AASB 1051 Land Under Roads

(This fact sheet is based on the standard as at 1 January 2011.)

Important note:
This standard is an Australian specific standard with no international equivalent.

AASB application date
AASB 1051 is applicable for annual reporting periods commencing on or after 1 July 2008.

OBJECTIVE
The objective of AASB 1051 is to specify the requirement for financial reporting of land under roads by local governments, government departments, General Government Sectors (GGSs) and whole of governments.

PRESCRIBED ACCOUNTING TREATMENT

Recognition of land under roads
Other Australian Accounting Standards (including AASB 116 Property, Plant and Equipment) apply to land under roads, except to the extent that AASB 1051 requires or permits otherwise.

An entity may elect:
• to recognise, subject to satisfaction of the asset recognition criteria, or
• not to recognise as an asset
land under roads acquired before the end of the first reporting period ending on or after 31 December 2007.

Measurement of land under roads
An entity that recognises land under roads acquired before the end of the first reporting period ending on or after 31 December 2007 can elect to:

a) measure the fair value of land under roads as at the date of election and use that fair value as the deemed cost;
b) use an earlier revaluation of land under roads as its deemed cost; or
c) use an earlier deemed cost of land under roads established from an event-driven fair value measurement as its deemed cost.

Land under roads acquired after the end of the first reporting period ending on or after 31 December 2007 is accounted for in accordance with AASB 116.

DISCLOSURES
Refer to Appendix 1 for a checklist to assist with AASB 1051 disclosure requirements.

IMPORTANT DEFINITIONS

| Land under roads | Land under roadways, and road reserves, including land under footpaths, nature strips and median strips. |
## APPENDIX 1 – DISCLOSURE CHECKLIST

This checklist can be used to review your financial statements – you should complete the Yes / No / N/A column about whether the requirement is included and provide an explanation for No answers to ensure the completeness of disclosures.

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Yes / No / N/A</th>
<th>Explanation (if required)</th>
</tr>
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<tbody>
<tr>
<td>AASB 1051.11 Has the entity disclosed its accounting policy for land under roads?</td>
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