

income tax + unearned revenue → not financial liability

Financial liability:

recognition financial liability → FV

after acquisition → amortized cost → debit (deduct from)

short term: maturity value because FV and its maturity not

significant difference & immaterial.

Non financial liability:

ASPE does not separately address & depending on the specific

case for example unearned revenue: FV of the good or service

IFRS: measured initially & at each subsequent reporting

date at the best estimate of the amount that entity would

pay at the date of financial position. This is usually PV

(present value) of the resource needed to fulfil the obligation

Current vs non current liability:

normal operating cycle is the period of time between

acquiring the goods & service for processing in operation & receiving

cash