Useful Life Assumption

1. The term 'indefinite' **does not mean 'infinite'**.

2. The **useful life** of an intangible asset **reflects only** that **level of future maintenance expenditure required** to **maintain** the asset **at its standard of performance** assessed at the time of estimating the asset's useful life, and the entity's **ability** and **intention** to reach such a level.

3. A conclusion that the useful life of an intangible asset is indefinite **should not depend** on **planned future expenditure in excess of that required to maintain the asset** at that standard of performance.

Assumptions

1. ✗ maintain ITA → short useful life ✗
2. ✓ maintain ITA → average useful life ✓
3. ✓ maintain ITA & upgrade ITA → indefinite useful life ✗