

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<b>Proposed amendments to GRAP 103 on <i>Heritage Assets</i></b>	<i>Why is the Board making changes to GRAP 103?</i>	<p>The Board undertook a post-implementation review of GRAP 103 in 2020. Stakeholders were generally supportive of the Standard as it helped raise the profile of heritage assets and their importance. Preparers and users of financial statements raised issues with certain aspects of the Standard. Based on the views expressed, the Board agreed to amend aspects of the Standard.</p> <p>Many of the comments received relate to the application of the Standard rather than its principles. Most of these will be addressed through new or revised FAQs, and/or guidance from the National Treasury.</p>	Exposure Draft 195 issued for comment.	Not applicable.	Consultation on ED 195. Comment deadline 28 January 2022.
	<i>How should heritage assets be defined?</i>	Stakeholders noted that there should be better alignment between the definition of a heritage asset in GRAP 103 and relevant legislation. Based on this feedback, the definition of a heritage asset has been aligned with the South African Heritage Resources Act. The definition focuses on assets that have “cultural significance”. “Cultural significance” has been defined and described based on legislation.			
	<i>How should heritage assets be accounted for when they are heritage assets and meet the definition of another type of asset?</i>	Previously, heritage assets with a dual purpose were accounted for based on their alternative use. The Board proposes accounting for all heritage assets irrespective of any alternative use. This ensures that heritage assets are presented comprehensively in the financial statements.			

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<b>Proposed amendments to GRAP 103 on <i>Heritage Assets</i></b>	<i>How should heritage assets be accounted for when they are heritage assets and meet the definition of another type of asset (contd.)?</i>	Stakeholders noted that all heritage assets should be accounted for as heritage assets to ensure that a complete view of heritage assets is reflected in the financial statements. As a result, the Board proposes amending GRAP 103 to require that all heritage assets that meet this definition be accounted for as heritage assets irrespective of any alternative use.	Exposure Draft 195 issued for comment.	Not applicable.	Consultation on ED 195. Comment deadline 28 January 2022.
	<i>How should the Board address the measurement concerns raised by respondents?</i>	<p>Determining a reliable measure for heritage assets was one of the key concerns raised by stakeholders. The Board agreed that a number of actions may be required to resolve the issues raised. The IPSASB issued draft guidance explaining how to apply various measurement bases, including fair value. Once issued locally, this would help significantly.</p> <p>In the meantime, the Board has proposed amendments to GRAP 103 to:</p> <ul style="list-style-type: none"> <li>• Explain when fair value cannot be measured reliably.</li> <li>• Allow the use of peer data for similar heritage assets.</li> </ul> <p>The National Treasury is developing guidance for preparers on how to obtain and interrogate valuations received by experts.</p>			

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<b>Proposed amendments to GRAP 103 on Heritage Assets</b>	<i>Should entities keep re-assessing if they can measure heritage assets?</i>	Some heritage assets are irreplaceable and unique. This means that it may not always be possible to determine a reliable value for the asset for financial reporting purposes. Previously, if a reliable value was not available on initial recognition, then heritage assets were not recognised in the financial statements. While this remains unchanged, the Board has proposed that entities assess if circumstances have changed in subsequent periods to determine if a reliable value has become available. Indicators have been developed to explain when circumstances may have changed.			
	<i>How could different disclosure in the financial statements reduce the risk of theft for heritage assets?</i>	Stakeholders noted that presenting information on heritage assets in the financial statements raises the risk of theft. As the Standards of GRAP allow items to be aggregated and disaggregated based on their materiality, there is no need to amend the Standards. As this was a key issue raised, a FAQ will be developed to explain how presentation can overcome this perceived risk for assets broadly.			
	<i>Are all the encouraged disclosures needed in GRAP 103?</i>	There were a number of disclosures that were encouraged in the financial statements, which the Board proposes deleting. They include: <ul style="list-style-type: none"> <li>• information about the age and condition of heritage assets;</li> <li>• the fair value of heritage assets that are not recognised on initial recognition; and</li> <li>• the fair value of heritage assets where the cost model is applied.</li> </ul>			

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<b>Proposed amendments to GRAP 103 on Heritage Assets</b>	<i>Are there any additional disclosures needed?</i>	Stakeholders indicated a need for information about heritage assets that are held as a custodian, and related rights and obligations. It was also noted that information is needed for heritage assets sold when they are subject to protective rights. Disclosures dealing with these issues were added.	Exposure Draft 195 issued for comment.	Not applicable.	Consultation on ED 195. Comment deadline 28 January 2022.
<b>Review Report on The Results of the Review of Directive 12 on The Selection of an Appropriate Reporting Framework by Public Entities</b>	<i>What were the key findings of the review?</i>	<p>The review focused on whether affected entities applied the Directive correctly, and if any issues were observed by preparers in applying the criteria.</p> <p>It was not always clear from reviewing the financial statements whether the Directive was applied by all affected entities. While there is no action that can be taken at this stage, entities should be aware that if their operating models change, they may need to consider the appropriateness of their reporting framework.</p> <p>On the initial application of the Directive, nineteen affected entities adopted Standards of GRAP as their reporting framework.</p> <p>Stakeholders consulted generally supported the Directive and criteria that support the application of IFRS Standards. Issues were raised about the application of the criteria in certain instances. These did not require amendments to the Directive. A Fact Sheet will be issued to deal with these issues.</p>	Review Report issued.	Not applicable.	Not applicable.

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<b>GRAP Reporting Framework for 2022/23</b>	<i>What changes are needed to the reporting framework?</i>	<p>There are a number of pronouncements that have been approved by the Minister of Finance for implementation. However, most of these are only effective from 1 April 2023 or later.</p> <p>The only pronouncement included in the reporting framework for 2022/23 is IGRAP 21 on <i>The Effect of Past Decisions on Materiality</i>. The mandatory effective date is 1 April 2023. Early adoption is encouraged as materiality is a fundamental principle that underlies financial reporting.</p>	Final amendments approved to Directive 5.	Financial years commencing on or after 1 April 2022.	Not applicable.
<b>Taking Stock - ASB's Work Programme for 2024-2026</b>	<i>What should the Board's focus be for its standard-setting activities for 1 April 2023 to 31 March 2026?</i>	<p>The ASB consults on its work programme every three years. It is in the process of deciding what its focus and key standard-setting activities should be for the period 2024 to 2026.</p> <p>Over the last decade, there have been a number of reforms in financial reporting, as well as the financial management environment more broadly. Given the pace of reforms, the Board will focus its efforts on “taking stock” of the pronouncements issued by refining them, identifying areas of guidance, undertaking reviews, etc. The number of new “things” will be limited during this period to allow stakeholders time to implement Standards recently approved by the Minister of Finance and to stabilise their reporting.</p> <p>It is critical that you share your views with the Board, either directly or by participating in our roundtable discussions.</p>	Exposure Draft 194 issued for comment.	Not applicable.	Consultation on ED 194. Comment deadline 18 March 2022.