



Probability Criterion on Separate Acquisition of Intangible Asset

Normally, the **price** an entity pays to **acquire separately** an **intangible asset** will **reflect expectations** about the **probability** that the **expected future economic benefits** embodied in the asset will flow to the entity.

In other words, **even** if there is **uncertainty** about the **timing or the amount** of the **inflow**, the **probability recognition criterion** is **always considered to be satisfied**.

Subsequently, if there is **lesser inflow** than expected, this would be an **indicator of impairment**, in which impairment testing needs to be performed (IAS 36).