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TO: MEMBERS OF THE TECHNICAL COMMITTEE
FROM: ELIZNA VAN DER WESTHUIZEN
SUBJECT: WORK PROGRAMME 2024/25 AND MONITORING PERFORMANCE
DATE: 24 JUNE 2024
FILE REF: ATTACHMENT 6(a)

1. BACKGROUND AND PURPOSE

The Technical Committee reviews and makes recommendations to the Board on the work programme and any changes made to it. The Technical Committee also reviews progress against the achievement of quarterly targets.

The purpose of this memorandum is for the Technical Committee to:

- Note the work programme 2024/25 and activities for the quarter.
- Consider the composition of the Technical Committee for the September 2024 meeting.
- Review the projected performance for the quarter ending 30 June 2024.

2. WORK PROGRAMME 2024/25

2.1 Execution of the work programme

The current work programme reflects the Secretariat's active projects. The work programme reflects all previous decisions of the Board. The ASB's work programme is included as attachment 6(b) and includes a tracking table with IASB projects for information purposes. The monitoring of the IPSASB's work programme is included as attachment 6(c) for information purposes.

2.2 Changes since the last meeting

Social Benefits

As discussed in attachment 4(a), the consultation on ED 205 *Proposed Standard of GRAP on Social Benefits* raised an issue with the definition of social benefits. The Secretariat has added an issues paper to the agenda for this meeting to discuss the issue. The Secretariat can finalise responding to the comments on ED 205 after the Board meeting in July 2024. The Secretariat proposes to postpone the full review of comment on ED 205 and approval of the Standard (or potentially a revised Exposure Draft) to Q3 to allow the Secretariat sufficient time.

Board Members: Mr A van der Burgh (Chair), Ms A Carstens, Mr A Hardien, Ms W de Jager,
Mr D Dlamini, Mr S Gcwabe, Mr S Khan, Ms A Muller, Ms L Senne, Prof R Small,
Chief Executive Officer: Mrs J Poggiolini

Post-implementation Review of GRAP 109 Accounting by Principals and Agents

The Board considered the results of the GRAP 109 post-implementation review in April 2024. The Secretariat communicated the outcomes of the GRAP 109 post-implementation review in the quarter by publishing the detailed findings and next steps on the website, in newsletter articles and social media posts, delivering presentations at events and publishing a presentation on the website.

The work programme includes tabling a Review Report with the outcomes of the review in the first meeting of quarter 2 (i.e. July 2024). This was a tentative provision that depended on the outcomes of the review, in particular the next steps that would be taken.

Review Reports are typically used to communicate the findings and outcomes of desktop reviews to stakeholders. Review Reports are not authoritative but are approved by the Board. The outcomes of post-implementation reviews are typically communicated through other materials such as feedback statements (communication on findings and next steps) and progress reports (tracking of progress on next steps). These materials are developed by the Secretariat and do not require Board approval. This approach is followed for post-implementation reviews as the next steps typically include developing an Exposure Draft to amend the reviewed Standard.

The outcomes of the GRAP 109 review include developing an Exposure Draft. The Secretariat also believes there is value in a Review Report that will communicate the findings and next steps at a higher level. This type of communication may be particularly useful because of the volume of issues and next steps identified in the review. The Secretariat proposes to table the Review Report at the second meeting of Q2, for Board approval.

2.3 Work-in-progress

The Board has a number of projects in progress. The status of each of these are included in Table 1 below. Detailed information on the project timelines and deliverables are included in attachment 6(b).

Table 1: Projects in progress

Project	Current status	Next deliverable	Potential issues
GRAP reporting framework	ED 208 out for comment until 30 June 2024	September 2024 - Board to consider comment on ED and approve final Directive 5	Project on track
Work programme for 2027 to 2029	Consulting stakeholders on projects to include in work programme consultation	September 2024 - Board to approve work programme consultation	Project on track
Social Benefits	Analysing comments received on ED 205	July 2024 – Board to consider Issues Paper December 2024 – Board to consider comment on ED and approve final Standard	See request to amend deliverables in 2.2 above.

Project	Current status	Next deliverable	Potential issues
Measurement	Consulting stakeholders on issues with measurement	December 2024 – Board to consider Issues Paper	Project on track
Post-implementation Review of GRAP 109	Take next steps as an outcome of the review as agreed with the Board in April 2024.	September 2024 – Review Report March 2025 – Exposure Draft to amend GRAP 109	See proposal on deliverable in 2.2 above. The Secretariat is currently analysing the work required to amend GRAP 109 and whether an Exposure Draft by March 2025 is possible.
Post-implementation Review of GRAP 108 <i>Statutory Receivables</i>	ED 207 out for comment	March 2025 – Board to consider results of the review	Project on track
Review of GRAP 20 <i>Related Party Disclosures</i>	Initial phase of review completed	June 2024 – Board to consider results of the review December 2024 – Review Report	Project on track

2.4 IPSASB projects

Publications for comment

The IPSASB published the following documents for comment since the previous meeting:

- ED 89 on *Amendments to Consider IFRIC Interpretations*

ED 89 was published for comment concurrently as ED 209 *IPSASB ED on Amendments to Consider IFRIC Interpretations* with a comment deadline of 7 June 2024.

Comment letters due

Comment on four IPSASB exposure drafts were due this quarter:

- ED 86 *Exploration for and Evaluation of Mineral Resources*
- ED 87 *Stripping Costs in the Production of a Surface Mine*
- ED 88 *Arrangements Conveying Rights Over Assets (Amendments to IPSAS 47 Revenue and IPSAS 48 Transfer Expenses)*
- ED 89

The Secretariat submitted comment letters on all four these Exposure Drafts by the due dates (see agenda item 10).

Expected comment letters for the next quarter

The IPSAS is scheduled to approve two exposure drafts at the June 2025 meeting, which will be published for comment thereafter:

- ED on *IPSAS 33, First-Time Adoption of Accrual Basis International Financial Reporting Standards (IPSAS)(2025)*
- ED on *Amendments to IPSAS as a Result of the Application of IPSAS 46, Measurement*

The Secretariat does not foresee a need to publish the ED on IPSAS 33 concurrently. Rather, a staff letter could be submitted to the IPSASB, if necessary. IPSAS 33 is not relevant to the local environment.

The Secretariat considered whether it would be appropriate to publish the ED on *Amendments to IPSAS as a Result of the Application of IPSAS 46* concurrently. The Secretariat started work on the project to develop a Standard of GRAP on *Measurement* and is consulting local stakeholders on their issues with measurement. The risk of a concurrent exposure draft in the midst of the local project is stakeholders may not understand the context of the consultation. However, the IPSASB ED may likely contain an alternative view from the South African member on the application of COV to IPSAS 31 *Intangible Assets*. Comment from local stakeholders on the ED would be important and may provide valuable information to the Secretariat for the local project. On balance, the Secretariat proposes to publish the ED concurrently.

Changes to the IPSASB's work programme

The following changes to the IPSASB's work programme should be noted from the March 2024 meeting:

- a) The expected approval of the Natural Resources ED was extended to September 2024.

ACTIONS REQUESTED #1

The Technical Committee is requested to:

- (a) **CONSIDER** the Secretariat's proposals regarding the timelines and deliverables of local projects (see 2.2) and, if appropriate, **RECOMMEND** the amendments to the Board;
- (b) **CONFIRM** the Secretariat's proposals related to upcoming IPSASB EDs and, if appropriate, **RECOMMEND** them to the Board; and
- (c) **NOTE** the other matters relating to the work programme and the IPSASB's projects.

3 COMPOSITION OF THE TECHNICAL COMMITTEE

The terms of reference of the Technical Committee states that the Committee has the right to co-opt additional members onto the Committee with the necessary skills as and when needed, and when resources are available.

The planned items on the Technical Committee's agenda for September 2024 are:

- Review of comments received on ED 208 *Proposed Amendments to Directive 5 Determining the GRAP Reporting Framework* and recommending the final Directive 5, including the 2025/26 reporting framework, to the Board for approval.
- Recommending the 2027 to 2029 work programme consultation to the Board for approval.

- Recommending the Review Report on the GRAP 109 post-implementation review to the Board for approval (see 2.2 above).

ACTIONS REQUESTED #2

The Technical Committee is requested to CONSIDER the composition of the Technical Committee for the September 2024 meeting.

4 PROJECTED PERFORMANCE FOR THE QUARTER ENDING 30 JUNE 2024

4.1 Performance for the quarter

The Secretariat compiled information on projected results for the quarter ending 30 June 2024 (at the time of preparing this memorandum). A high level dashboard is presented in Table 2 below. The comprehensive performance information for the year to date is available in Table 3.

The targets for the quarter are likely to be met. Tabling a Review Report on the outcomes of the GRAP 109 post-implementation review in September 2024, rather than July 2024, has no impact on the quarterly targets as both meetings were planned for Q2 (per the APP).

Two of the quarterly targets will be exceeded:

- The Secretariat wrote four articles on different topics for different publications in the quarter.
- The GRAP 104 Reference Group could not meet in March 2024 and met in April 2024 instead. This resulted in the 2023/24 target (according to the reference group work plan) not being met. The Reference Group again met in June 2024. The outputs from both meetings were achieved in this quarter.

The Secretariat published all the recordings for *Enhancing the Application of Standards of GRAP* on YouTube in June 2024. The slides for the recordings were made available on the ASB website. Two communiques planned for the quarter will be published on the ASB website by end of June 2024. The plan is included as attachment 6(d). The Secretariat's social media plan for July to September 2024 includes a series of posts to raise awareness about the content from this quarter. Other awareness raising initiatives of the Secretariat and others (such as the trilateral parties) will continue.

4.2 Performance for the year

The Secretariat is on track to achieve the annual targets.

ACTIONS REQUESTED #3

The Technical Committee is requested to NOTE the projected performance for the quarter and year:

- (a) Dashboard report in Table 2.**
- (b) Projected progress against achieving the targets for the year in Table 3.**

[Targets not met are highlighted in red.]

Table 2 – Projected dashboard report for quarter ending 30 June 2024

Outputs	Target	Variance
Maintain and enhance existing Standards of GRAP and develop new Standards where gaps are identified		
No. of approved draft or final pronouncements issued as identified in the work programme for the year	Not applicable	None
Undertake research to ensure Standards of GRAP respond to broader financial reporting needs		
No. of reviews issued for consultation, and/or completed and/or research reports published	Not applicable	None
Influence development of international standards		
No. of international board meetings attended (virtually or physically)	Achieved	None
Percentage of relevant IPSASB Exposure Drafts commented on within the comment period set by IPSASB	Achieved	None
Percentage of IASB Exposure Drafts that are relevant to the Public Sector commented on within the comment period set by IASB	Not applicable	None
Facilitate and encourage stakeholder engagement and support		
Percentage of FAQs issued to respond to issues raised by stakeholders within the approved timeframe from date of identification of the need to develop a FAQ	Not applicable	None
No. of Accounting Forum meetings	Achieved	None
No. of articles on different topics to continue awareness raising amongst stakeholders	Overachieved	Four articles were submitted in the quarter
No. of meeting highlights issued after Board meetings to create awareness of new developments	Achieved	None
Percentage of outputs met in the work plan for the reference group	Overachieved	The March 2024 Reference Group meeting could only be held in April 2024. The two presentations planned for the previous quarter (investments and revolving credit facilities issuer) were provided in April. The June 2024 meeting was held as planned with two presentations on revolving credit facilities (holder) and financial guarantee contracts.
Percentage of outputs met in communication plan for Enhancing the Application of the Standards of GRAP	Achieved	None

TABLE 3 – REPORT ON PROGRESS AGAINST ACHIEVEMENT OF TARGETS FOR THE YEAR ENDING 31 MARCH 2025

Strategic objective	Measurable indicator	Target	Quarterly performance targets							
			1 st		2 nd (meetings 1 and 2)		3 rd (meeting 3)		4 th (meeting 4)	
		Total	Target	Actual	Target	Actual	Target	Actual (Projected)	Target	Actual
Maintain and enhance existing Standards of GRAP and develop new Standards where gaps are identified	No. of approved draft or final pronouncements issued as identified in the work programme for the year	5	0	0	3		0		2	
				N/A						
Undertake research to ensure Standards of GRAP respond to broader financial reporting needs	No. of reviews issued for consultation, and/or completed and/or research reports published	4	0	0	2		1		1	
				N/A						
Influence development of international standards	No. of international board meetings attended (virtually or physically)	4	1	1	1		1		1	
				A van der Burgh and E van der Westhuizen attended June 2024 meeting						
	Percentage of relevant IPSASB Exposure Drafts commented on within the comment period set by IPSASB	100%	100%	100%	100%		100%		100%	
				Comment letters submitted on four EDs: ED 86 <i>Exploration for and Evaluation of Mineral Resources</i>						

TABLE 3 – REPORT ON PROGRESS AGAINST ACHIEVEMENT OF TARGETS FOR THE YEAR ENDING 31 MARCH 2025

Strategic objective	Measurable indicator	Target	Quarterly performance targets							
			1 st		2 nd (meetings 1 and 2)		3 rd (meeting 3)		4 th (meeting 4)	
		Total	Target	Actual	Target	Actual	Target	Actual (Projected)	Target	Actual
				ED 87 <i>Stripping Costs in the Production of a Surface Mine</i> ED 88 <i>Arrangements Conveying Rights Over Assets (Amendments to IPSAS 47 Revenue and IPSAS 48 Transfer Expenses)</i> ED 89 <i>Amendments to Consider IFRIC Interpretations</i>						
	Percentage of IASB Exposure Drafts that are relevant to the Public Sector commented on within the comment period set by the IASB	100%	100%	Not applicable	100%		100%		100%	
				No relevant Exposure Drafts						
Facilitate and encourage stakeholder engagement and support	Percentage of FAQs issued to respond to issues raised by stakeholders within the approved timeframe from date of identification of the need to develop a FAQ	100%	100%	Not applicable	100%		100%		100%	
				No FAQs identified for this quarter						
	No. of accounting forum meetings	8	2	2	2		2		2	

TABLE 3 – REPORT ON PROGRESS AGAINST ACHIEVEMENT OF TARGETS FOR THE YEAR ENDING 31 MARCH 2025

Strategic objective	Measurable indicator	Target	Quarterly performance targets							
			1 st		2 nd (meetings 1 and 2)		3 rd (meeting 3)		4 th (meeting 4)	
		Total	Target	Actual	Target	Actual	Target	Actual (Projected)	Target	Actual
				May and June meetings held.						
	No of articles on different topics to continue awareness raising amongst stakeholders	4	1	4	1		1		1	
				CIGFARO: The ASB is consulting on accounting for statutory receivables SAICA public sector: Do we need sustainability reporting in the South African public sector? SAICA financial reporting: Charting the course: A preview of key initiatives by the ASB in 2024/25 SAIGA: The GRAP reporting framework 2023/24 and beyond						
	No. of meeting highlights issued after Board meetings to create awareness of new developments	4	1	1	1		1		1	
				Issued in May 2024.						

TABLE 3 – REPORT ON PROGRESS AGAINST ACHIEVEMENT OF TARGETS FOR THE YEAR ENDING 31 MARCH 2025

Strategic objective	Measurable indicator	Target	Quarterly performance targets							
			1 st		2 nd (meetings 1 and 2)		3 rd (meeting 3)		4 th (meeting 4)	
		Total	Target	Actual	Target	Actual	Target	Actual (Projected)	Target	Actual
	Percentage of outputs met in the work plan for the Reference Group	100%	100%	200%	100%		100%		100%	
				Presentation on Investments Presentations on revolving credit facilities – perspectives of issuer and holder Presentation on financial guarantee contracts						
	Percentage of outputs met in communication plan for Enhancing the Application of the Standards of GRAP	100%	100%	100%	100%		100%		100%	
				Five recordings posted on YouTube Two communique to be published on ASB website						