



**Questionnaire**

**Responses due by 15 September 2020**

## **ACCOUNTING STANDARDS BOARD**

### **QUESTIONNAIRE TO PREPARERS**

# **THE POST-IMPLEMENTATION REVIEW OF THE STANDARD OF GRAP ON *HERITAGE ASSETS* (GRAP 103)**



## Questionnaire

### Commenting on this questionnaire

The Accounting Standards Board (the Board) is undertaking a post-implementation review of the Standard of GRAP on *Heritage Assets* (GRAP 103). The review is undertaken to enable the Board to determine if any amendments are required to GRAP 103, and/or whether any other guidance should be issued to address the issues raised during the review.

The responses received from stakeholders will be used by the Secretariat of the Accounting Standards Board to make recommendations to the Board.

Comment should be submitted in writing so as to be received by **15 September 2020**. E-mail responses are preferred. Comment should be addressed to:

The Chief Executive Officer  
Accounting Standards Board

PO Box 7001

Halfway House

Midrand

1685

Fax: +2711 697 0666

E-mail Address: [info@asb.co.za](mailto:info@asb.co.za)

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## Questionnaire

### Background and purpose of the questionnaire

The Board is undertaking a post-implementation review of GRAP 103 to assess if the Standard achieved the intended outcome of providing relevant information to the users of financial statements.

This questionnaire is developed to obtain views and comment from preparers on application and other matters relating to GRAP 103. Preparers are those responsible for preparing financial statements, or those that prepare information that is used in the financial statements.

This Questionnaire should be read with the *Invitation to Participate in the Post-implementation Review of the Standard of GRAP on Heritage Assets (GRAP 103) (ED 180)* that is available on the ASB's website at [\[insert link\]](#)

### Request for comment

Comment on this questionnaire is invited by **15 September 2020**.

A total of 18 specific questions are included in this questionnaire.

**About the respondent**

In responding to the Questionnaire, it will be easier for the Board to understand the context in which the information is provided, if it is indicated whether the comment is provided from a personal or an organisation point of view.

<b>INFORMATION ABOUT THE RESPONDENT</b>	
<b>Name</b>	
<b>Organisation</b>	
<b>Rank or title of person completing the questionnaire</b>	
<b>Information provided in a personal view or from an organisational point of view</b>	
<b>Contact information</b>	E-mail: Telephone: Fax:

## Summary of questions to preparers of financial statements

### Specific matters for comment

#### Classification of heritage assets as a separate asset category

##### Question P1

What challenges, if any, do you experience to:

- (a) assess if an asset meets the definition of a heritage asset; and
- (b) distinguish heritage assets from other categories of assets such as investment property, property, plant and equipment, etc.?

Please describe these challenges, and indicate how, in your view, they could be resolved.

##### Question P2

Do you agree that an entity should classify a heritage asset differently if it has an alternative use? Please explain your response.

#### Determining an initial value for a heritage asset

##### Question P3

What challenges have you experienced to:

- (a) initially determine a reliable value for heritage assets; and
- (b) disclose information about a heritage asset for which a reliable value could not be determined on initial recognition?

Please provide a description of these challenges, explain how they arise, and indicate how, in your view, they could be resolved.

##### Question P4

What were the reasons for not being able to determine a reliable value for a heritage asset on initial recognition (if applicable)?

##### Question P5

Where a reliable value for heritage assets cannot be determined, do you think that the financial statements provide useful information if the entity is not required to continuously re-assess if a fair value can be determined?

Please explain your response.

#### Determining a value for a heritage asset after recognition

##### Question P6

What subsequent measurement basis has been selected to measure heritage assets, and why was this basis selected?

Question P7

Are classes of heritage assets measured using different measurement bases? If yes, please explain why a different measurement basis is applied to different classes of heritage assets.

Question P8

Where the revaluation method is applied as a subsequent measurement basis:

- (a) what is the frequency of valuations undertaken;
- (b) what challenges, if any, do you experience to determine a value for the heritage asset on an ongoing basis. Please explain these challenges and indicate how, in your view, they could be resolved; and
- (c) have you ever considered applying Directive 11 on *Changes in Measurement Basis Following the Initial Adoption of Standards of GRAP* after selecting the revaluation method as your measurement basis? Please explain your response.

Question P9

Where an entity applies the revaluation model as its measurement basis, but fair value, subsequent to the recognition of the heritage asset is unavailable and alternative estimates of fair value are unreliable, the entity measures the heritage asset using the cost model.

What challenges, if any, have you experienced to disclose information about a heritage asset in the notes:

- (a) while the fair value is unavailable and alternative estimates are unreliable; and
- (b) when the fair value can subsequently be determined by reference to an active market and the cost model is no longer applied?

Please describe these challenges, and indicate where, in your view, these challenges may arise from.

Question P10

If applicable, what were the reasons for fair value being unavailable and alternative estimates being unreliable?

**Impairing heritage assets**

Question P11

What challenges, if any, have you experienced to:

- (i) assess if a heritage asset is impaired, or that an impairment loss recognised in prior periods may no longer exist or has been decreased; and
- (ii) calculate the recoverable amount, or the recoverable service amount?

Please describe these challenges, and indicate how, in your view, they could be resolved.



## Questionnaire

### Heritage assets that have alternative uses

#### Question P12

What challenges, if any, do you experience to assess whether a significant portion of the asset meets the definition of a heritage asset, or whether the asset should be classified and accounted for in accordance with another Standard of GRAP?

Please describe these challenges, and indicate how, in your view, they could be resolved.

#### Question P13

Do you agree that a heritage asset that has an alternative use should be accounted for in accordance with another Standard of GRAP? Please explain your response.

#### Question P14

Do you agree that a heritage asset that has an alternative use should be depreciated? Please explain your response.

#### Question P15

What depreciation method do you apply to depreciate heritage assets that are accounted for in accordance with another Standard of GRAP?

Please explain why this depreciation method is applied.

#### Question P16

For heritage assets that are accounted for in accordance with another Standard of GRAP, what challenges, if any, do you experience to determine the

- (a) useful life;
- (b) residual value; and
- (c) depreciation method

for purposes of depreciating the heritage asset?

Please describe these challenges, and indicate how, in your view, they could be resolved.

### Disclosure of heritage assets in the financial statements

#### Question P17

What challenges do you experience to provide the disclosures on heritage assets as required by GRAP 103 and/or other Standards of GRAP?

Please describe these challenges and indicate how, in your view, they could be resolved.

#### Question P18

What other information on heritage assets do you think users will find relevant for accountability and to make decisions. Please explain your response.



## Questionnaire

### General matters for comment

Comment on any other matter relating to GRAP 103 will be welcomed. Comment is most helpful if reference is made to the specific paragraph in GRAP 103 and/or any other Standard of GRAP, if applicable.