Staff paper

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IASB® Meeting

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Project	**Intangible Assets**
Topic	**Potential changes to some aspects of the definition and recognition requirements—agile software development test case**
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Purpose of the paper

1. This paper summarises staff research and provides staff analysis on principles and topics to explore further for the agile software development test case. Paragraphs 5 and 13–17 of Agenda Paper 17A for this meeting explain why we selected agile software development as a test case and our approach to identifying principles and topics to explore further.

2. This paper does not ask the International Accounting Standards Board (IASB) to make any decisions. However, we welcome IASB members' comments, questions or suggestions.

Structure of the paper

3. This paper is structured as follows:

   (a) background information;

   (b) staff research;

   (c) staff analysis;

(d) question for IASB members; and

(e) Appendix A—Initial staff thoughts on principles and topics the IASB could explore further.

Background information

4. Agile software development is a methodology that focuses on iterative and incremental progress in software development processes. This approach is intended to enable entities to deliver software to customers or internal users more efficiently. It emphasises delivering small, incremental changes to a software product over short time cycles rather than a complete product at the end of a development cycle.

Staff research

Accounting for agile software development today

IAS 38 requirements

5. An entity accounts for software development costs in accordance with the requirements for internally generated intangible assets in IAS 38 *Intangible Assets*. Specifically:

(a) an entity classifies the generation of an internally generated intangible asset into phases to assess whether the asset meets the criteria for recognition (paragraph 52 of IAS 38):

(i) in the research phase, an entity recognises expenditure as an expense when it is incurred (paragraph 54 of IAS 38); and

(ii) in the development phase, an entity recognises expenditure as an asset only if specified criteria are met (paragraph 57 of IAS 38);

(b) an entity recognises an intangible asset arising from the development phase of an internal project if it can demonstrate all of the following (paragraph 57 of IAS 38):

(i) the technical feasibility of completing the intangible asset;

(ii) the entity's intention to complete the intangible asset and use or sell it;

(iii) the entity's ability to use or sell the intangible asset;

(iv) how the asset will generate probable future economic benefits;

(v) the availability of resources to complete the development; and

(vi) the entity's ability to measure reliably the expenditure attributable to the intangible asset during its development;

(c) if an entity cannot distinguish the research phase from the development phase of an internal project to create an intangible asset, the entity treats the expenditure on that project as if it were incurred in the research phase only (paragraph 53 of IAS 38);

(d) on initial recognition, an entity measures an internally generated intangible asset at cost (paragraph 24 of IAS 38). The cost of an internally generated intangible asset:

(i) is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria (paragraph 65 of IAS 38);

(ii) comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management (paragraph 66 of IAS 38); and

(iii) excludes specified expenditure such as identified inefficiencies and initial operating losses incurred before the asset achieves planned performance and expenditure on training staff to operate the asset (paragraph 67 of IAS 38);

(e) amortisation begins when the asset is available for use (paragraph 97 of IAS 38); and

(f) only rarely is subsequent expenditure recognised in the carrying amount of an intangible asset. This is because:

(i) most subsequent expenditure is likely to maintain the expected future benefits; and

(ii) it is often difficult to attribute subsequent expenditure directly to a particular intangible asset rather than to the business as a whole (paragraph 20 of IAS 38).

US GAAP requirements

6. Under US GAAP, research and development (R&D) costs are generally expensed as incurred, unless otherwise specified. For software R&D costs, US GAAP has specific requirements for external-use and internal-use software:

(a) under *Software—Costs of Software to Be Sold, Leased, or Marketed (Subtopic 985-20)* external-use R&D costs are capitalised after technological feasibility is established and until the product is released.

(b) under *Intangibles—Goodwill and Other—Internal-Use Software* (*Subtopic 350-40)* at present internal-use R&D costs are capitalised during the application development stage, depending on the nature of the costs. However, the US Financial Accounting Standards Board (FASB) has recently amended Subtopic 350-40, as explained further in paragraphs 7–11.

Recent amendments to US GAAP requirements

7. The FASB had heard from preparer and practitioner stakeholders that the internal-use software guidance (Subtopic 350-40) is outdated and lacks relevance, given the evolution of software development. In particular:

(a) many entities have shifted from using a prescriptive and sequential development method to using an incremental and iterative development method;

(b) current internal-use software accounting requirements do not specifically address software development using an incremental and iterative method; and

(c) there are challenges in applying the current internal-use software guidance, which has led to diversity in practice in determining when to begin capitalising internal-use software costs.

8. In October 2024, the FASB issued the *Exposure Draft, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* to address the concerns.

9. Based on the feedback received on the Exposure Draft, in September 2025, the FASB issued Accounting Standards Update 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal Use Software* (ASU 2025-06). The main amendments of the ASU include:

(a) removing all references to prescriptive and sequential software development project stages. As a result, an entity will be required to begin capitalising software costs when both of the following occur:

(i) management has authorised and committed to funding the software project; and

(ii) it is probable that the project will be completed, and the software will be used to perform the function intended (referred to as the 'probable-to-complete recognition threshold').

(b) clarifying that if there is significant uncertainty associated with the development activities of the software (referred to as 'significant development uncertainty'), the probable-to-complete recognition threshold is not considered to be met until the uncertainty has been resolved.

(c) introducing two factors that indicate that significant development uncertainty exists:

(i) novel or unproven software—the software being developed has technological innovations or novel, unique, or unproven functions or

features, and the uncertainty related to those technological innovations, functions, or features, if identified, has not been resolved through coding and testing; and

(ii) significant performance requirements—the significant performance requirements of the software have not been identified, or the identified significant performance requirements continue to be substantially revised.

10. The unit of account for applying the capitalisation requirements in Subtopic 350-40 to internal-use software is a 'software project'. However, a software project is not defined in Subtopic 350-40 and the amendments in ASU 2025-06 do not specifically define what constitutes a software project. The FASB decided not to address the unit of account in applying Subtopic 350-40 because providing guidance could change practice or limit the judgement that is currently allowed (paragraphs BC61–BC63 on ASU 2025-06).

11. The amendments in the ASU 2025-06 are effective for annual reporting periods beginning after 15 December 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted.

Desktop review and stakeholder feedback

12. During the initial phase of the project, some stakeholders, particularly preparers of financial statements, suggested the IASB explore issues related to agile software development (February 2025 IASB meeting Agenda Paper 17A). These stakeholders were concerned about how new ways of developing software affect the recognition of software development costs, in particular the timing of recognition and challenges of tracking costs related to research, development and maintaining the software after initial implementation.

13. We used a combination of desktop research and outreach to determine the underlying issues and identify the principles and topics to explore further (see paragraphs 13–17 of Agenda Paper 17A for this meeting).

14. This section summarises:

    (a) the findings of our desktop research and in-depth conversations with stakeholders who had raised concerns related to agile software development in the initial phase of the project. The findings focus on:

        (i) the typical characteristics of agile software development (paragraphs 15–17); and

        (ii) stakeholders' views on the current accounting treatment of software developed using agile development methods, including what the IASB could do to help entities make judgements in accounting for such software (paragraphs 18–23);

    (b) feedback from IASB consultative groups on the initial staff thoughts on what principles and topics the IASB could consider (see Appendix A) (paragraphs 24–25);

    (c) feedback from users of financial statements (users) on whether there are any significant deficiencies in information provided by entities about agile software developments, and what the IASB could do to improve the usefulness of information (paragraphs 26–29); and

    (d) the findings of our desktop research on the current reporting on software developed using agile development methods (paragraphs 30–32).

Characteristics of agile software development

15. Under the traditional (waterfall) methodology, development processes are formalised through linear and sequential steps, including requirements identification, design, development, testing, deployment and maintenance. Each phase must be substantially completed before the subsequent phase can commence, creating clear stage gates and

documentation requirements. For example, in the pharmaceutical industry, entities are required to follow predetermined sequential processes to develop new medicines in accordance with jurisdictional regulations, where rigorous documentation and phased clinical testing completion are essential for regulatory approval and patient safety.

16. In this traditional development environment, products are delivered only upon completion of all procedural steps, which can span months or even years depending on project complexity. Consequently, customer or internal user preferences cannot be readily incorporated beyond the initial requirement gathering and final user-acceptance phases due to the relatively rigid and stable characteristics of the process.

17. To respond to rapidly changing technologies, shortened product lifecycles and the need to meet customer preferences in a timely manner, entities have increasingly adopted agile development methodologies, particularly in the software industry. Compared to traditional software development, the key characteristics of agile software development include:

    (a) iterative cycles: software is developed and enhanced through repeated cycles (iterations), rather than being delivered comprehensively at the end of an extended or milestone-driven development cycle. The development might often fail quickly, but an entity learns from the failure and moves on to the next iteration.

    (b) accelerated delivery: the process facilitates accelerated delivery of software that aligns with customer or internal user requirements. Working software is delivered in small increments, enabling continuous feedback and iterative improvements.

    (c) adaptable process: the approach is highly adaptable and responsive to change. It accommodates evolving customer or internal user requirements, even during later stages of development, to ensure the software product remains relevant and valuable to users.

Stakeholder views on current accounting treatment and suggestions for improvements

18. During our in-depth conversations, many stakeholders, including preparers and accountancy firms, said that for more than a decade entities have been increasingly using the agile method rather than the traditional (waterfall) method to develop software. Stakeholders said it is challenging to apply IAS 38 recognition requirements because the boundary between the research phase and the development phase is becoming increasingly blurred in agile software development practices. A few accountancy firms said they see diversity in the level of development cost capitalisation, with larger entities tending to expense all costs and smaller entities being more likely to capitalise as much as possible. One accountancy firm said the types of development costs capitalised should not depend on how software is developed.

19. Stakeholders had mixed views on the IAS 38 requirement to classify the generation of assets into two distinct phases:

    (a) many stakeholders said the two-phase approach does not reflect current development practices, and therefore, accounting outcomes may not accurately represent the economic substance of software development; and

    (b) some stakeholders warned against a fundamental change to the requirement because the current approach remains suitable for many traditional R&D projects.

20. To address the recognition challenges related to applying the two-phase approach to agile software development, a few stakeholders suggested:

    (a) removing the two-phase approach. A few stakeholders indicated that eliminating the distinction between research and development phases could better reflect agile software development practice.

    (b) providing a separate recognition principle for assets developed using the agile development method. One stakeholder argued that simply removing the two

phases would be ineffective, because the two-phase approach remains suitable for traditional development and one-off R&D projects, particularly in industries such as pharmaceuticals and biotech. The stakeholder suggested developing separate principles for the agile and traditional development methods to reflect their different characteristics.

21. A few stakeholders mentioned that it is challenging to make the judgements required to apply the six criteria for capitalising development costs (see paragraph 5(b)), particularly the criteria relating to technical feasibility and probable future economic benefits. One stakeholder suggested introducing an 'interim' capitalisation method whereby costs are capitalised when an entity starts a project, and then the capitalised costs are written off if the development is unsuccessful.

22. Some stakeholders said that in the agile development process it is challenging to determine the unit of account, affecting entities' decisions on when and which costs should be recognised as an asset. The challenges can relate to new components being added and old ones being removed when developing and updating software. The stakeholders said that in an agile context it can be difficult to determine whether to impair costs related to old components and to recognise costs related to new components when software is being continuously updated and improved. One accountancy firm said that it is unclear whether a single intangible asset can be broken down into components.

23. A few stakeholders referred to challenges in:

    (a) distinguishing between maintenance costs and enhancement costs. They said that because of the iterative process it is challenging to determine how much cost is incurred to maintain and how much cost is incurred to enhance the software. They also said that the statements in paragraph 20 of IAS 38—that 'the nature of intangible assets is such that, in many cases, there are no additions to such asset or replacements of part of it' and 'only rarely will subsequent expenditure …be recognised in the carrying amount of an asset'—could limit recognising intangible assets from such expenditure.

(b) identifying, tracking and reliably measuring development costs due to a lack of detailed timesheets and cost-tracking systems and because of the iterative nature of agile development, blurring the different activities.

Feedback from consultative groups

24. Most Accounting Standards Advisory Forum (ASAF) and Emerging Economies Group (EEG) members and many Global Preparers Forum (GPF) members agreed with using agile software development as a test case, with a GPF member saying that agile development represents a well-understood fact pattern. However, a few ASAF and GPF members suggested that IASB consider adding another test case or replacing selected test cases with known application issues related to more traditional intangible assets. A few ASAF members said it may be difficult to separate issues related to agile software development and cloud computing arrangements. An ASAF member and a few GPF members emphasised that the IASB should focus on developing principles, rather than solving application issues.

25. Most ASAF, EEG and GPF members agreed with the staff's initial analysis of the principles and topics that the IASB should explore further (see Appendix A). In addition:

(a) some ASAF members and a few GPF members emphasised the importance of exploring the unit of account topic. An ASAF and a GPF member suggested exploring how a componentisation approach could be applied in accounting for intangible assets.

(b) a few ASAF members and a GPF member opposed removing the current distinction between research and development phases, arguing that it is still appropriate in many circumstances. In contrast, an ASAF and an EEG member questioned whether the distinction between research and development phases provides useful information for users. The EEG member suggested an approach based on the functionality of the product rather than on the distinction between research and development.

(c) a few ASAF members expressed reservations about basing recognition requirements on the development methods. One member suggested that doing so could create opportunities for contract structuring. Another member said there may not be a clear, binary split between waterfall and agile development methods and that developing separate requirements for the agile method could add complexity to the existing requirements and increase costs for those applying them.

(d) some ASAF members mentioned challenges in distinguishing between software maintenance and enhancements. One member also said applying the technical feasibility criterion is more complex in agile development than in traditional development—technical feasibility is more difficult to assess.

Feedback from users

26. Many users did not comment specifically on significant deficiencies in financial statements related to agile software development and spoke more generally about newer types of intangible assets. With regard to newer types of intangible assets, users generally said they:

(a) need more information about these assets, including the amount invested in them and how they contribute to value creation: and

(b) need more transparency on judgements made in capitalisation decisions, such as important assumptions.

27. We asked users to identify any information in financial statements that they find unhelpful or that they ignore, for example whether they find the distinction between capitalised development costs and research expenses helpful, unhelpful or of little interest. A few users said that the distinction between research and development phases remains useful for their analysis.

28. Some users said there is diversity in development cost capitalisation levels, with some entities aggressively capitalising development costs, while others generally expense them. These users said the reasons for entities' chosen policies were often unclear.

29. A CMAC member suggested the IASB consider expanding recognition of intangible assets, for example, for agile software development, cloud computing arrangements, AI and data resources. However, to date, we have generally heard little interest from users in recognising more intangible assets on the balance sheet.

Desktop review of annual reports

30. In H2 2025, we reviewed a limited sample of entities' annual reports to find out more about the information entities disclose about agile software development. We found it challenging to identify entities using an agile method when developing their software from annual reports. Our limited sample comprised 23 entities, including:

    (a) entities identified as agile software development adopters through Copilot AI analysis of articles, news reports, annual reports and academic papers; and

    (b) preparers who specifically raised application issues related to agile software development during the initial research phase of the project.

31. To support discussions with users in the user information needs stream, we also reviewed annual reports of 15 entities in the technology sector.

32. Our review of entities' annual reports found that:

    (a) a few entities mentioned the trend towards AI and cloud-driven software development in the narrative reporting section of their annual reports, but they did not highlight any features of agile software development, such as iterative processes.

    (b) some entities disclosed generic capitalisation accounting policies related to internally developed intangible assets in their notes. Most of them referred to the requirements in paragraph 57 of IAS 38 (development phase criteria).

    (c) a few entities indicated agile or iterative development practices as the reason for not capitalising development costs.

Staff analysis

Test case for further exploration

33. We continue to believe that agile software development would serve as a valuable test case. Its well-established fact pattern allows us to identify underlying problems in a systemic manner because the agile methods have been used for over a decade, particularly in software development. Some stakeholders indicated, and our research showed, that there is some diversity in capitalisation levels, including for technology entities. Although the reasons for that diversity are often unclear, some may relate to entities struggling to recognise development costs in agile development environments (as mentioned in paragraph 32(c)).

34. Insights gained from exploring agile development-related topics can also be helpful for a broader range of intangible assets. For example, potential improvements to the requirements in IAS 38 could be helpful for other types of newer intangible assets, such as AI and data resources and the development of other intangible assets (see paragraphs 37, 42 and 51). As a result, potential improvements to IAS 38 could help reduce diversity in practice, better reflect the economic substance and improve information available to users.

Principles and topics to explore further

Unit of account

35. As noted in paragraphs 22 and 25(a), many stakeholders expressed concerns about challenges related to determining the unit of account when accounting for software being developed using the agile method, with its iterative and micro-enhancement features.

36. Unit of account decisions affect recognition. In agile software development, entities face challenges in establishing a policy for determining which parts of software or projects should be initially recognised as assets. This might involve considering

pieces of code with separate functionality, software with specific characteristics, or entire projects. The unit of account applied for intangible assets can also affect the accounting treatment of subsequent expenditures and measurement considerations, such as when amortisation begins or when previously capitalised costs should be impaired.

37. IAS 38 does not include any requirements on determining the unit of account. Using agile software development as a test case, the IASB could explore whether it could develop requirements to help entities determine a suitable unit of account. Such requirements could also help to address some of the issues raised about SaaS, data resources and AI (see paragraph 24(b) of Agenda Paper 17B and paragraphs 13(c), 16 and 21(a) of Agenda Paper 17D for this meeting).

Recognition requirements for internally generated intangible assets

38. As noted in paragraphs 19–21, many stakeholders have indicated that applying IAS 38 recognition requirements presents significant challenges in an agile development environment. Many stakeholders said that, unlike traditional development methods, agile development methods lack specific and clear research and development phases. Although it is often probable that some incurred costs could contribute to generating additional economic benefits over time, an entity may end up expensing the costs because it is challenging to make a judgement that the costs are incurred in the development phase. A few stakeholders said that it is also challenging to apply the recognition criteria for intangible assets, such as technical feasibility and probable economic benefits.

39. Stakeholders' challenges suggest that the current recognition requirements may not be suitable for accounting for software developed using agile method. We think that the underlying causes of the challenges relate to the current IAS 38 requirement to classify the generation of an asset into two distinct phases, as well as to the current recognition criteria. To solve the challenges, the IASB could explore:

(a) developing separate recognition requirements for different methods of intangible asset generation;

(b) developing a new recognition approach suitable for all development methods; or

(c) updating the existing requirements to make them more suitable for the agile development method.

40. In exploring the options, the IASB could consider:

(a) whether it would be suitable to remove the research and development phases from the recognition requirements; and

(b) whether it would be suitable and feasible to clarify the recognition criteria in paragraph 57 of IAS 38, for example, to clarify how an entity could demonstrate the technical feasibility of completing the intangible asset and ways in which an intangible asset could generate probable future economic benefits.

41. We think that in exploring the topic it would be useful to review other standard-setters' thinking in this area. In particular, the revision of US GAAP (see paragraph 9) could provide useful insights, and the IASB could consider whether notions introduced in ASU 2025-06, such as the probable-to-complete recognition threshold and novel or unproven functions, could be helpful in developing new or updating existing recognition requirements. In addition, the IASB could consider whether the updated recognition criteria and related concepts in the *Conceptual Framework for Financial Reporting* could help in exploring this topic.

42. Exploring recognition requirements could have benefits for other types of intangible assets. For example, potential solutions could help in accounting for AI development that includes continuous and incremental updating processes and for data resources where stakeholders struggle with recognition (see paragraphs 13(a) and 18(a) of Agenda Paper 17D for this meeting). The findings on this topic would also be helpful for the IASB's planned broader review of recognition at a later stage of the project.

Initial measurement

43. During in-depth conversations, some preparers talked about challenges in applying the requirement to identify which costs to include in measuring the cost of an internally generated intangible asset. Even though paragraphs 66 and 67 of IAS 38 provide some examples of which costs are considered directly attributable and which are not components of costs of an internally generated intangible asset, preparers said that it is challenging to exercise judgement to identify the costs of internally generated intangible assets in practice (see paragraph 23(b)).

44. We believe that some challenges raised by stakeholders may relate to how entities organise internal processes for identifying the costs rather than to a lack of principles in IAS 38. This is particularly true when it is costly or difficult to implement the identification process, for example, if a team of developers is engaged in several development projects in an agile environment or if they produce software components that can be used in multiple projects.

45. However, some of the challenges relate to the iterative nature of agile developments and blurring of boundaries between different activities. The IASB could explore whether some aspects of the measurement requirements in IAS 38 could be improved to help entities to reliably measure costs. For example, the IASB could consider incorporating the concept of abnormal (and therefore 'normal') costs incurred in self-developing an asset from IAS 16 (potentially updating or clarifying paragraph 67(b) of IAS 38). The concept could help an entity in applying the cost requirements of IAS 38 to an iterative process of releasing, debugging and re-releasing a product, which is a feature of agile development.

Amortisation

46. Paragraph 97 of IAS 38 states that amortisation begins when an intangible asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. It may be challenging for an entity to determine when to begin amortising a software asset that is

continuously updated and, as noted in paragraph 36, the entity's selection of the unit of account would affect when amortisation of the asset begins.

47. The IASB's exploration of the unit of account topic and any potential solutions could help entities make judgements on when to cease capitalisation and begin amortisation of assets developed using the agile method. The IASB could then explore whether any additional guidance is needed on amortisation, for example, how to consider the iterative features of agile development in amortisation judgements

48. Such guidance could also be useful for other intangible assets, especially for AI development.

Subsequent expenditure

49. As noted in paragraphs 23(a) and 25(d), stakeholders referred to challenging practical issues in distinguishing between maintenance and enhancement and expressed concerns about paragraph 20 of IAS 38. We agree that it may be more challenging to distinguish maintenance costs from enhancement costs in an iterative process, where the software is constantly being amended and updated. Some guidance in paragraph 20 of IAS 38 could be outdated or misunderstood and may benefit from updating. Therefore, to help an entity make judgements on accounting for subsequent costs the IASB could explore whether the requirements of IAS 38 could be improved by:

    (a) developing new guidance for intangible assets based on some of the subsequent cost requirements from paragraphs 12–14 of IAS 16 *Property, Plant and Equipment*; and

    (b) removing or updating some of the statements in paragraph 20 of IAS 38.

50. In addition, the IASB could consider developing guidance to help entities determine whether to impair previously recognised development costs if subsequent expenditures are recognised as an asset. This work would be closely related to the unit of account issue (see paragraphs 35–37).

51. We think that exploring possible guidance on subsequent costs could also have implications for a broader range of intangible assets, including SaaS, AI and data resources.

Question for IASB members

Question for IASB members
Do you have any questions or comments on the staff analysis presented in this paper?

Appendix A—Initial staff thoughts on principles and topics the IASB could explore further

A1. This Appendix contains an extract from the materials we presented to consultative groups. The extract summarises initial staff thoughts on principles and topics the IASB could explore further for the agile development test case.

Definition and related guidance

- **What is the unit of account for software development costs?** For example, is it appropriate to provide additional guidance to help an entity decide a suitable unit of account (for example, code vs. software vs. project) in an agile development environment? Can an intangible asset be 'componentised'?

Recognition

- **Are the current recognition requirements suitable for capitalising costs incurred in agile development?** For example:
  - would it be appropriate to have different recognition requirements based on the method of development (for example, waterfall or linear vs. agile)?
  - should the IASB explore developing new recognition requirements or updating parts of existing requirements (for example, technical feasibility, probability of generating future economic benefits) for recognising assets in agile development? Is it appropriate to remove the distinction between the research and development phases?
  - would other notions in the expected revision of US GAAP be helpful when developing new requirements for agile development (for example, probable-to-complete recognition threshold or novel or unproven functions)?
  - how do entities distinguish between maintenance and costs that can be recognised as an asset, and if additional costs can be recognised could this lead to impairing previously recognised development costs?

Measurement

- **Is additional guidance needed on ceasing capitalisation and the resulting impact on amortisation and impairment?** For example:
  - when to cease capitalisation and begin amortisation of an intangible asset taking into account the iterative features of agile software development?
  - what are the implications of decisions on unit of account for impairment and amortisation of development costs during an agile development process? Is additional guidance on impairment and amortisation required?
- **How can an entity reliably measure costs?** For example:
  - should the IASB explore developing additional guidance on identifying costs directly attributable to a particular intangible asset in an agile development environment?
  - should the concept of abnormal (and therefore 'normal') costs incurred in self-developing an asset from IAS 16 *Property, Plant and Equipment* be incorporated into IAS 38 (potentially updating or clarifying paragraph 67(b) of IAS 38)?