



Attachment 3(g)

**ANALYSIS AND RESPONSES TO WRITTEN COMMENT
RECEIVED ON THE**

**IGRAP ON *FOREIGN CURRENCY TRANSACTIONS AND
ADVANCE CONSIDERATION***

(ED 202)

RESPONSES TO THE WRITTEN COMMENT RECEIVED ON EXPOSURE DRAFT 202 ON THE IGRAP ON *FOREIGN CURRENCY TRANSACTIONS AND ADVANCE CONSIDERATION*

The Accounting Standards Board (Board) approved Exposure Draft 202 on *Foreign Currency Transactions and Advance Consideration* in November 2022. A Notice was published in the Government Gazette on 23 December 2022 (Notice 47789). The comment period closed on 28 April 2023.

The Board received two comment letters. This includes a comment letter from the Free State Provincial Treasury to which entities listed on the next page have responded. The comments received are summarised in this document and include the Secretariat's proposed responses.

ED 202 was discussed with preparers, auditors and consultants by way of virtual engagements. The summary of comment received from these engagements is included in a separate analysis.

CLASSIFICATION OF WRITTEN COMMENT RECEIVED ON THE IGRAP ON FOREIGN CURRENCY TRANSACTIONS AND ADVANCE CONSIDERATION (ED 202)

No.	Name/Organisation	Preparers	Users	Auditors	Other interested parties
1.	Office of the Accountant General (OAG)		√		
2.	<p>Free State Provincial Treasury including submissions from:</p> <ul style="list-style-type: none"> • Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) • Provincial Treasury • Department of Education • Department of Social Development • Department of Cooperative Government and Traditional Affairs (COGTA) • Department of Public Works and Infrastructure • Department of Community Safety, Roads and Transport • Fleet Management Trading Entity 	<p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p> <p>√</p>	<p>√</p>		

SUMMARY AND ANALYSIS OF WRITTEN COMMENT RECEIVED ON THE IGRAP ON *FOREIGN CURRENCY TRANSACTIONS AND ADVANCE CONSIDERATION*

No.	Comments	Secretariat's proposed response
GENERAL MATTERS		
1.	OAG	
1.1	The OAG supports ED 202: IGRAP on Foreign Currency Transactions and Advance Consideration in general.	Noted. No action required.
1.2	The OAG is of the view that ED 202 consensus provides clarity on the date of the transaction for determining the exchange rate to use on initial recognition of the related asset, expense or revenue on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.	Noted. No action required.
2.	Free State Provincial Treasury: DESTEA	
	There are no comments on the exposure draft since the department does not deal with any foreign transactions.	Noted. No action required.