ACCOUNTING STANDARDS BOARD

DIRECTIVE

DETERMINING THE GRAP REPORTING FRAMEWORK

(UPDATED SEPTEMBER 2025)

(DIRECTIVE 5)

Issued by the
Accounting Standards Board

March 2009

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DIRECTIVE ON *DETERMINING THE GRAP REPORTING FRAMEWORK*

This Directive was originally issued by the Accounting Standards Board (the Board) in March 2009. Since then, it has been amended by:

- Directive 7 *The Application of Deemed Cost on the Adoption of Standards of GRAP* which was issued by the Board in December 2009. Directive 7 has been added to the appendix outlining the GRAP Reporting Framework for periods commencing on or after 1 April 2009.
- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2010, approved by the Board on 23 February 2010, has been added.
- Paragraph .06 has been added to the main body of the Directive explaining the approval process for the application of the GRAP Reporting Framework by Parliament. Appendix D has been added, which prescribes the standards and pronouncements applicable to Parliament for financial periods commencing on or after 1 April 2010. With the addition of Appendix D, the application of the Appendices A to C has been clarified by indicating the types of entities that are required to apply them.
- Paragraph .06 and Appendix D were amended to include provincial legislatures.
- Paragraph .01 of Appendix A was amended in April 2011 to reflect the Notices issued by the Minister of Finance in the Government Gazette indicating approval of the adoption of Standards of GRAP by Parliament and the provincial legislatures.
- Appendices prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2011, approved by the Board on 25 February 2011, have been added.
- Appendices prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2012, approved by the Board on 27 March 2012, have been added. In addition, Appendices A to D have been deleted as these relate to earlier reporting periods.
- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2013, approved by the Board on 21 February 2013, has been added. In addition, Appendices E and F have been deleted as these relate to earlier reporting periods. An additional appendix has been added and outlines “Statements of GAAP” for application by Government Business Enterprises. References to the Accounting Practices Board have been deleted from the main text and have been replaced with references to the Financial Reporting Standards Council (FRSC). These amendments arise from the promulgation of the new Companies Act in 2009 which establishes the FRSC.
- Paragraphs .06 and .29 and relevant appendices were amended because of Directive 10 *The Application of Standards of GRAP by Technical and Vocational Education and Training Colleges.*

- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2014, approved by the Board on 28 March 2014, has been added. In addition, Appendix G has been deleted as this relates to earlier reporting periods. The remaining Appendices have been renumbered.
- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2015, approved by the Board on 27 March 2015, has been added. Appendix A has been deleted as this relates to earlier reporting periods, and the remaining Appendices have been renumbered.
- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2016, approved by the Board on 3 December 2015, has been added, and the remaining appendix on "GAAP Reporting Framework" has been renumbered. Appendix A outlining the reporting framework for 2014/15 has not been deleted. This is because the reporting period for public TVET colleges is 1 January to 31 December, and they require this appendix in preparing their financial statements for the period 1 January 2015 to 31 December 2015.
- Consequential amendments resulting from the issue of Directive 12 *The Selection of an Appropriate Reporting Framework by Public Entities.*
- An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2017, approved by the Board on 29 September 2016, has been added. Appendix A outlining the reporting framework for 2014/15 has been deleted. The new and remaining appendices have been renumbered accordingly.
- Following the September 2017 Board meeting:
    - The text was modified following the approval of the IPSASB's policy on *Convergence with International Standards.*
    - An appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2018 was added.
    - Appendix A outlining the reporting framework for 2015/16 was deleted, and the new and remaining appendices have been renumbered accordingly.
    - Appendix D outlining Statements of GAAP has been deleted.
- Following the September 2018 Board meeting an appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2019 was added. Appendix A outlining the reporting framework for 2016/17 was deleted, and the remaining appendices have been renumbered accordingly.
- Following the December 2019 Board meeting an appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2020 was added. Appendix A outlining the reporting period for 2017/18 was deleted and the remaining appendices have been renumbered accordingly.

- Following the September 2020 Board meeting an appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2021 was added. Appendix A outlining the reporting period for 2018/19 was deleted and the remaining appendices have been renumbered accordingly.
- Following the September 2021 Board meeting an appendix prescribing the GRAP Reporting Framework for financial periods commencing on or after 1 April 2022 was added. Appendix A outlining the reporting period for 2019/20 was deleted and the remaining appendices have been renumbered accordingly.
- The Board approved the GRAP Reporting Framework for financial periods commencing on or after 1 April 2023 at their September 2022 meeting. The Appendix for 2020/21 was deleted.
- The Board approved the GRAP Reporting Framework for financial periods commencing on or after 1 April 2024 at their September 2023 meeting. The Appendix for 2021/22 was deleted.
- The Board approved the GRAP Reporting Framework for financial periods commencing on or after 1 April 2025 at their September 2024 meeting. The Appendix for 2022/23 was deleted.
- In September 2024, paragraphs .03A, .11A, .12A and Application Guidance AG1. were added and paragraphs .09 to .11 and .12 were amended to explain how new Standards of GRAP and amendments to existing Standards may be used to develop accounting policies, if applicable, and how they may be adopted. Paragraphs .05A, and 19A were added, paragraphs .16 to .19 deleted and paragraph .08 amended to explain the impact of standards and pronouncements issued by other standard setters on the GRAP Reporting Framework.
- The Board approved the GRAP Reporting Framework for financial periods commencing on or after 1 April 2026 at their September 2025 meeting. The Appendix and related basis for conclusions for 2023/24 were deleted.

Introduction

This pronouncement is set out in paragraphs .01 to .22. All paragraphs in this pronouncement have equal authority. The status and authority of appendices are dealt with in the preamble to each appendix. This pronouncement should be read in the context of its objective, its basis for conclusions and/or the basis for conclusions of its international equivalent, if applicable, the *Preface to the Standards of GRAP* and the *Framework for the Preparation and Presentation of Financial Statements*[1].

Standards of GRAP and Interpretations of the Standards of GRAP should also be read in conjunction with any directives issued by the Board prescribing transitional provisions, as well as any regulations issued by the Minister of Finance regarding the effective dates of the Standards, published in the Government Gazette.

Directives should be read in conjunction with the applicable Standards of GRAP and Interpretations of the Standards of GRAP.

[1] In June 2017, the Board replaced the *Framework for the Preparation and Presentation of Financial Statements* with the *Conceptual Framework for General Purpose Financial Reporting*.

Objective

.01 The reporting framework comprises the Standards of GRAP, Interpretations of the Standards of GRAP, guidelines and directives issued by the Board and standards and pronouncements of other standard setters that should be applied when entities prepare and present their financial statements in accordance with Standards of GRAP, referred to as the GRAP Reporting Framework elsewhere in this Directive.

.02 The objective of this Directive is to set out the principles in determining the GRAP Reporting Framework. The aim is to ensure consistent application of the GRAP Reporting Framework by entities that apply Standards of GRAP.

Scope

.03 This Directive applies to all entities that apply Standards of GRAP.

Definitions

.03A The following terms are used in this Directive with the meanings specified:

For the purpose of this Directive, a new Standard of GRAP[2] is a Standard that provides new requirements for a transaction or event for which there was previously no requirements.

For the purpose of this Directive, an amendment to a Standard of GRAP[2] amends existing requirements for a transaction or event.

Effective date

.04 The Minister of Finance determines the effective dates for Standards of GRAP. This Directive shall be applied for financial periods commencing on or after 1 April 2008 taking into account the applicable effective dates of the Standards published in the relevant Government Gazette.

GRAP Reporting Framework

.05 The appendices list the standards and pronouncements that form the GRAP Reporting Framework. The appendices will be updated on an annual basis to recognise new Standards of GRAP that have become effective, and standards and pronouncements issued by other standard setters.

.05A Entities applying Standards of GRAP shall not apply any standards and pronouncements issued by other standard setters that are not included in the appendices to develop accounting policies in accordance with the Standard of GRAP on *Accounting Policies, Changes in Accounting Estimates and Errors* (GRAP 3).

.06 The appendices prescribing the GRAP Reporting Framework for:

[2] Including consequential amendments to other Standards of GRAP.

- public entities, including those entities that do not meet the criteria to apply IFRS® Accounting Standards as outlined in the Directive on *The Selection of an Appropriate Reporting Framework by Public Entities* (Directive 12)*;*
- constitutional institutions;
- municipalities, municipal entities; and
- trading entities as outlined in the Directive on *The Application of Standards of GRAP by Trading Entities;*

are amended or issued after following the Board's normal due process.

The Reporting Frameworks for Parliament, the Legislatures, public Technical and Vocational Education and Training (TVET) colleges as outlined in the Directive on *Application of Standards of GRAP by Public Technical and Vocational Education and Training Colleges*, and public Community Education and Training (CET) colleges as outlined in the Directive on *Transitional Provisions for the adoption of Standards of GRAP by Community Education and Training Colleges* are amended after following the Board's normal due process and, after obtaining the necessary approval from:

(a) the Secretary to Parliament and, if relevant, the Speaker of each Legislature in the case of Parliament and the Legislature; or

(b) the Minister of Higher Education and Training in the case of the public TVET and CET colleges.

Hierarchy

.07 The GRAP Reporting Framework is based on the hierarchy outlined in paragraph .11 of GRAP 3*.*

.08 Paragraph .11 of GRAP 3 states that, in the absence of a Standard of GRAP dealing with a particular transaction or event, the accrual based pronouncements of the following standard setters should be used, to the extent permitted by this Directive, in descending order, to develop an appropriate accounting policy. Note, however, that this should only be done to the extent that the requirements are not in conflict with the Standards of GRAP or the *Framework for the Preparation and Presentation of Financial Statements*[3]:

(a) International Public Sector Accounting Standards Board (IPSASB), including the *Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities*.

(b) International Accounting Standards Board (IASB), including the *Conceptual Framework for Financial Reporting*.

(c) Financial Reporting Standards Council (FRSC).

[3] In June 2017, the Board replaced the *Framework for the Preparation and Presentation of Financial Statements* with the *Conceptual Framework for General Purpose Financial Reporting.*

Pronouncements by the Board

Standards of GRAP and Interpretations of the Standards of GRAP

Adoption of Standards of GRAP and Interpretations of the Standards of GRAP

.09 New and amended Standards of GRAP for which the Minister of Finance has determined an effective date form part of the GRAP Reporting Framework.

.10 New and amended Interpretations of the Standards of GRAP form part of the GRAP Reporting Framework based on the effective date specified in the Interpretation. An Interpretation of the Standards of GRAP is only applied if the applicable Standard of GRAP to which it relates has been adopted.

.11 When an effective date has been determined, entities are permitted to adopt the Standards of GRAP and/or any related Interpretations of the Standards of GRAP earlier than the date specified. In the instance of new and amended Standards of GRAP, the entire Standard should be adopted early, as piecemeal adoption is not permitted.

Developing accounting policies

.11A Entities are permitted to develop accounting policies when there is no Standard of GRAP that specifically applies to a transaction or event (see paragraph .08).

.12 New Standards of GRAP that have been issued by the Board, but for which an effective date has not yet been determined by the Minister of Finance, may be applied in developing an appropriate accounting policy dealing with a particular transaction or event before applying paragraph .11 of GRAP 3. New Interpretations of the Standards of GRAP related to Standards that are not yet effective may also be applied in developing accounting policies.

.12A Amendments to Standards of GRAP shall not be used to develop accounting policies. Entities are only permitted to adopt the amendments once an effective date has been determined by the Minister of Finance (see paragraphs .09 and .11).

.13 Where a Standard of GRAP that forms part of the GRAP Reporting Framework is based on a standard or pronouncement of another standard setter and that standard setter subsequently amends its standards or pronouncements, such amendments shall not form part of the GRAP Reporting Framework.

Directives

.14 Directives form part of the GRAP Reporting Framework.

Guidelines

.15 Guidelines may form part of the GRAP Reporting Framework.

Application of other pronouncements

Pronouncements of the IPSASB and IASB

.16 [Deleted].

.17 [Deleted].

.18 [Deleted].

.19 [Deleted].

.19A The Board reviews the status of international pronouncements issued by the IPSASB and IASB annually. International pronouncements that form part of the GRAP Reporting Framework, as determined by the Board, are included in the appendices.

.20 Where a Standard of GRAP that has been issued by the Board, but for which an effective date has not yet been determined by the Minister of Finance, is based on an IPSAS or IFRS Accounting Standard, that IPSAS or IFRS Accounting Standard does not form part of the GRAP Reporting Framework.

.21 Where an IPSAS that forms part of the GRAP Reporting Framework is based on a standard or pronouncement of another standard setter and that standard setter subsequently amends its standards or pronouncements, such amendments shall not form part of the GRAP Reporting Framework.

Application of IFRS Accounting Standards

.22 The Board has approved the application of IFRS Accounting Standards issued by the IASB for:

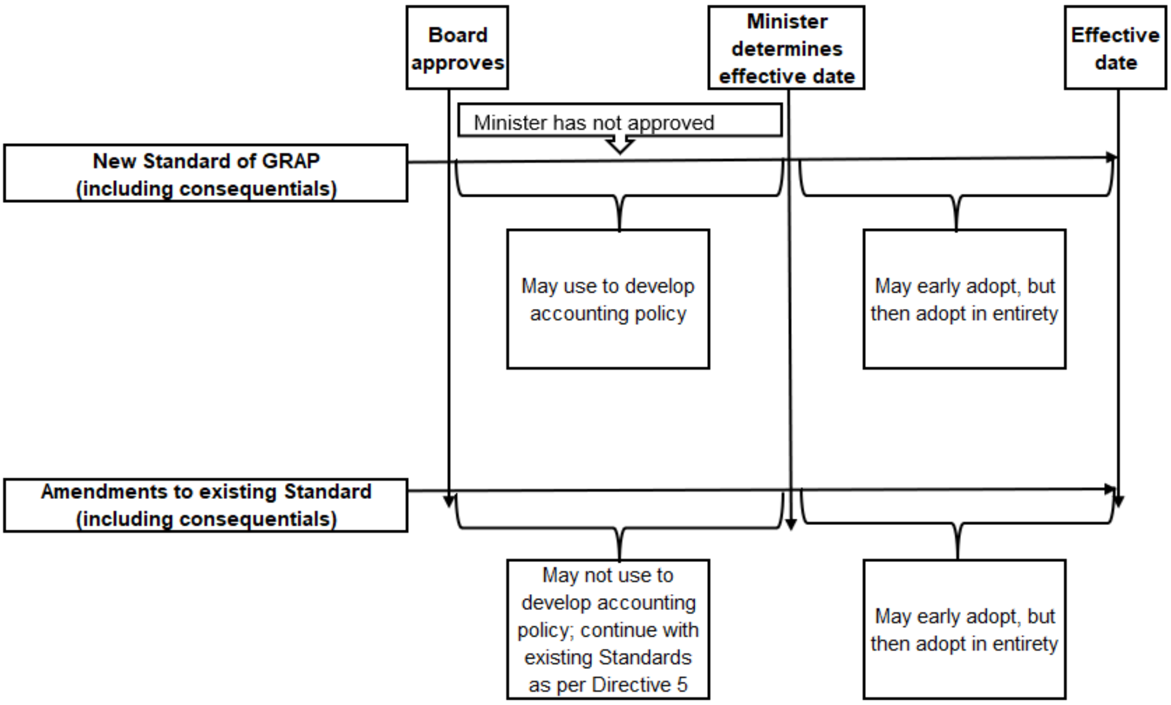
(a) public entities that meet the criteria outlined in Directive 12; and

(b) entities under the ownership control of any of these entities.

Appendix - Application Guidance

This appendix is an integral part of this Directive.

AG1. The diagram below illustrates how new Standards of GRAP and amendments to existing Standards may be used to develop accounting policies, if applicable, and how they may be adopted. The diagram does not illustrate Interpretations. New and amended Interpretations of the Standards of GRAP are effective on the date specified in the Interpretation. An Interpretation of the Standards of GRAP is only applied if the applicable Standard of GRAP to which it relates has been adopted.



APPENDIX: 1 APRIL 2024

This appendix outlines the GRAP Reporting Framework and related basis for conclusions for financial periods commencing on or after 1 April 2024.

Reporting framework

This Appendix outlines the amendments to the reporting framework as previously published. Additions to the reporting framework are underlined, while deletions are struck-through. The complete GRAP Reporting Framework can be accessed on the website.

PUBLIC ENTITIES, CONSTITUTIONAL INSTITUTIONS, PARLIAMENT AND THE PROVINCIAL LEGISLATURES, MUNICIPALITIES AND MUNICIPAL ENTITIES, TRADING ENTITIES, PUBLIC TVET COLLEGES AND PUBLIC CET COLLEGES

This appendix forms part of this Directive.

This appendix lists the standards and pronouncements that are the GRAP Reporting Framework for public entities, constitutional institutions, Parliament and the Provincial Legislatures, Municipalities and Municipal Entities, Trading Entities, Public TVET Colleges and Public CET Colleges effective for financial periods commencing on or after 1 April 2024 and should be applied as set out in paragraphs .05 and .06 of this Directive.

1. Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. The Financial Management of Parliament Amendment Act, Act No. 34 of 2014, requires Parliament and the Provincial Legislatures to prepare their financial statements in accordance with the Standards of GRAP. Any notice published by the Minister of Finance outlining the effective dates of the Standards of GRAP should be read in conjunction with the Financial Management of Parliament Amendment Act. The Minister has determined the effective date for the Standards of GRAP outlined below (paragraph .09 of this Directive).

   No change.

2. Directives issued and effective that entities are required to apply (paragraph .14 of this Directive):

   No change.

3. Interpretations of the Standards of GRAP approved that entities are required to apply (paragraph .10 of this Directive):

   No change.

4. Approved guidelines of Standards of GRAP that entities are required to apply (paragraph .15 of this Directive):

   No change.

5. Effective IFRS Accounting Standards and IFRIC Interpretations[4] that entities may apply to the extent that they are applicable (paragraphs .12 to .21 of this Directive):

   No change.

6. Standards of GRAP approved which are not yet effective, or for which the Minister of Finance has not yet determined an effective date, that entities may consider in formulating an accounting policy (paragraphs .11 and .12 of this Directive): [5]

   No change.

7. Interpretations of the Standards of GRAP which are not yet effective but where early adoption is encouraged:

Reference	**Topic**
IGRAP 22	Foreign Currency Transactions and Advance Consideration

8. Guidelines which are not authoritative where entities are encouraged to apply the Guideline when preparing their financial statements:

   No change.

[4] IFRS Accounting Standards and IFRIC Interpretations can be downloaded from http://www.ifrs.org.

[5] GRAP 104 on *Financial Instruments* (Revised 2019) is effective for financial years commencing on or after 1 April 2025. Entities may early adopt the Standard before the effective date. In this instance, the entire Standard needs to be adopted early. Piecemeal adoption is not permitted.

APPENDIX: 1 APRIL 2025

This appendix outlines the GRAP Reporting Framework and related basis for conclusions for financial periods commencing on or after 1 April 2025.

Reporting framework

This Appendix outlines the amendments to the reporting framework as previously published. Additions to the reporting framework are underlined, while deletions are struck-through. The complete GRAP Reporting Framework can be accessed on the website.

PUBLIC ENTITIES, CONSTITUTIONAL INSTITUTIONS, PARLIAMENT AND THE PROVINCIAL LEGISLATURES, MUNICIPALITIES AND MUNICIPAL ENTITIES, TRADING ENTITIES, PUBLIC TVET COLLEGES AND PUBLIC CET COLLEGES

This appendix forms part of this Directive.

This appendix lists the standards and pronouncements that are the GRAP Reporting Framework for public entities, constitutional institutions, Parliament and the Provincial Legislatures, Municipalities and Municipal Entities, Trading Entities, Public TVET Colleges and Public CET Colleges effective for financial periods commencing on or after 1 April 2025 and should be applied as set out in paragraphs .05 and .06 of this Directive.

1. Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. The Financial Management of Parliament Amendment Act, Act No. 34 of 2014, requires Parliament and the Provincial Legislatures to prepare their financial statements in accordance with the Standards of GRAP. Any notice published by the Minister of Finance outlining the effective dates of the Standards of GRAP should be read in conjunction with the Financial Management of Parliament Amendment Act. The Minister has determined the effective date for the Standards of GRAP outlined below (paragraph .09 of this Directive).

Reference	Topic
<u>GRAP 104</u>	<u>Financial Instruments (replacement of 2009 version)</u>

2. Directives issued and effective that entities are required to apply (paragraph .14 of this Directive):

   No change.

3. Interpretations of the Standards of GRAP approved that entities are required to apply (paragraph .10 of this Directive):

Reference	Topic
IGRAP 22	Foreign Currency Transactions and Advance Consideration

4. Approved guidelines of Standards of GRAP that entities are required to apply (paragraph .15 of this Directive):

   No change.

5. Effective IFRS Accounting Standards and IFRIC Interpretations[6] that entities may apply to the extent that they are applicable (paragraphs .11A to .21 of this Directive):

Reference	Topic
IFRS 17	Insurance Contracts
~~IFRIC 22~~	~~Foreign Currency Transactions and Advance Consideration~~

6. Standards of GRAP approved which are not yet effective:

   (a) New Standards of GRAP (paragraph .12 of this Directive):

   No change.

   (b) Amendments to Standards of GRAP (paragraph .12A of this Directive):

Reference	Topic
~~GRAP 104~~	~~Financial Instruments~~

7. Interpretations of the Standards of GRAP which are not yet effective but where early adoption is encouraged (paragraphs .10 and .11):

Reference	Topic
~~IGRAP 22~~	~~Foreign Currency Transactions and Advance Consideration~~

8. Guidelines which are not authoritative where entities are encouraged to apply the Guideline when preparing their financial statements:

   No change.

[6] IFRS Accounting Standards and IFRIC Interpretations can be downloaded from http://www.ifrs.org.

APPENDIX: 1 APRIL 2026

This appendix outlines the GRAP Reporting Framework and related basis for conclusions for financial periods commencing on or after 1 April 2026.

Reporting framework

This Appendix outlines the amendments to the reporting framework as previously published. Additions to the reporting framework are <u>underlined</u>, while deletions are struck-through. The complete GRAP Reporting Framework can be accessed on the website.

PUBLIC ENTITIES, CONSTITUTIONAL INSTITUTIONS, PARLIAMENT AND THE PROVINCIAL LEGISLATURES, MUNICIPALITIES AND MUNICIPAL ENTITIES, TRADING ENTITIES, PUBLIC TVET COLLEGES AND PUBLIC CET COLLEGES

This appendix forms part of this Directive.

This appendix lists the standards and pronouncements that are the GRAP Reporting Framework for public entities, constitutional institutions, Parliament and the Provincial Legislatures, Municipalities and Municipal Entities, Trading Entities, Public TVET Colleges and Public CET Colleges effective for financial periods commencing on or after 1 April 2026 and should be applied as set out in paragraphs .05 and .06 of this Directive.

1. Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. The Financial Management of Parliament Amendment Act, Act No. 34 of 2014, requires Parliament and the Provincial Legislatures to prepare their financial statements in accordance with the Standards of GRAP. Any notice published by the Minister of Finance outlining the effective dates of the Standards of GRAP should be read in conjunction with the Financial Management of Parliament Amendment Act. The Minister has determined the effective date for the Standards of GRAP outlined below (paragraph .09 of this Directive).

   No change.

2. Directives issued and effective that entities are required to apply (paragraph .14 of this Directive):

   No change.

3. Interpretations of the Standards of GRAP approved that entities are required to apply (paragraph .10 of this Directive):

   No change.

4. Approved guidelines of Standards of GRAP that entities are required to apply (paragraph .15 of this Directive):

   No change.

5. Effective IFRS Accounting Standards and IFRIC Interpretations[7] that entities may apply to the extent that they are applicable (paragraphs .11A and .19A to .21 of this Directive):

No change.

6. Standards of GRAP approved which are not yet effective:

(a) New Standards of GRAP (paragraph .12 of this Directive):

No change.

(b) Amendments to Standards of GRAP (paragraph .12A of this Directive):

No change.

7. Interpretations of the Standards of GRAP which are not yet effective but where early adoption is encouraged (paragraphs .10 and .11 of this Directive):

No change.

8. Guidelines which are not authoritative where entities are encouraged to apply the Guideline when preparing their financial statements (paragraph .15 of this Directive):

No change.

[7] IFRS Accounting Standards and IFRIC Interpretations can be downloaded from http://www.ifrs.org.

Basis for conclusions

This basis for conclusions gives the Accounting Standards Board's (the Board's) reasons for accepting or rejecting certain proposals related to the specific pronouncements included in, or excluded from, the GRAP Reporting Framework. This basis for conclusions accompanies, but is not part of, this Directive.

Reporting Framework 2023/24

BC1. [Deleted.]~~The effective dates for new or amended pronouncements issued by the ASB are either approved by the Minister of Finance (new Standards of GRAP and their amendments) or the Board. As a result, changes to the Reporting Framework are based on the effective dates approved by the Minister or the Board. For financial periods commencing on or after 1 April 2023, the following pronouncements will be effective:~~

- ~~Revised GRAP 25 on *Employee Benefits* and related IGRAP 7 on *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.*~~
- ~~Amendments to GRAP 1 on *Presentation of Financial Statements* as a result of changes agreed as part of developing the Guideline on *The Application of Materiality to Financial Statements*.~~
- ~~*Improvements to the Standards of GRAP, 2020*.~~
- ~~Guideline on *Accounting for Landfill Sites*.~~

BC2. [Deleted.]~~The revised Standard of GRAP on *Financial Instruments* (2019) is excluded from the Reporting Framework as it is only effective from 1 April 2025. Entities are permitted to early adopt the Standard. The Standard must, however, be adopted in its entirety. The amendments to the Standard of GRAP on *Heritage Assets* are also excluded as no effective date has been determined by the Minister.~~

BC3. [Deleted.]~~The Board reviewed the status of international pronouncements issued by the IPSASB and IASB and assessed whether changes should be made to the Reporting Framework. The Board agreed that the following pronouncements issued by the IPSASB and IASB should continue to be excluded from the GRAP Reporting Framework and not applied by entities:~~

- ~~IPSAS 39 on *Employee Benefits* – The revised GRAP 25 on *Employee Benefits* will be applied for the first time from 1 April 2023.~~
- ~~IPSAS 40 on *Public Sector Combinations* – A project to compare the requirements of IPSAS 40 and the equivalent Standards of GRAP is in progress. Changes will be proposed to the existing Standards of GRAP rather than adopting IPSAS 40.~~
- ~~IPSAS 41 on *Financial Instruments* – GRAP 104 revised in 2019 will be effective for entities from 1 April 2025.~~

- ~~IPSAS 42 on *Social Benefits* – The Board is developing an equivalent Standard of GRAP. Board decisions to date indicate that significant departure from IPSAS 42 is likely as its principles do not result in relevant information for users locally about social benefit schemes in South Africa.~~
- ~~IFRS 13 on *Fair Value Measurement* – The definition of fair value in Standards of GRAP has not been revised to align with IFRS Standards. The IPSASB is developing an IPSAS on *Measurement* which will be considered locally once issued.~~
- ~~IFRS 14 on *Regulatory Deferral Accounts* – This IFRS Standard is only applied on the first-time adoption of IFRS as a reporting framework.~~
- ~~IFRS 15 on *Revenue from Contracts with Customers* – The IPSASB is developing an equivalent IPSAS(s) which will be considered by the Board once issued.~~
- ~~IFRS 16 on *Leases* – The IPSASB issued IPSAS 43 on *Leases* which is based on IFRS 16. The IPSASB is in the process of assessing what guidance is needed for public sector specific lease transactions. Once this is completed, the Board will consider the impact of this Standard(s) locally.~~
- ~~IFRS 17 on *Insurance Contracts* – The Board is assessing the extent to which entities should consider IFRS 17 for insurance, or insurance-like activities. IFRS 17 is only effective in the private sector in 2023.~~

Reporting Framework 2024/25

BC4. There are no new or amended pronouncements that are effective for financial periods commencing on or after 1 April 2024.

BC5. The following amendments to the Standards of GRAP are excluded from this reporting framework. The Minister of Finance is yet to determine the effective dates for these amendments.

- Amendments to the Standard of GRAP on *Presentation of Financial Statements* (going concern), which were approved by the Board in December 2022.
- Amendments to the Standard of GRAP on *Heritage Assets*, which were approved by the Board in June 2022.
- Improvements to the Standards of GRAP 2023, which were approved by the Board in September 2023.

BC6. The Board reviewed the status of international pronouncements issued by the IPSASB and IASB and assessed whether changes should be made to the Reporting Framework. The Board agreed that the following pronouncements issued by the IPSASB and IASB should be excluded from the GRAP Reporting Framework and not applied by entities:

- IPSAS 43 on *Leases* – The Board will consider IPSAS 43 in a future work programme.

- IPSAS 44 on *Non-current Assets Held for Sale and Discontinued Operations* – Entities should apply GRAP 100 on *Discontinued Operations* as part of the GRAP Reporting Framework.
- IPSAS 45 on *Property, Plant and Equipment* – The Board will consider the revisions to IPSAS 17 on *Property, Plant and Equipment,* published as IPSAS 45, in a future work programme.
- IPSAS 46 on *Measurement* and Conceptual Framework Update: Chapter 7, *Measurement of Assets and Liabilities in Financial Statements* – The impact of these changes on the GRAP Reporting Framework will be considered in the 2024 to 2026 work programme.
- IPSAS 47 on *Revenue* – The impact of the Standard may be reviewed in the 2024 to 2026 work programme. A project to revise the Standards of GRAP on revenue will be considered in the next work programme.
- IPSAS 48 on *Transfer Expenses* –The impact of the Standard on the GRAP Reporting Framework will be considered in the 2024 to 2026 work programme.
- IPSAS 49 on *Retirement Benefit Plans* – The Board did not find IPSAS 49 relevant to the South African environment.
- IFRS 17 on *Insurance Contracts* - effective in the private sector from 1 January 2023. The Board is assessing the extent to which entities should consider IFRS 17 for insurance, or insurance-like activities as part of the GRAP Reporting Framework. Entities should not change their accounting policies for insurance or insurance-like activities.

Amendments to Directive 5

BC7. In 2024, the Board amended Directive 5 in response to stakeholders' need for clarity on the potential implications of pronouncements that are not yet effective, as well as those of other standard-setters on the GRAP Reporting Framework. The Board concluded that it was necessary to distinguish between new and amended Standards of GRAP that are not yet effective, as their impact on the GRAP Reporting Framework differs.

The key amendments to Directive 5 were to clarify that:

- A new Standard of GRAP introduces new requirements for a transaction or event for which there was previously no requirements, while an amendment to a Standard of GRAP amends existing requirements for a transaction or event. Amendments may include major revisions, or minor or narrow scope amendments to requirements.
- Amendments to Standards of GRAP which the Board has approved but for which the Minister of Finance has not yet determined an effective date shall not be used to develop accounting policies. Entities should continue to apply existing

Standards of GRAP as per Directive 5. Entities are only permitted to adopt the amendments to Standards of GRAP once an effective date has been determined by the Minister.

- Entities shall not apply any standards and pronouncements issued by other standard setters that are not included in the appendices.

BC8. During public consultation, stakeholders noted difficulty in distinguishing between amendments to Standards of GRAP and new Standards of GRAP. They also raised concerns with major revisions not being considered as new Standards, according to the definitions in paragraph .03A. This means entities may not early adopt major amendments until the Minister of Finance determines an effective date and may not use them to develop accounting policies. Stakeholders also suggested that new Standards should be clearly marked as such in this Directive.

BC9. The Board considered these concerns and concluded:

- As explained in paragraph BC7., the Board considers all minor or significant changes to Standards as Amendments to Standards of GRAP as they are amendments to existing requirements for transactions or events. Effective from 2025/26, the Annexures to the Directive will indicate whether an approved Standard of GRAP is considered new or an amendment to an existing Standard.

- The Standards of GRAP are secondary legislation, and the Minister of Finance is responsible for approving the implementation of this legislation. The Minister of Finance is the authorised body for approving both the Standards of GRAP and any amendments to the Standards. Consequently, entities should not use requirements that have not yet been approved by the Minister of Finance to amend existing accounting policies that are based on Standards of GRAP approved by the Minister of Finance.

BC10. Stakeholders questioned the inclusion of paragraph .05A, noting that it limits management's discretion in developing accounting policies, as allowed by GRAP 3 paragraph .08. The Board concluded that, while management is permitted to develop accounting policies in the absence of a Standard of GRAP dealing with a particular transaction or event, this is provided that those policies do not conflict with the Conceptual Framework or Standards of GRAP. The Board reviews the status of international pronouncements issued by the IPSASB and IASB annually to determine the pronouncements that form part of the GRAP Reporting Framework. The Board considers relevant pronouncements suitable for the local environment that meet the requirements of GRAP 3 when developing the GRAP Reporting Framework. The Board therefore retained paragraph .05A.

BC11. Stakeholders questioned whether transitional provisions should be applied when developing accounting policies based on a new Standard that has been approved by the Board but the Minister of Finance has not yet determined an effective date. The

Board concluded that transitional provisions apply to the initial adoption of a Standard of GRAP, rather than to the development of accounting policies using a new Standard. GRAP 3 applies to the development of accounting policies using a new Standards of GRAP.

Reporting Framework 2025/26

BC12. The following pronouncements are effective for financial periods commencing on or after 1 April 2025:

- GRAP 104 on *Financial Instruments* (2019)
- IGRAP 22 on *Foreign Currency Transactions and Advance Consideration*

BC13. The following pronouncements are excluded from this reporting framework. The Minister of Finance is yet to determine the effective dates for these pronouncements:

- Amendments to GRAP 103 on *Heritage Assets,* which were approved by the Board in June 2022.
- Amendments to the Standard of GRAP on *Presentation of Financial Statements* (going concern), which were approved by the Board in December 2022.
- Improvements to the Standards of GRAP, 2023, which were approved by the Board in September 2023.
- Amendments to GRAP 105, GRAP 106 and GRAP 107 on transfers of functions and mergers, which were approved by the Board in December 2023.

BC14. The Board reviewed the status of international pronouncements issued by the IPSASB and IASB. In assessing whether changes should be made to the Reporting Framework, the Board concluded that no new pronouncements impacting the GRAP Reporting Framework have been issued since the approval of the previous Reporting Framework in September 2023.

BC15. The Board included IFRS 17 as part of the GRAP Reporting Framework from 1 April 2025, based on the readiness of entities with pure insurance activities to develop accounting policies in accordance with IFRS 17. The Board retained IFRS 4 in the GRAP Reporting Framework. This enables entities that have used IFRS 4 in the past for “insurance-like activities” to maintain existing accounting policies. The Board will reconsider the need to include IFRS 4 after finalising the Standard of GRAP on Social Benefits.

BC16. The Board excluded IFRS 18 on Presentation and Disclosure in Financial Statements from the GRAP Reporting Framework. The IPSASB is progressing a project on Presentation of Financial Statements. A project to revise the Standards of GRAP will be considered after the completion of the IPSASB project.

BC17. The Board excluded IFRS 19 on Subsidiaries without Public Accountability: Disclosures from the GRAP Reporting Framework. The Standard may have limited application locally. Previous research by the Board concluded that most entities in the public sector are publicly accountable.

Reporting Framework 2026/27

BC18. There are no new or amended pronouncements that are effective for financial periods commencing on or after 1 April 2026.

BC19. The following pronouncements are excluded from this reporting framework. The Minister of Finance is yet to determine the effective dates for these pronouncements:

- Amendments to GRAP 103 on *Heritage Assets,* which were approved by the Board in June 2022.
- Amendments to the Standard of GRAP on *Presentation of Financial Statements* (going concern), which were approved by the Board in December 2022.
- *Improvements to the Standards of GRAP, 2023*, which were approved by the Board in September 2023.
- Amendments to GRAP 105, GRAP 106 and GRAP 107 on transfers of functions and mergers, which were approved by the Board in December 2023.

BC20. The Board reviewed the status of international pronouncements issued by the IPSASB and IASB since the approval of the 2025/26 reporting framework to assess whether any changes should be made to the reporting framework. The Board agreed that no changes are needed, and that the following pronouncement should be excluded from the GRAP reporting framework:

- IPSAS 50 on *Exploration for and Evaluation of Mineral Resources* – The Standard is effective for financial periods beginning on or after 1 January 2027. For the 2026/27 reporting period, entities may continue to develop policies based on IFRS 6 on *Exploration for and Evaluation of Mineral Resources*. IPSAS 50 will replace IFRS 6 in the 2027/28 reporting framework.