

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<b>Determining the GRAP Reporting Framework</b>	Alignment of text with policy on <i>Convergence with International Standards</i>	Text of Directive 5 amended to indicate that IPSASs and IFRSs should be	Amendments to Directive approved and Reporting Framework for 2018/2019 approved.	1 April 2018	None.
	GRAP Reporting Framework for financial periods commencing on or after 1 April 2018.	Reporting Framework for 2018/2019 was approved.			
<b>Transitional Provisions for Revenue Administered by SARS</b>	Final amendments to Directive 6 considered after public consultation.	Revision of Directive 6 approved without amendment.	Directive 6 approved.	1 April 2012.	None.
<b>The Application of Materiality in the Preparation of Financial Statements</b>	Nature of the pronouncement to be developed.	As the application of materiality requires judgement, the Board agreed to develop a Guideline.	Initial phase.	Not applicable.	First draft of guidance in Quarter 1 of 2018.
	Scope and content of guidance.	<p>Various issues agreed by the Board, including:</p> <ul style="list-style-type: none"> <li>The Guideline should apply to the preparation of financial statements, and may be useful for general purpose financial reports.</li> <li>The existing definition of materiality in the Standards will be used to develop the guidance, supplemented with the explanations in the Conceptual Framework.</li> <li>Discussion Paper 9 will be used as a basis to develop the Guideline.</li> <li>There should be equal focus on quantitative and qualitative materiality. The cumulative effect of applying accounting policies will be considered and guidance provided.</li> <li>Guidance will be provided on how thresholds could be developed.</li> </ul>			

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<p><b>Revision of GRAP 104 Financial Instruments</b></p>	<p>Scope of amendments</p>	<p>The Board agreed to align GRAP 104 with IFRS 9 as far as possible, but to identify areas of simplification and ensure that public sector issues are appropriately addressed. The Board agreed to align the following key areas with IFRS 9:</p> <ul style="list-style-type: none"> <li>• Recognition and measurement of financial guarantee contracts issued by an entity.</li> <li>• Classification of financial instruments.</li> <li>• Impairment of financial assets.</li> </ul> <p>The Board agreed to deviate from the principles in IFRS 9 in the following areas:</p> <ul style="list-style-type: none"> <li>• Retain the measurement of investments in residual interests at cost when no reliable measure of fair value is available.</li> <li>• To not introduce the “fair value through other comprehensive income” category for financial assets. All instruments that qualify for this category will be measured at fair value through surplus or deficit.</li> <li>• To not introduce requirements for hedge accounting.</li> </ul> <p>The Board will consider the effect of “purchased or originated credit impaired financial assets” on the recognition of revenue and interest and consistency with IGRAP 1 <i>Applying the Probability Test on Initial Recognition</i> at its next meeting.</p>	<p>Initial phase</p>	<p>Not applicable</p>	<p>Frist draft of amendments to Quarter 4 2017.</p>

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<p><b>Accounting for Adjustments to Revenue</b></p>	<p>Scope and content of guidance.</p>	<p>The Board agreed to develop an Interpretation.</p> <p><i>Scope inclusions</i></p> <ul style="list-style-type: none"> <li>• When adjustments to revenue levied or charged in terms of legislation or similar means should be accounted for as an error or as a change in accounting estimate.</li> <li>• The accounting for refunds that may become payable following an appeal process.</li> <li>• When/how measurement uncertainties should be considered on the initial measurement of revenue.</li> </ul> <p><i>Scope exclusions</i></p> <ul style="list-style-type: none"> <li>• Whether revenue should be accounted for as exchange or non-exchange revenue.</li> <li>• How an entity should apply the probability test on initial recognition of revenue.</li> <li>• Consideration of whether or not an entity undertakes transactions as the principal or agent.</li> </ul> <p>The Board agreed that the guidance should be based on GRAP 3 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>. An error or prior period error will occur where an entity (a) did not follow the required legislative due process prior to levying or charging revenue; and (b) levied or charged revenue based on incorrect tariffs or rates, or where an incorrect formula or percentage was applied to calculate revenue. This principle applies both to the recognition of revenue and refunds.</p>	<p>Initial phase</p>	<p>Not applicable</p>	<p>Draft guidance in Quarter 1 of 2018.</p>

**MEETING HIGHLIGHTS – SEPTEMBER 2017 ASB BOARD**

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<b><i>Presentation in the Statement of Financial Performance</i></b>	Results of the research on the presentation of information in the Statement of Financial Performance.	<p>Board agreed to publish a Research Report on the findings of the research.</p> <p>The research identified issues related to non-compliance with the Standards of GRAP, the layout and structure of the Statement of Financial Performance, the quality of the information and accounting issues.</p> <p>The Board agreed a number of actions to address these issues.</p>	Research completed.	Not applicable.	Timing of publication of Research Report to be determined.
<b><i>Accounting for Landfill Sites</i></b>	Nature of pronouncement to be developed.	The Board agreed to develop a Guideline. The scope of the Guideline will focus on accounting for licensed landfill sites and their related rehabilitation obligations. The guidance may be relevant to unlicensed sites and, by analogy, to other types of rehabilitation obligations.	Initial phase	Not applicable.	Draft guidance Quarter 1 2018.