

Adjusted Purchase Price as A Method of Valuing Financial Assets and Liabilities*

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Introduction

The development of accounting in modern times is accompanied by the emergence of new valuation methods. Today, assets and liabilities are disclosed not only in simple categories, such as purchase price, nominal value or production cost. National and international regulations introduce more complex valuation methods. One of them is the adjusted purchase price method, known in international regulations as the amortized cost method. The following article will present the essence of the adjusted purchase price method, the assets and liabilities that can be valued according to this method, as well as a comparison of the discussed valuation method with accounting principles.

and liabilities thanks to the use of the effective interest rate. In parallel to the presented benefits, doubts arise - what is the relationship between improving the quality of the report and increasing the expenditure that must be incurred in connection with the selection of the discussed valuation method. The question remains open, though. According to the author, it is not without reason that both Polish and international regulations propose the valuation of financial assets and financial liabilities at the adjusted purchase price.