

BIOLOGICAL ASSETS IN FOCUS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

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ABSTRACT

The aim of this article is to describe the standard of biological assets in local level and then to compare it with the international one. NAS 10 Biological Assets has changed with effective date 1 January 2015. But this change has been done according to the IFRS for SME. This is a new international standard that is not as useful as IAS 41. In the meantime, IAS 41 continues to change to improve the financial report for biological assets. The improvements or IAS 41 are a step forward relating to the improvements of IFRS for SME, especially for the techniques of valuating the fair value. IFRS for SME together with NAS 13 continue to use the old techniques for this new method of evaluation. This is what one of the things that imply both standards. But local standard is not as the international one. The local standards continue to prescribe what happens to the subsequent expenses after the initial recognition. Something that is not mentioned to the international standards. Instead of that is prescribe it does not treat the grand for biological assets. A better local standard means a better high possibility of implementing it and on the other side it means a qualitative financial reporting and a better source information that express clearly the reality. In nowadays when the information is ready and opened for every user there is no sense to be improved not for better.

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