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Upcoming events

IPSASB proposes new requirements for Leases

The International Public Sector Accounting Standards Board (IPSASB) issued a revised IPSAS on Leases for comment (ED 187). The ASB is consulting on the proposals in the revised IPSAS to obtain views from stakeholders locally on South African specific issues.

We will be hosting a series of roundtable discussions in April to discuss ED 187. The roundtable discussions are aimed at preparers, auditors and others sharing views, and providing technical and other inputs on the concepts in the Exposure Draft. These views will be shared with the IPSASB in the comment letter submitted to them.

ED 187 can be accessed by following this [link](#). If you are interested in attending a session, please email tsholot@asb.co.za.

Date	Event	Stakeholder group
12 April	Roundtable discussion	All stakeholders
19 April	Roundtable discussion	All stakeholders
3 May	Roundtable discussion	Auditors, firms, technical specialists, professional bodies, and academics

FAQs issued by the ASB

The Secretariat of the ASB issued a new and revised a FAQ in March 2021:

- FAQ 3.14 on When should geographical information be provided as required by GRAP 18?

This new FAQ answers questions raised by stakeholders about when geographical information should be provided as part of the entity wide disclosures as required by GRAP 18.

- FAQ 3.12 on When should GRAP 109 on Accounting by Principals and Agents be applied?

The FAQ was revised to incorporate experiences on the application of GRAP 109 from the last audit cycle.

Access the FAQs by following this [link](#).

State owned companies to report to the CIPC using XBRL from 1 October 2021

Companies registered in terms of the Companies Act are required to submit their financial statements to the Companies and Intellectual Properties Commission (CIPC). Since the 1st of July 2018, the CIPC adopted XBRL (eXtensible Business Reporting Language) as a standard electronic format for entities submitting annual financial statements based on International Financial Reporting Standards (IFRS® Standards).

The CIPC issued Notice No. 43 of 2020 indicating that it has updated the XBRL taxonomy to accommodate the submission of financial statements using Standards of GRAP. From the 1st of October 2021, it is mandatory for state owned companies (SOCs) that prepare their financial statements using Standards of GRAP to file them using iXBRL. This could include public entities and municipal entities that trade as companies. Importantly, this only applies to companies that prepare their financial statements using Standards of GRAP - it does not apply to other entities that apply Standards of GRAP.

Recovering from the pandemic

The IMF Fiscal Monitor October 2020 provides interesting information about the possible effects of the COVID-19 pandemic on the state of South Africa's economy and potential solutions for recovery.

It has been little more than a year since the World Health Organisation declared COVID-19 a pandemic. It is estimated that in the first 6 months of the pandemic USD12 trillion was spent providing support to households and firms.

Some statistics for South Africa...

- The fiscal deficit was projected to increase by 8% to -14% of General Government Debt (i.e. debt of national, provincial and local government and related institutions) by the end of 2020.
- An increase in the debt to GDP ratio by 17% when compared to 2019.
- General government debt as a percentage of GDP for the next 5 years is estimated as follows:

2021	2022	2023	2024	2025
83%	86%	87%	87%	85%

While the numbers seem scary, the IMF has outlined the importance of continuing to provide much needed support despite rising debt globally. The report discusses specific policy trade-offs for governments. The IMF also promotes public investment, particularly in jurisdictions where interest rates are low as this increases the overall affordability and return on projects. Read the full report on the "policies to recovery" [here](#).



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