



**ANALYSIS AND RESPONSES TO WRITTEN COMMENT
RECEIVED ON THE**

**PROPOSED *IMPROVEMENTS TO THE STANDARDS
OF GRAP (2016)***

(ED 152)

RESPONSES TO THE WRITTEN COMMENT RECEIVED ON THE PROPOSED IMPROVEMENTS TO THE STANDARDS OF GRAP (2016) (ED 152)

The Accounting Standards Board (Board) approved the Exposure Draft of the proposed *Improvements to the Standards of GRAP (2016) (ED 152)* in September 2016 for comment. A Notice was also published in the Government Gazette on the 14th of October 2016 (Notice 40346). The comment period closed on 30 December 2016.

A comment letter was received from the Department of Treasury of the Free State Province, which included submissions from the entities listed in the table on the next page. Any comments received from these entities are summarised in this document with the Board's response thereto.

The proposed amendments were also discussed with stakeholders at workshops, roundtable discussions or other meetings. Comments received during these sessions are summarised in a separate document.

CLASSIFICATION OF WRITTEN COMMENT RECEIVED ON THE PROPOSED IMPROVEMENTS TO THE STANDARDS OF GRAP (2016) (ED 152)

No.	Name/Organisation	Total	Preparers	Users	Auditors	Other interested parties
1.	Submission by the Free State Department of Treasury, including inputs from the following entities: <ul style="list-style-type: none"> • Department of Education • Department of Police, Roads and Transport • Department of Public Works and Infrastructure • Provincial Treasury • Free State Development Corporation • Free State Tourism Authority 		X			
	TOTAL	6	6	0	0	0

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No.	Comment	Board's response
1.	Department of Treasury Free State Province	
1.1	General	
	<p>The request for comment, a questionnaire as well as the relevant documentation were sent to all Free State departments, Free State Legislature, public and trading entities as well as municipalities.</p> <p>Responses were received from:</p> <p>Departments and Entities</p> <ul style="list-style-type: none"> -Education -Police, Roads and Transport -Public Works and Infrastructure -Provincial Treasury -Free State Development Corporation -Free State Tourism Authority <p>The exposure draft is in general supported and no further matters for comment were provided by the departments/entities.</p>	Noted. No further action required.
1.2	Department of Education	
	<p>The exposure draft is supported in general. The clarification and alignment of transaction costs as well as the measurement of exchange assets will assist in the correct application of the Standards.</p>	Noted. No further action required.

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1.3	Department of Police, Roads and Transport	
	No matters for comment.	Noted. No further action required.
1.4	Public Works and Infrastructure	
	<p>The exposure draft is supported. However, I cannot comment on the following matters that do not relate to our work environment:</p> <p>GRAP 16: Investment Property.</p> <p>GRAP 18: Segment Reporting.</p> <p>GRAP 27: Agriculture.</p>	Noted. No further action required.
1.5	Free State Development	
	<p>The exposure draft is supported/ Under Inventories, the inconsistencies between GRAP 12 and IPSAS 12 have been address, the transaction cost treatment and other cost of assets acquired in non-exchange transaction has been aligned to the principles of GRAP 23.</p> <p>Under Investment Property, clarify on the measurement principle when assets may be acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets is critical in the preparation of the financial statements.</p> <p>The clarification of the revaluation methodology of the carrying amount and accumulated depreciation when an item of property, plant and equipment is revalued is beneficial to the preparer of the Annual Financial Statements.</p>	Noted. No further action required.