FRR 5E Commitments

INTRODUCTION

Policy items, indicated by shaded bold print, form the Minimum Reporting Requirements (MRRs).

Pursuant to sections 38(2) and 39(2) of the Financial and Performance Management Standard 2019 (FPMS), departments and statutory bodies must prepare their financial statements in accordance with the MRRs. All of the MRRs are mandatory for departments. Statutory bodies comply with the FPMS by applying the parts of the MRRs that are considered relevant to their circumstances.

Application Guidance, indicated by plain text under the “Application Guidance” sub-headings, provides support on interpreting and applying the mandatory policy items and other matters.
5E.1 DISCLOSURE REQUIREMENTS FOR COMMITMENTS

REFERENCES
- AASB 101 Presentation of Financial Statements
- AASB 116 Property Plant and Equipment
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets
- AASB 138 Intangible Assets
- AASB 140 Investment Properties

POLICY

- Commitments required to be disclosed by applicable accounting standards must be shown in total for each class of commitment in the following time bands according to the time that is expected to elapse from the reporting date to their expected date of settlement:
  - Within twelve months
  - twelve months or longer and not longer than five years; and
  - longer than five years

- The value of commitments disclosed must be inclusive of any GST that will not be recouped by the agency.