the assets. Depreciation is a way to assign the cost of the an asset over its useful lives. It's also a way to recognize the use of the asset and record the devaluation of it over time. Fixed assets and other long-term assets like buildings are depreciated while land is not. Other assets, like intangibles, are amortized. Here's a list of the most common assets in the chart of accounts. I talk about how each should be accounted for with examples and explanations in each article.

How to complete a worksheet in accounting. How to use worksheet in accounting.