**Case Study No. 3**

Company operating in the Czech Republic began trading its securities on a regulated market in the European Union. To this end, they must create their statements for the period and at least one comparative period in accordance with IAS / IFRS. The company is engaged in the manufacture of beer. For this purpose uses the following property:

1. manufacturing facility owned companies,
2. plot below the hall and land in the vicinity of the hall in the company's assets for production purposes,
3. storage hall leased under a finance lease (contract for 10 years, then transferred to the property of a company producing beer),
4. parking which is rented company that provides outsourcing of logistics (transport beer into warehouses) - contract for 10 years, the rights and risks of use has beer producer,
5. office building owned by the company, half is used by the company, the other half is leased under a finance lease another company,
6. office building purchased in order to sell for a profit,
7. plot, in which it is not yet obvious purpose of tenure,
8. apartment building, which used to serve the housing needs of employees, currently it is repaired. After completion of repairs, respectively. final approval is considered a sale of some real estate office,
9. garage owned by, leased under a finance lease to another company. The contract is concluded for 10 years, the rights and risks of use are transferred to the lessee,
10. Garage owned by companies that have been repaired and are currently used for employee parking - free.

**Task:** indicate that the IAS / IFRS assets would be solved (ie, classified, appreciated and reported in the financial statements).

**Solution:**

1. production hall - IAS 16,
2. plot below the hall and land in the vicinity of the hall - IAS 16,
3. storage hall - IAS 16 (financial leases according to IAS 17),
4. Parking - IAS 16 - (operating lease according to IAS 17),
5. Half of the companies used shall be treated in accordance with IAS 16, the other half will be owned by the company producing beer, but owned by another company (according to the rules of IFRS 17 - Financial leasing, tenant = other company),
6. IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations - under the terms of this standard, ie. sale must be highly probable and the asset is available for immediate sale,
7. IAS 40 - Investments property - it is the property owner rather held to earn rentals or for capital appreciation, but not for use in the production or sale in the ordinary course of business,
8. The definition does not comply with IAS 16 and IFRS 5 - apartment building will be recognized as inventory under IAS 2,
9. This property is not in statement of financial position reported,
10. IAS 16, free parking will be reported as a non-Bendit.