MINUTES OF THE PROJECT GROUP MEETING ON *MEASUREMENT: AMENDMENTS TO THE CONCEPTUAL FRAMEWORK* HELD VIRTUALLY ON 18 SEPTEMBER 2025

Present:	M Hempel	PWC
	P Lansdell	Altimax
	A Marais	Sol Plaatje University
	R Matjila	AGSA
	N Matlala	SAICA
	T Mbonani	KPMG
	M Mentz	AGSA
	M Mkhize	EY
	M Mlamli	Gauteng Provincial Treasury
	K Sethusha	SAIGA
	W Smit	Altimax
	A van Blerk	Mubesko
	B van der Merwe	Nexia SAB&T
Ex officio:	A Botha	ASB
	N Imam Shah	ASB
	E van der Westhuizen	ASB

1. WELCOME AND APOLOGIES

1.1. Members were WELCOMED to the meeting.

1.2. Apologies were NOTED from K Bhamjee, R Fourie, W Heyneman, D Pienaar, N Slogrove, Z Theoni, L Thoka, A van der Burgh, K van Mali and M Wanland.

2. AGENDA

Members were INFORMED of the agenda and logistics of the meeting.

3. PROPOSED AMENDMENTS TO CHAPTER 7 IN THE *CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSE FINANCIAL REPORTING* (CONCEPTUAL FRAMEWORK)

3.1 The Secretariat PRESENTED the following to the Project Group:

- Memorandum
- Presentation on the proposed amendments to the measurement principles
- Proposed Invitation to Comment (ITC) and Exposure Draft (ED)

3.2 The Secretariat NOTED that Appendix A in the memorandum was included for information purposes and would not be discussed.

Observations and comments

3.3 A Member REFERRED to paragraph 6 in the memorandum and QUESTIONED whether the Conceptual Framework is complete if the individual Standards of GRAP use measurement concepts not contained in the Conceptual Framework. The Secretariat EXPLAINED that the Conceptual Framework sets the foundational principles and need not contain every measurement concept used throughout the suite of GRAP Standards. The principles in the Conceptual Framework are applied in developing the measurement requirements for the individual Standards, and these requirements may be a derivative of the principles contained in the Conceptual Framework.

3.4 A Member ENQUIRED why value in use is removed as a measurement basis. The Secretariat INDICATED that its use is limited to impairment, so it is proposed that the concept is rather explained than retained as a measurement basis. The Secretariat further EXPLAINED that the amendments to the Conceptual Framework are part of an IPSAS alignment project, so the reasons for the decisions taken by the IPSASB are not repeated in the basis for conclusions of the ASB's Conceptual Framework. It was AGREED that explanations from the IPSASB's basis for conclusions be included in the Secretariat's communication to stakeholders to better explain the consideration behind some of the proposed amendments.

Secretariat

3.5 It was NOTED that there is no explanation of deemed cost in the Conceptual Framework. Members SUGGESTED that a definition or explanation of deemed cost be included in the Conceptual Framework.

Secretariat

3.6 Members QUESTIONED whether there is sufficient guidance to assess whether an entity holds assets/liabilities for their financial or operational capacity. Members ASKED how to treat assets that generate both financial and operational capacity. The Secretariat RESPONDED that there is always a primary objective for holding the asset/liability. This guides entities to determine whether the asset/liability is held to generate future economic benefits (for its financial capacity) or to deliver service potential (for its operational capacity). The Secretariat NOTED that additional guidance will be considered at the individual Standards-level.

Secretariat

3.7 Reference was made to paragraph 7.15 of the Conceptual Framework. A Member ENQUIRED whether the use of the term "recoverable amount" is correct, because it has a certain meaning in GRAP 26 on *Impairment of Cash-generating Assets*. Members QUESTIONED whether the term "recoverability" should rather be retained. The Secretariat NOTED to review the use of the term in the paragraph.

Secretariat

3.8 A Member ASKED whether it is acceptable for the Conceptual Framework to refer to the "Board" as it is unusual to see this in the GRAP pronouncements. The Secretariat REPLIED that it is appropriate. The Conceptual Framework makes references to the Board in many instances.

3.9 A Member INDICATED an inconsistency in the first and last sentences of paragraph 7.34. It was NOTED that the first sentence in paragraph 7.34 refers to an asset's ability to generate economic benefits when assessing its financial capacity, but the last sentence excludes the reference to an asset's ability to generate economic benefits in concluding the paragraph. The Secretariat NOTED to review the paragraph. A possible amendment could be to phrase the last sentence like an example.

Secretariat

Decisions

3.10 The Project Group SUPPORTED the Specific Matters for Comment in the ITC.

Secretariat

3.11 The Project Group RECOMMENDED the proposed ITC and ED to the Technical Committee.

Secretariat

4. NEXT STEPS

Members NOTED the next steps in the project.

5. CLOSING

The Secretariat THANKED Members for their participation.

Prepared by: N Imam Shah

Date prepared: 6 October 2025