

**CONCEPT: GAAP VS IFRS – RECEIVABLES**

|                       |   |
|-----------------------|---|
| Laws/Standard Setting |   |
| USA follows           | <b><i>Generally Accepted Accounting Principles</i></b>    |
| Standards set by      | <b><i>Financial Accounting Standards Board</i></b>        |
| _____ → _____         |   |
| International follows | <b><i>International Financial Reporting Standards</i></b> |
| Standards set by      | <b><i>International Accounting Standards Board</i></b>    |
| _____ → _____         |   |

| Receivables  |   |
|--|---|
| Similarities between GAAP and IFRS: <ul style="list-style-type: none"><li>● Recordkeeping for:<ul style="list-style-type: none"><li>&gt; Receivables (including allowance for bad debts)</li><li>&gt; Sales Returns, Allowances, and Discounts</li></ul></li><li>● Impairing of receivables unlikely to be collected</li></ul> | Differences between GAAP and IFRS: <ul style="list-style-type: none"><li>● IFRS has no strict rules for separate recording of receivables</li><li>● Criteria for the factoring of receivables</li></ul> |