Administered Items

This compiled Standard applies to annual periods beginning on or after 1 July 2026. Earlier application is permitted for annual periods beginning on or after 1 January 2014 but before 1 July 2026. It incorporates relevant amendments made up to and including 15 December 2022.

Prepared on 28 October 2026 by the staff of the Australian Accounting Standards Board.

Compilation date: 30 June 2026

Australian Government

Australian Accounting Standards Board

Obtaining copies of Accounting Standards

Compiled versions of Standards, original Standards and amending Standards (see Compilation Details) are available on the AASB Digital Standards Portal (standards.aasb.gov.au), which can also be accessed from aasb.gov.au.

Australian Accounting Standards Board
PO Box 204
Collins Street West
Victoria 8007
AUSTRALIA

Phone: (03) 9617 7600
E-mail: standard@aasb.gov.au
Website: www.aasb.gov.au

Other enquiries

Phone: (03) 9617 7600
E-mail: standard@aasb.gov.au

COPYRIGHT

© Commonwealth of Australia 2026

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission. Reproduction within Australia in unaltered form (retaining this notice) is permitted for personal and non-commercial use subject to the inclusion of an acknowledgment of the source. Requests and enquiries concerning reproduction and rights should be addressed to The Managing Director, Australian Accounting Standards Board, PO Box 204, Collins Street West, Victoria 8007.

Contents

COMPARISON WITH INTERNATIONAL PRONOUNCEMENTS

ACCOUNTING STANDARD
AASB 1050 *ADMINISTERED ITEMS*

	from paragraph
OBJECTIVE	**1**
APPLICATION	**2**
DISCLOSURE OF ADMINISTERED INCOME, EXPENSES, ASSETS AND LIABILITIES	**7**
Taxes	**15**
Transfer Payments	**17**
Accounting Basis	**24**
Display of Information about Administered Items	**25**
APPENDICES	
A Comparison of AASB 1050 with AAS 29	
B Australian simplified disclosures for Tier 2 entities	
COMPILATION DETAILS	

BASIS FOR CONCLUSIONS

Australian Accounting Standard AASB 1050 *Administered Items* (as amended) is set out in paragraphs 1–25 and Appendix B. All the paragraphs have equal authority. Paragraphs in **bold type** state the main principles. AASB 1050 is to be read in the context of other Australian Accounting Standards, including AASB 1048 *Interpretation of Standards*, which identifies the Australian Accounting Interpretations, and AASB 1057 *Application of Australian Accounting Standards*. In the absence of explicit guidance, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* provides a basis for selecting and applying accounting policies.

Comparison with international pronouncements

This Standard contains relevant requirements for the disclosure of administered items by government departments that have been relocated from AAS 29 *Financial Reporting by Government Departments* in substantially unamended form (with some exceptions, as noted in Appendix A). Accordingly, the development of this Standard did not involve consideration of International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB) or IFRS Accounting Standards issued by the International Accounting Standards Board (IASB).

The longer-term review of accounting for administered items will involve consideration of international pronouncements.

AASB 1050 and IPSAS

There is no corresponding IPSAS dealing specifically with administered items. Consistent with this Standard, paragraph 5 of IPSAS 47 *Revenue* notes that amounts collected as an agent of the government or another government organisation or third parties are not considered revenue because the agent does not control the use of, or otherwise benefit from, the amounts collected.

AASB 1050 and IFRS Accounting Standards

There is no corresponding IFRS Accounting Standard dealing specifically with administered items. Consistent with this Standard, paragraph B36 of IFRS 15 *Revenue from Contracts with Customers* notes that an agent's performance obligation is to arrange for the provision of the specified goods or services by another party. The agent recognises revenue in the amount of any fee or commission to which it expects to be entitled for arranging the provision of the goods or services. The agent's fee or commission might be the net amount of consideration that the agent retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

Accounting Standard AASB 1050

The Australian Accounting Standards Board made Accounting Standard AASB 1050 *Administered Items* on 13 December 2007.

This compiled version of AASB 1050 applies to annual reporting periods beginning on or after 1 July 2026. It incorporates relevant amendments contained in other AASB Standards made by the AASB up to and including 15 December 2022 (see Compilation Details).

Accounting Standard AASB 1050
Administered Items

Objective

1 The objective of this Standard is to specify requirements for government departments relating to administered items. Disclosures made in accordance with this Standard provide users with information relevant to assessing the performance of a government department, including accountability for resources entrusted to it.

Application

2 **This Standard applies to general purpose financial statements of government departments.**

3 **This Standard applies to annual reporting periods beginning on or after 1 July 2008.**
[Note: For application dates of paragraphs changed or added by an amending Standard, see Compilation Details.]

4 **This Standard may be applied to annual reporting periods beginning on or after 1 January 2005 but before 1 July 2008, provided there is early adoption for the same annual reporting period of the following pronouncements being issued at about the same time, as applicable:**

(a) **AASB 1004 *Contributions*;**

(b) **AASB 1049 *Whole of Government and General Government Sector Financial Reporting*;**

(c) **AASB 1051 *Land Under Roads*;**

(d) **AASB 1052 *Disaggregated Disclosures*;**

(e) **AASB 2007-9 *Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31*; and**

(f) **AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.**

5 [Deleted by the AASB]

6 **When applicable, this Standard, together with the Standards referred to in paragraph 4, supersede AAS 29 *Financial Reporting by Government Departments* as issued in June 1998, as amended.**

6A When a government department administers the activities of a captive insurer, the government department may elect to apply either AASB 17 *Insurance Contracts* or AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* in determining the information to be disclosed about the administered captive insurer activities.

6B For the purposes of paragraph 6A, a captive insurer is a public sector entity that conducts activities which, on a stand-alone basis, fall within the scope of AASB 17 and whose policyholders are part of the same whole of government as the entity.

Disclosure of Administered Income, Expenses, Assets and Liabilities

7 **A government department shall disclose the following in its complete set of financial statements in relation to activities administered by the government department:**

(a) **administered income, showing separately:**

(i) **each major class of income; and**

(ii) in respect of each major class of income, the amounts reliably attributable to each of the government department's activities and the amounts not attributable to activities;

(b) administered expenses, showing separately:

(i) each major class of expense; and

(ii) in respect of each major class of expense, the amounts reliably attributable to each of the government department's activities and the amounts not attributable to activities;

(c) administered assets, showing separately each major class of asset; and

(d) administered liabilities, showing separately each major class of liability.

8 AASB 1052 specifies requirements for the disclosure of income and expenses attributable to a government department's activities. The principles in that Standard are applied in disclosing administered income and expenses reliably attributable to activities in accordance with paragraphs 7(a)(ii) and 7(b)(ii) of this Standard.

9 A government department's operating statement only recognises income and expenses of the government department. Similarly, a government department's statement of financial position only recognises assets that the government department controls and liabilities that involve a future sacrifice of the government department's assets.

10 Items recognised in the statement of financial position include the assets and liabilities of the trusts that the government department controls and from whose activities the government department obtains benefits.

11 The responsibilities of a government department may encompass the levying or collection of taxes, fines and fees, the provision of goods and services at a charge to recipients, and the transfer of funds to eligible beneficiaries. These activities may give rise to income and expenses that are not attributable to the government department. This occurs, for example, where the government department is unable to use for its own purposes the proceeds of user charges, taxes, fines and fees it collects without further authorisation, or where the transfer of funds to eligible beneficiaries does not involve a reduction in the assets recognised in the government department's statement of financial position. In addition, the government department may manage government assets in the capacity of an agent and may incur liabilities that, for example, while involving a future disbursement from the Consolidated Revenue Fund or other Fund will not involve a sacrifice of the assets that the government department controls as at the end of the reporting period. This administered income and these administered expenses, assets and liabilities are not recognised in the government department's operating statement or statement of financial position.

12 A government department's ability to control all, or a portion of, the proceeds of the user charges, fines and fees it levies may be subject to complex arrangements. Consistent with those arrangements, where a government department does not control any of the proceeds of the user charges, fines and fees that it levies, it does not recognise any of the proceeds of those user charges, fines and fees as income. Similarly, where, as a result of automatic appropriations or other authority, a government department controls some but not all of the proceeds of user charges, fines and fees, the department recognises as income only those amounts that it controls.

13 If taxes, fines, fees and other amounts that are not controlled by a government department were to be recognised as assets or income by the collecting government department, users could incorrectly assume that these amounts were available for the government department's use.

14 The tax revenues, user charges, fines and fees administered by a government department and the amount of funds transferred to eligible beneficiaries are an important indicator of the government department's performance in achieving its objectives. Therefore, paragraph 7 requires disclosure of income and expenses administered by a government department that are not recognised in the government department's operating statement. Disclosure of this information by major class and by activity facilitates an assessment of activity costs and cost recoveries, and is therefore relevant to parliamentary decision making and enhances the discharge of accountability obligations. Even though a government department does not control such items, the effective and efficient administration of these items is an important role of the government department.

Taxes

15 It is unlikely that taxes, for example, income tax, will qualify as income of the agency responsible for their collection, for example, the Australian Taxation Office, or the central agency responsible for management of the Consolidated Revenue Fund, Trust Fund or other Fund, for example, Treasury. This is because the agency responsible for collecting taxes does not normally control the future economic benefits embodied in tax collections. Similarly, Treasury may be responsible for bank accounts into which tax collections are

deposited, but until parliament has 'appropriated funds' for Treasury use or authorised the Treasury to make payments, the Treasury will not control those tax revenues.

16 Parliamentary appropriations made to enable the tax collection agency to perform its services are income of that agency. This is because the agency has the authority to deploy the appropriated funds for the achievement of its objectives and, consequently, controls the assets arising from the appropriation.

Transfer Payments

17 A government department does not recognise as income and expenses those amounts that the government department is responsible for transferring to eligible beneficiaries, consistent with legislation or other authority, but that the government department does not control. If these amounts were recognised as income on receipt by the government department and as expenses on payment by the government department, users could incorrectly assume that the government department controlled these amounts. Nevertheless, this Standard requires such amounts to be disclosed in the complete set of financial statements because that information may be relevant for understanding the government department's financial performance, including assessments of accountability. Even though a government department does not control such items, their effective and efficient administration is an important role of the government department.

18 Consistent with a government department's objectives and with legislation or other authority, amounts appropriated to government departments may include amounts to be transferred to third parties or recoupment of such amounts previously transferred by the government department. Such transfers may encompass payments for unemployment benefits, family allowances, age and invalid pensions, disaster relief, and grants and subsidies made to other governments or to other government or private sector entities.

19 Whether a government department recognises the amounts appropriated for transfer during the reporting period as income, and the amounts transferred during that reporting period as expenses, depends on whether the government department controls the assets to be transferred, and whether the amounts subsequently transferred constitute a reduction in the net assets of the government department.

20 Where amounts are transferred to eligible beneficiaries and the identity of the beneficiaries and the amounts to be transferred to them are determined by reference to legislation or other authority, it is unlikely that the government department controls the funds to be transferred. The government department is merely the agent responsible for the administration of the transfer process. As such, the government department does not benefit from the assets held for transfer, nor does it have the capacity to deny or regulate the access of eligible beneficiaries to the assets. Accordingly, the government department does not recognise assets and income in respect of amounts appropriated for transfer, nor expenses in respect of the amounts subsequently transferred.

21 Although transfers not controlled by a government department do not qualify for recognition in the financial statements, information about their nature and amount is relevant for understanding the government department's financial performance.

22 **Details of the broad categories of recipients and the amounts transferred to those recipients shall be disclosed in the government department's complete set of financial statements.**

23 In some cases it may not be clear whether the government department controls amounts to be transferred to eligible beneficiaries. For example, amounts may be appropriated to a government department for subsequent transfer, but the government department can exercise significant discretion in determining the amount or timing of payment, the identity of beneficiaries and the conditions under which the payments are to be made. In such cases, preparers and auditors use their judgement in deciding whether the government department controls the amounts to be transferred.

Accounting Basis

24 To facilitate the assessment of the costs incurred and the cost recoveries generated as a result of the government department's activities, administered income, expenses, assets and liabilities are reported on the same basis adopted for the recognition of the elements of the financial statements.

Display of Information about Administered Items

25 The manner in which administered transactions are displayed in the financial statements of a government department will depend on the administrative arrangements adopted by the controlling government, and may therefore vary from jurisdiction to jurisdiction. For example, in some jurisdictions it may be appropriate for administered transactions to be displayed as a separate schedule to the operating statement and/or the statement of financial position. In other jurisdictions, a government department's accountability for administered transactions may mean that it is appropriate for administered transactions to be displayed with,

but clearly distinguishable from, the government department's operating statement and/or statement of financial position.

Appendix A
Comparison of AASB 1050 with AAS 29

This Appendix accompanies, but is not part of, AASB 1050.

This Standard reproduces the requirements relating to administered items contained in AAS 29, except that:

(a) paragraph 5.2.5 of AAS 29 encouraged disclosure of items collected or distributed on behalf of another entity or held in legal custody that are neither administered nor controlled. This Standard does not contain such an encouragement;

(b) in relation to transfer payments, paragraph 10.5.15 of AAS 29 noted that transfer payments not controlled by a government department do not qualify for recognition. However, the paragraph contemplated disclosure of the broad categories of recipients and the amounts transferred to those recipients. Paragraph 22 of this Standard requires such disclosures;

(c) paragraph 12.9.4 of AAS 29 encouraged the disclosure of information about administered assets and administered liabilities on an activity basis. This Standard does not contain such an encouragement; and

(d) paragraph 8 of this Standard requires the principles in AASB 1052 *Disaggregated Disclosures* to be applied in disclosing administered income and expenses reliably attributable to activities. AAS 29 did not include such a specific requirement.

The following table provides source references to paragraphs 7–25 of this Standard, most of which were derived from AAS 29. It is provided to facilitate an understanding of, and assist in the application of, the requirements in this Standard.

Paragraph in AASB 1050	**Relevant source paragraph/s in AAS 29**
7	12.9
8	New paragraph
9	12.9.1
10	5.2.5
11	12.9.2
12	10.4.2
13	6.3.11
14	12.9.3 and last sentence of 6.3.11
15	10.5.9
16	First two sentences of paragraph 10.5.10
17	6.3.12
18	10.5.11
19	10.5.12
20	10.5.13
21–22	10.5.15
23	10.5.16
24	12.9.6
25	12.9.5

Appendix B
Australian simplified disclosures for Tier 2 entities

This appendix is an integral part of the Standard.

AusB1 **Paragraphs 7, 8 and 22 do not apply to entities preparing general purpose financial statements that apply AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.**

Compilation details
Accounting Standard AASB 1050 *Administered Items* (as amended)

Compilation details are not part of AASB 1050.

This compiled Standard applies to annual reporting periods beginning on or after 1 July 2026. It takes into account amendments up to and including 15 December 2022 and was prepared on 28 October 2026 by the staff of the Australian Accounting Standards Board (AASB).

This compilation is not a separate Accounting Standard made by the AASB. Instead, it is a representation of AASB 1050 (December 2007) as amended by other Accounting Standards, which are listed in the table below.

Table of Standards

Standard	**Date made**	**Effective date** ***(annual periods … on or after …)***	**Application, saving or transitional provisions**
AASB 1050	13 Dec 2007	*(beginning)* 1 Jul 2008	see (a) below
AASB 2010-2	30 Jun 2010	*(beginning)* 1 Jul 2013	see (b) below
AASB 2013-9	20 Dec 2013	Pt B *(beginning)* 1 Jan 2014	see (c) below
AASB 1060	6 Mar 2020	*(beginning)* 1 Jul 2021	see (d) below
AASB 2022-9	15 Dec 2022	*(beginning)* 1 Jul 2026	see (e) below

(a) Entities may elect to apply this Standard to annual reporting periods beginning on or after 1 January 2005 but before 1 July 2008, provided that the Standards listed in paragraph 4 are also applied to such periods.

(b) Entities may elect to apply this Standard to annual reporting periods beginning on or after 1 July 2009 but before 1 July 2013, provided that AASB 1053 *Application of Tiers of Australian Accounting Standards* is also applied to such periods.

(c) Earlier application of Part B of this Standard is not permitted.

(d) Entities may elect to apply this Standard to annual periods beginning before 1 July 2021.

(e) Entities may elect to apply this Standard to annual periods beginning before 1 July 2026.

Table of amendments

Paragraph affected	**How affected**	**By … [paragraph/page]**
5	deleted	AASB 2013-9B [37, 38]
6A-6B (and preceding heading)	added deleted	AASB 2010-2 [47] AASB 1060 [page 64]
6A-6B	added	AASB 2022-9 [16]
Appendix B	added	AASB 1060 [page 64]

Basis for Conclusions

This Basis for Conclusions accompanies, but is not part of, AASB 1050.

Introduction

BC1 This Basis for Conclusions summarises the Board's considerations in developing this Standard in the context of the Board's short-term review of the requirements in AAS 27 *Financial Reporting by Local Governments*, AAS 29 *Financial Reporting by Government Departments* and AAS 31 *Financial Reporting by Governments*.

Background

BC2 The Board considered it timely to review the requirements in AASs 27, 29 and 31, in particular to:

(a) review the extent to which local governments, government departments and governments should continue to be subject to requirements that differ from requirements applicable to other not-for-profit entities and for-profit entities contained in Australian Accounting Standards. The Board concluded that differences should be removed, where appropriate and timely, to improve the overall quality of financial reporting;

(b) bring requirements applicable to local governments, government departments and governments up-to-date with contemporary accounting thought;

(c) consider the implications of the outcomes of its project on the harmonisation of Generally Accepted Accounting Principles (GAAP) and Government Finance Statistics (GFS), in particular on the requirements in AAS 31;

(d) decide whether the encouragements in AASs 27, 29 and 31 should be made mandatory or removed; and

(e) remove uncertainty in the application of cross-references to other Australian Accounting Standards and the override provisions in AASs 27, 29 and 31 that made the requirements in AASs 27, 29 and 31 take precedence over other requirements.

BC3 The Board considered the following alternative mechanisms for implementing the approach of updating and improving the requirements for local governments, government departments and governments:

(a) review the requirements in AASs 27, 29 and 31 and where appropriate:

(i) amend other Australian Accounting Standards to pick up any issues that are addressed in AASs 27, 29 and 31 that are not adequately addressed in the latest Australian Accounting Standards and have them apply to local governments, government departments and governments; or

(ii) create public sector specific topic-based Standards;

and consequently withdraw AASs 27, 29 and 31; or

(b) review AASs 27, 29 and 31 and re-issue them in light of the latest Australian Accounting Standards, retaining/amending where necessary any issues that are addressed in AASs 27, 29 and 31 that are not adequately addressed in the latest Australian Accounting Standards.

BC4 The Board chose alternative (a), given the improvements in the quality of financial reporting by local governments, government departments and governments since AASs 27, 29 and 31 were first issued.

BC5 Where the Board identified that the material in AASs 27, 29 and 31 could be improved within time and resource constraints, improvements have been made. Much of the material in AASs 27, 29 and 31 has been retained substantively unamended. Improvements will be progressed in due course in line with the AASB's Public Sector Policy Paper *Australian Accounting Standards and Public Sector Entities*.

BC6 The first stage of the short-term review of the requirements in AASs 27, 29 and 31 was the preparation of a paragraph-by-paragraph analysis of each of AASs 27, 29 and 31, listing each paragraph of each Standard alongside corresponding Standards or other pronouncements that would apply to local governments, government departments or governments in the absence of AASs 27, 29 and 31. The Board's conclusions and rationale for the treatment of each paragraph in the context of the review were also provided in the analysis. The Board's primary focus was on dealing with the requirements from the three Standards in such a way as to not leave a vacuum.

BC7 Each paragraph from AASs 27, 29 and 31 was classified as being:

(a) no longer needed or adequately dealt with in other Standards;

(b) more appropriately dealt with in other Standards; or

(c) not adequately and/or appropriately dealt with in other Standards and therefore should be retained or improved and incorporated into other Standards.

The paragraph-by-paragraph analyses considered by the AASB in developing the Exposure Draft ED 156 *Proposals Arising from the Short-term Review of the Requirements in AAS 27, AAS 29 and AAS 31* that gave rise to this Standard are available on the AASB website. They support, but do not form part of, this Basis for Conclusions.

BC8 In reviewing the paragraphs, the Board noted that some material in AASs 27, 29 and 31 would, under the current style of writing Standards, be located in a separate Basis for Conclusions. For example, paragraph 6.3.12 of AAS 29 provides a rationale for the disclosure of information about administered items. Given the short-term nature of the review of AASs 27, 29 and 31, the Board concluded that explanations of technical issues that both originated in and are being relocated from AASs 27, 29 and 31 should, when appropriate, be located in the body of the Standard to which the relevant requirements are being relocated.

BC9 The Board decided not to retain the illustrative general purpose financial reports provided in AASs 27, 29 and 31, because their purpose, which was to provide an educational tool in the initial stages of accrual reporting by local governments, government departments and governments, is no longer needed.

BC10 The remainder of this Basis for Conclusions focuses on issues specific to administered items.

Administered Items

Location of Requirements

BC11 Consistent with paragraphs BC3(a)(ii) and BC7(c), the Board decided to retain the existing requirements and guidance relating to administered items from AAS 29 and include them, substantively unchanged (although see paragraphs BC15–BC17 below).

BC12 As an alternative, the Board considered locating the material in an existing Standard such as AASB 101 *Presentation of Financial Statements*. However, the Board concluded that:

(a) **the material is sufficiently dissimilar from the other requirements of AASB 101 to warrant a separate Standard; and**

(b) **a new Standard on administered items would make the requirements easily identifiable by those financial report preparers and auditors most affected by the requirements.**

Short-term Retention of Acknowledged Inadequacies

BC13 The Board noted that some of the acknowledged inadequacies in AAS 29 are retained, including the lack of extensive guidance for identifying administered items and the potential inadequate prominence given to administered items in a complete set of financial statements. The Board decided that this is justified on the basis that this Standard is a short-term measure until such time as the Board undertakes a longer-term project on administered items as part of a broader review.

Application Limited to Government Departments

BC14 The Board concluded that it is appropriate for government departments, including for-profit government departments, to be subject to this Standard, consistent with the range of entities that were subject to AAS 29. The Board also concluded that it is appropriate to limit the application of this Standard to government departments because extending the application of the requirements as part of the short-term review would delay the short-term project and impinge on the issues to be addressed in the longer term. The Board noted that, as a part of the Board's fundamental longer-term review of the requirements in AAS 29, consideration will be given to the different treatments available that would result in administered items being given more prominence and disclosed in more detail in the general purpose financial statements of government departments and other entities.

Treatment of Encouragements in AAS 29

BC15 In line with paragraph BC2(d), the Board considered whether the encouragement in paragraph 5.2.5 of AAS 29 should be removed or amended to require items collected or distributed on behalf of another entity or held in legal custody that are neither administered nor controlled to be disclosed. The Board concluded that the encouragement should be removed. This is in acknowledgement of the implementation difficulties related to the lack of clarity in the short term about the definition of 'items that a government department collects or distributes on behalf of another entity that are neither controlled nor administered items'. The Board noted that this issue will be addressed as part of the planned longer-term more fundamental review of requirements relating to administered items.

BC16 Also consistent with paragraph BC2(d), the Board decided that, although transfers not controlled by a government department (such as, in general, pensions paid to beneficiaries) do not qualify for recognition, details of the broad categories of recipients and the amounts transferred to those recipients should be required to be disclosed in a complete set of financial statements (see paragraph 22 of this Standard). This is because the resulting information is relevant for understanding the government department's financial performance.

BC17 Paragraph 12.9.4 of AAS 29 encouraged the disclosure of information about administered assets and administered liabilities on an activity basis. Again, consistent with paragraph BC2(d), the Board concluded that the encouragement should be removed, noting that its removal does not create a vacuum.

Other Changes to Requirements in AAS 29

BC18 The Board decided to delete the following sentence in paragraph 12.9.6 of AAS 29: "In some jurisdictions, this may mean that the basis adopted by a government department for reporting administered items may differ from the basis adopted by the government itself". The Board considers this sentence to be redundant, given that government departments are typically directed to adopt particular policies by their controlling government.