GRAP 104 on *Financial Instruments* (Revised 2019)

Are you ready to apply GRAP 104 on *Financial Instruments* (2019)?

The revised GRAP 104 on *Financial Instruments* is effective for years commencing on or after 1 April 2025. This means entities should apply the revised requirements from:

- Public entities: 1 April 2025
- Municipalities, municipal entities and Water boards: 1 July 2025
- TVET and CET colleges: 1 January 2026

Feedback: Readiness Poll

A poll to assess stakeholders' readiness to apply GRAP 104 (2019) revealed that there is still much to be done to ensure the successful implementation of the revised requirements by all entities. The below summarises the key results of 45 responses.

Theme	Common Responses / Needs
Awareness 	***High, but not universal*** • Most respondents are aware that the revised GRAP 104 became effective on 1 April 2025.
Familiarity	***Ranges from "very familiar" to "unfamiliar"*** • While several respondents rate themselves as "very familiar" or "somewhat familiar" with the main changes, a notable minority are "unfamiliar", indicating varying levels of understanding. • Some respondents note that they have minimal exposure to financial instruments. • A few highlight the need for accounting system vendors to be aligned with the new requirements.

Training and education 	***Many have not attended training; strong demand for more, especially practical sessions***
	• Many have not attended training or workshops on the revised Standard. Those who have, often still request further sessions, especially practical workshops and case studies.
	• There are repeated calls for:
	    ○ Practical examples, especially for credit loss calculations and classification of financial instruments.
	    ○ Guidance on disclosures and accounting policy updates.
	    ○ Summaries or fact sheets of the changes for easier reference.

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Theme	Common Responses / Needs
Confidence	***Mixed; several "not confident" or "somewhat confident"*** • Confidence in identifying and classifying financial assets and liabilities is mixed, with several respondents indicating low confidence.
Policy and disclosure updates	***Many have not completed updates or gap analyses*** • Not all entities have updated their accounting policies or methodologies to align with the new requirements. • Many have not yet conducted a gap analysis or updated their reporting templates to meet new disclosure requirements.
Credit loss model	***Major area of uncertainty and support needed*** • The expected credit loss model is a major area of uncertainty. Many respondents are unfamiliar with it or lack confidence in applying it. • Some respondents mention lacking the necessary data or systems to support ongoing credit risk assessment.
Requested resources	***Training, practical examples, guidance documents, case studies, disclosure templates*** • Additional training (especially with practical, real-life examples). • Detailed guidance documents and case studies. • Examples of disclosures and accounting policy templates. • Clarification on complex scenarios, especially for municipalities and entities with limited resources such as skills, systems, etc.

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Available resources

Infographics and other resources on the key requirements of GRAP 104 under *Focus on Financial Instruments and Statutory Receivables* on the GRAP Knowledge Hub

GRAP 104 Placemat explaining the key changes on the ASB website

Presentations explaining the revised requirements on the ASB website

The revised Standard, Fact sheets on various instruments and FAQs on the ASB website

The transitional provisions on the ASB website

Follow us on social media for articles explaining the key changes @ LinkedIn, Facebook and YouTube. (See links to our social media platforms at the bottom of our website www.asb.co.za)

Let us know if anything is missing, or share your experiences on the Knowledge Hub, social media, or per email at info@asb.co.za.

Upcoming interactive GRAP 104 discussion

Join us for an interactive discussion on the revised Standard.

18 March 2026 @ 10:00

Register using this link.

The purpose of the session is for entities, consultants, auditors, and other interested parties to share their experiences and best practice in implementing the revised requirements.