

CHAPTER 11  
ACCOUNTING STANDARDS BOARD

**87. Establishment.**—(1) The Minister by regulation in terms of [section 91](#) must establish a board to be known as the Accounting Standards Board.

(2) The Accounting Standards Board is a juristic person.

(Date of commencement of [s. 87](#): 2 March, 1999.)

**88. Composition.**—(1) The Accounting Standards Board consists of no more than 10 members as the Minister may determine.

(2) The Minister, after consulting the Auditor-General, appoints the members of the Board.

(3) The Board may establish its own operating procedures.

(Date of commencement of [s. 88](#): 2 March, 1999.)

**89. Functions of Board.**—(1) The Accounting Standards Board must—

(a)

set standards of generally recognised accounting practice as required by [section 216 \(1\) \(a\) of the Constitution](#), for the annual financial statements of—

(i) departments;

(ii) public entities;

(iii) constitutional institutions;

(iv) municipalities and boards, commissions, companies, corporations, funds or other entities under the ownership control of a municipality; and

(v) Parliament and the provincial legislatures;

[Sub-para. (v) substituted by [s. 44 of Act No. 29 of 1999](#).]

(b)

prepare and publish directives and guidelines concerning the standards set in terms of [paragraph \(a\)](#);

(c)

recommend to the Minister effective dates of implementation of these standards for the different categories of institutions to which these standards apply; and

(d) perform any other function incidental to advancing financial reporting in the public sector.

(2) In setting standards the Board must take into account all relevant factors, including—

(a) best accounting practices, both locally and internationally; and

(b) the capacity of the relevant institutions to comply with the standards.

(3) The Board may set different standards for different categories of institutions to which these standards apply.

(4) The standards set by the Board must promote transparency in and effective management of revenue, expenditure, assets and liabilities of the institutions to which these standards apply.

(Date of commencement of [s. 89](#): 2 March, 1999.)

**90. Powers of Board.**—The Accounting Standards Board may do all that is necessary or expedient to perform its functions effectively, which includes the power to—

(a) determine its own staff establishment and appoint employees to posts on its staff establishment;

(b) obtain the services of any person or entity to perform any specific act or function;

(c) confer with any person or entity;

(d) acquire or dispose of any right in or to property, but ownership in immovable property may be acquired or disposed of only with the consent of the Minister;

(e) insure itself against any loss, damage, risk or liability;

(f) perform legal acts, or institute or defend any legal action in its own name;

(g) do research and publish reports; and

(h)

do anything that is incidental to the exercise of any of its powers.

(Date of commencement of [s. 90](#): 2 March, 1999.)

**91. Regulations on accounting standards of Board.**—(1) The Minister, after consulting the Auditor-General, may make regulations—

(a)

concerning the qualifications, remuneration, term of office and removal of members of the Accounting Standards Board, the filling of vacancies, the chairperson of the Board, and the finances and administration of the Board;

(b)

prescribing the standards set by the Board in terms of [section 89](#); and

(c)

concerning any other matter that may facilitate the proper functioning of the Board or the implementation of those standards.

(2) The Minister must consult the Board on the implementation date of a regulation made in terms of [subsection \(1\) \(b\)](#).

(3) Different regulations may be made in terms of [subsection \(1\) \(b\)](#) for different categories of institutions to which the standards set in terms of [section 89](#) apply.

(4) Draft regulations prescribing standards in terms of [subsection \(1\) \(b\)](#) must be published for public comment in the national *Government Gazette* before their enactment.

(Date of commencement of [s. 91](#): 2 March, 1999.)

## CHAPTER 12 MISCELLANEOUS

**92. Exemptions.**—The Minister, by notice in the national *Government Gazette*, may exempt any institution to which this Act applies, or any category of those institutions, from any specific provisions of this Act for a period determined in the notice.

[General Note: Exemption of public entities has been published under General Notices No. 502 and No. 503 in *Government Gazette* 22337 of 8 June, 2001.

Exemption of an institution has been published under Government Notice No. 1097 in *Government Gazette* 22801 of 9 November, 2001 and Government Notice No. 886 in *Government Gazette* 26602 of 30 July, 2004.]