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TO: MEMBERS OF THE BOARD
FROM: NABEELA IMAM SHAH
SUBJECT: AMENDMENTS TO CHAPTER 7 OF THE CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSE FINANCIAL REPORTING (ED 217)
DATE: 9 SEPTEMBER 2026
FILE REF: ATTACHMENT 4(a)

BACKGROUND AND OBJECTIVE

1. The Board approved an Exposure Draft on *Amendments to Chapter 7 on Measurement of Assets and Liabilities in Financial Statements of the Conceptual Framework for General Purpose Financial Reporting – Limited Scope Amendments* (ED 217) in December 2025. Comment on ED 217 closed on 8 May 2026.
2. There are no changes proposed to ED 217 from the comment received. The final amendments to the *Conceptual Framework for General Purpose Financial Reporting* (Conceptual Framework) are included as attachment 4(b).
3. The Technical Committee considered the comments received on ED 217, along with the analysis and responses to the verbal and written comment. The Technical Committee recommended the final amendments to the Conceptual Framework to the Board for approval.
4. The purpose of this memorandum is for the Board to consider the following:
 - the consultation process followed;
 - proposals from the Technical Committee to the comment received on ED 217; and
 - the final amendments to the Conceptual Framework.

OVERVIEW OF THE CONSULTATION PROCESS

How did the Secretariat raise awareness of ED 217?

5. A Notice was published in the Government Gazette on 27 March 2026 (Notice 54417) for the comment period that closed on 8 May 2026.
6. The Secretariat actively raised awareness about ED 217 in the following ways:

Board Members: Mr A van der Burgh (Chair), Mr A Hardien, Ms W de Jager,
Mr D Dlamini, Mr I Engelmohr, Mr S Gcwabe, Mr S Khan, Ms A Muller
Chief Executive Officer: Mrs J Poggiolini

- (a) published articles in the ASB Newsletter and on various ASB social media platforms;
 - (b) held education sessions and provided access to the material on the ASB website; and
 - (c) informed stakeholders through various engagements and forums, such as the Public Sector Accounting Forum and the PFMA GRAP Update.
7. The Secretariat is of the view that sufficient awareness was raised.
- Were all the key stakeholders consulted?*
8. The Secretariat held 3 education sessions and 3 roundtable discussions with preparers, auditors, consultants, valuers and other interested parties during the consultation period. Stakeholders submitted 3 written responses on ED 217.
9. The Secretariat is of the view that all the stakeholders identified in the project brief had sufficient opportunity to participate in the due process.
10. The written responses included a submission that appears to have been generated using AI and aspects of the submission were not relevant to ED 217. In promoting relevant and useful comment, the Technical Committee proposed the following for the Secretariat's consideration:
- including text in the Invitation to Comment explaining when comments on Exposure Drafts are useful;
 - preparing a short recording on how to comment on Exposure Drafts and how comments are considered in the development of a Standard (see attachment 7(d)); and
 - exploring the use of bots on the ASB website that interact with stakeholders while capturing their comments.

ACTIONS REQUESTED #1

The Board is requested to NOTE the consultation process followed.

MATTERS FOR CONSIDERATION

- 11. Stakeholders supported the amendments proposed in ED 217. As a result, the Technical Committee agreed that no changes are required to the ED.
- 12. Stakeholders found it challenging to understand the link between the proposed amendments to the Conceptual Framework and the potential impact on the Standards of GRAP. In particular, they sought clarity on how ED 217 would affect accounting for their entities' assets. To support stakeholders in understanding and applying the measurement principles, the Technical Committee proposed that the Secretariat provide explanatory guidance, examples, education material and transitional support, either during or after the development of the Standard of GRAP on *Measurement*.

ACTIONS REQUESTED #2

The Board is requested to:

- (a) **CONSIDER** the recommendations from the Technical Committee noted in paragraph .12;
- (b) **REVIEW** the final amendments to the Conceptual Framework [attachment 4(b)]; and
- (c) if deemed appropriate, **APPROVE** it.

RE-EXPOSURE OF ED 217

- 13. Section 7 of the Board's Due Process Handbook requires an analysis of the amendments made to an Exposure Draft to assess if re-exposure is needed.
- 14. As there are no amendments proposed to ED 217, the Technical Committee concluded that re-exposure is not required.

ACTIONS REQUESTED #3

The Board is requested to **CONFIRM** the conclusion on re-exposure of ED 217.

NEXT STEPS

- 15. Since the Conceptual Framework is not authoritative, it does not have an effective date or transitional provisions. It will apply from the date it is approved by the Board.