



# **ACCOUNTING STANDARDS BOARD**

## **STANDARDS OF GENERALLY RECOGNISED ACCOUNTING PRACTICE**

### **GLOSSARY OF DEFINED TERMS**



## **Accounting Standards Board**

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# GLOSSARY OF DEFINED TERMS

## Introduction

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*<sup>1</sup>.

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.

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<sup>1</sup> 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*.



## **Glossary of Defined Terms**

The Glossary of Defined Terms (the Glossary) contains terms defined in the Standards of GRAP, the Interpretations of Standards of GRAP and the Directives issued by the Board as at 1 April 2024.

Where multiple definitions of the same term exist, the Glossary indicates all the Standards of GRAP, the Interpretations of the Standards of GRAP and the Directives in which the term appears and the definition that applies to that particular Standard of GRAP, Interpretation of the Standards of GRAP or Directive.

References to the Standards of GRAP are by Standard number and paragraph number. Similarly, the reference to the Interpretations of the Standards of GRAP and Directives are by Interpretation or Directive number. For example, “1.05” refers users to the Standard of GRAP on *Presentation of Financial Statements* (GRAP 1), paragraph .05.

<b>a</b>		
<b>accounting basis</b>	The accrual or cash basis of accounting.	24.06
<b>accounting policies</b>	The specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.	1.05 3.04
<b>accrual basis</b>	A basis of accounting under which transactions, other events and conditions are recognised when they occur (and not only when cash or its equivalent is received or paid). Therefore, the transactions, other events or conditions are recorded in the accounting records and recognised in the financial statements of the periods to which they relate. The elements recognised under accrual accounting are assets, liabilities, net assets, revenue and expenses.	1.05 3.04
<b>acquiree</b>	The entity and/or the functions that the acquirer obtains control of in a transfer of functions.	106.10
<b>acquirer</b>	The entity that obtains control of the acquiree or transferor.	105.09 106.10
<b>acquisition cost</b>	When an entity initially recognises assets such as items of property, plant and equipment, investment properties, intangible assets and heritage assets using the Standards of GRAP, it measures those assets using either cost (if the asset is acquired in an exchange transaction) or at fair value (if the asset is acquired in a non-exchange transaction). This cost or fair value on initial acquisition of an asset or when the cost of an asset needs to be determined on the transfer date or the merger date is the acquisition cost.	D7.05
<b>acquisition date</b>	The date on which the acquirer obtains control of the acquiree.	106.10
<b>active market</b>	A market in which all the following conditions exist: (a) the items traded in the market are homogeneous; (b) willing buyers and sellers can normally be found at any time; and (c) prices are available to the public.	31.11
<b>actuarial gains and losses</b>	Changes in the present value of the defined benefit obligation resulting from:	25.08

	<p>(a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and</p> <p>(b) the effects of changes in actuarial assumptions.</p>	
<b>agent</b>	An entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.	109.05
<b>agricultural activity</b>	<p>The management by an entity of the biological transformation and harvest of biological assets for:</p> <p>(a) sale,</p> <p>(b) distribution at no charge or for a nominal charge; or</p> <p>(c) conversion into agriculture produce or into additional biological assets for sale or distribution at no charge or for a nominal charge.</p>	27.07 110.08
<b>agricultural produce</b>	The harvested produce of the entity's biological assets.	27.07
<b>amortisation</b>	The systematic allocation of the depreciable amount of an intangible asset over its useful life.	31.11
<b>amortised cost of a financial asset or financial liability</b>	The amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectability.	104.13
<b>annual budget</b>	An approved budget for one year. It does not include published forward estimates or projections for periods beyond the budget period.	24.06
<b>appropriation</b>	An authorisation granted by Parliament, the legislatures, municipal councils or other relevant authority approving the budget to allocate funds for purposes specified by the relevant authority.	24.06
<b>approved budget</b>	The expenditure authority derived from laws, appropriation bills, regulations and other decisions related to the anticipated revenue or receipts for the budgetary period.	24.06
<b>asset ceiling</b>	The present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan,	25.08



<b>assets</b>	Resources controlled by an entity as a result of past events and from which future economic benefits or service potential are expected to flow to the entity.	1.05
<b>assets held by a long-term employee benefit fund</b>	<p>Assets (other than non-transferable financial instruments issued by the reporting entity) that:</p> <p>(a) are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits; and</p> <p>(b) are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:</p> <p>(i) the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or</p> <p>(ii) the assets are returned to the reporting entity to reimburse it for employee benefits already paid.</p>	25.08
<b>associate</b>	An entity over which the investor has significant influence.	36.06

<b>b</b>		
<b>bearer plant</b>	A living plant that: (a) is used in the production or supply of agricultural produce; (b) is expected to bear produce for more than one period; and (c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.	17.06 27.07 110.08
<b>benefits</b>	The advantages an entity obtains from its involvement with other entities. Benefits may be financial or non-financial. The actual impact of an entity's involvement with another entity can have positive or negative aspects.	35.11
<b>binding arrangement</b>	An arrangement that confers enforceable rights and obligations on the parties to the arrangement as if it were in the form of a contract. It includes rights from contracts or other legal rights.	11.08 19.17 23.06 25.08 31.11 35.11 36.06 37.05 38.06 105.09 106.10 107.06 109.05
<b>biological asset</b>	A living animal or plant.	27.07
<b>biological transformation</b>	The processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a biological asset.	27.07 110.08
<b>borrowing costs</b>	Interest and other expenses incurred by an entity in connection with the borrowing of funds.	5.04
<b>budgetary basis</b>	The accrual, cash or other basis of accounting adopted in the budget approved by the legislative body.	24.06



<b>C</b>		
<b>carrying amount</b>	The amount at which an asset is recognised after deducting accumulated impairment losses.	103.04
<b>carrying amount</b>	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.	17.06 110.08
<b>carrying amount</b>	The amount at which an asset is recognised in the statement of financial position.	16.05 108.05
<b>carrying amount of a liability</b>	The amount at which a liability is recognised in the statement of financial position.	10.06
<b>carrying amount of an asset</b>	The amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.	10.06
<b>carrying amount of an asset or liability</b>	The amount at which an asset or liability is recognised in the statement of financial position.	105.09 107.06
<b>cash</b>	Cash on hand and demand deposits.	2.07
<b>cash basis</b>	A basis of accounting that recognises transactions and other events only when cash is received or paid.	24.06
<b>cash equivalents</b>	Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.	2.07
<b>cash flows</b>	Inflows and outflows of cash and cash equivalents.	2.07
<b>cash-generating assets</b>	Assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.	21.10 26.10
<b>cash-generating assets</b>	Assets managed with the objective of generating a commercial return.	100.04
<b>cash-generating unit</b>	The smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.	26.10 100.04

<b>change in accounting estimate</b>	An adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.	3.04
<b>class of assets</b>	A grouping of assets of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the financial statements.	17.06 103.04
<b>close members of the family of a person</b>	Those family members who may be expected to influence, or be influenced by that person in their dealings with the entity. As a minimum, a person is considered to be a close member of the family of another person if they: <ul style="list-style-type: none"> <li>(a) are married or live together in a relationship similar to a marriage; or</li> <li>(b) are separated by no more than two degrees of natural or legal consanguinity or affinity.</li> </ul>	20.10
<b>closing rate</b>	The spot exchange rate at the reporting date.	4.07
<b>combined entity</b>	A new reporting entity formed from the combination of two or more entities.	107.06
<b>combining entities</b>	The entities that are combined for the mutual sharing of risks and benefits in a merger.	107.06
<b>commencement of the lease term</b>	The date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease (i.e. the recognition of the assets, liabilities, revenue and expenses resulting from the lease, as appropriate).	13.06
<b>commercial return</b>	Positive cash flows are expected to be significantly higher than the cost of the asset.	26.10
<b>comparable basis</b>	The actual amounts presented on the same accounting basis, same classification basis, for the same entities and for the same period as the approved budget.	24.06
<b>component of an entity</b>	The operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.	100.04
<b>concessionary loan</b>	A loan granted to or received by an entity on terms that are not market related.	23.06 104.13



<b>conditions</b>	Stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.	23.06
<b>consolidated financial statements</b>	The financial statements of an economic entity in which the assets, liabilities, net assets, revenue, expenses and cash flows of the controlling entity and its controlled entities are presented as those of a single economic entity.	34.04 35.11 36.06
<b>construction contract</b>	A contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.	11.08
<b>constructive obligation</b>	An obligation that derives from an entity's actions where: (a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and (b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.	19.17
<b>contingent asset</b>	A possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.	19.17
<b>contingent consideration</b>	Usually, an obligation of the acquirer to transfer additional assets or a residual interest to the former owners of an acquiree as part of the exchange for control of the acquiree if specified future events occur or conditions are met. However, contingent consideration also may give the acquirer the right to the return of previously transferred consideration if specified conditions are met.	106.10
<b>contingent liability</b>	(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or (b) A present obligation that arises from past events but is not recognised because:	19.17

	<p>(i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or</p> <p>(ii) the amount of the obligation cannot be measured with sufficient reliability.</p>	
<b>contingent rent</b>	That portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time (e.g. percentage of future sales, amount of future use, future price indices, and future market rates of interest).	13.06
<b>contractor</b>	An entity that performs construction work pursuant to a construction contract.	11.08
<b>contributions from owners</b>	<p>Future economic benefits or service potential that has been contributed to the entity by parties external to the entity, other than those that result in liabilities of the entity, that establish a financial interest in the net assets of the entity, which:</p> <p>(a) conveys entitlement both to distributions of future economic benefits or service potential by the entity during its life, such distributions being at the discretion of the owners or their representatives, and to distributions of any excess of assets over liabilities in the event of the entity being wound up; and/or</p> <p>(b) can be sold, exchanged, transferred or redeemed.</p>	1.05
<b>control</b>	The power to govern the financial and operating policies of another entity so as to benefit from its activities.	105.09 106.10 107.06
<b>control</b>	An entity controls another entity when the entity is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity.	20.10 35.11
<b>control of an asset</b>	Arises when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.	23.06
<b>controlled entity</b>	An entity, including an unincorporated entity such as a partnership, that is controlled by another entity (known as the controlling entity).	35.11
<b>controlling entity</b>	An entity that controls one or more entities.	35.11

<b>cost</b>	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction.	16.05 17.06
<b>cost</b>	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.	103.04
<b>cost (of a living or non-living resource)</b>	The amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or development and, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.	110.08
<b>cost method (for statutory receivables)</b>	The method used that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.	108.05
<b>cost plus or cost based contract</b>	A construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.	11.08
<b>costs of disposal</b>	Incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.	21.10 26.10
<b>costs to sell</b>	The incremental costs directly attributable to the disposal of an asset, excluding finance costs and income taxes. Disposal may occur through sale or through distribution at no charge or for a nominal charge.	27.07
<b>credit risk</b>	The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.	104.13
<b>current asset</b>	An entity shall classify an asset as current when it satisfies any of the following criteria: (a) it is expected to be realised in, or is held for sale or consumption in, the entity's normal operating cycle; (b) it is held primarily for the purpose of being traded; (c) it is expected to be realised within twelve months after the reporting date; or	1.68



	(d) it is cash or a cash equivalent asset (as defined in the Standard of GRAP on <i>Cash Flow Statements</i> ) unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.	
<b>currency risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.	104.13
<b>current replacement cost</b>	The cost the entity would incur to acquire the asset on the reporting date.	12.07

<b>d</b>		
<b>decision maker</b>	An entity with decision making rights that is either a principal or an agent for other parties.	35.11
<b>deemed cost</b>	A surrogate value for the cost or fair value of an asset at its initial acquisition, and is determined by reference to the fair value of the asset at the date of adopting the Standards of GRAP or on the transfer date or the merger date (measurement date).	D7.05
<b>deficit or surplus (of a post-employment defined benefit plan)</b>	(a) the present value of the defined benefit obligation; less (b) the fair value of plan assets (if any); plus (c) any liability that may arise as a result of a minimum funding requirement.	25.08
<b>defined benefit plans</b>	Post-employment benefit plans other than defined contribution plans.	25.08
<b>defined contribution plans</b>	Post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.	25.08
<b>depreciable amount</b>	The cost of an asset, or other amount substituted for cost, less its residual value.	17.06 110.08
<b>depreciation</b>	The systematic allocation of the depreciable amount of an asset over its useful life.	17.06 110.08
<b>derecognition</b>	The removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.	104.13
<b>derivative</b>	A financial instrument or other contract within the scope of the Standard of GRAP on <i>Financial Instruments</i> with all three of the following characteristics:  (a) Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the "underlying").	104.13



	<p>(b) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.</p> <p>(c) It is settled at a future date.</p>	
<b>development</b>	The application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of production or use.	31.11
<b>discontinued operation</b>	<p>A component of an entity that has been disposed of and:</p> <p>(a) represents a distinguishable activity, group of activities or geographical area of operations;</p> <p>(b) is part of a single co-ordinated plan to dispose of a distinguishable activity, group of activities or geographical area of operations; or</p> <p>(c) is a controlled entity acquired exclusively with a view to resale.</p>	100.04
<b>distributions to owners</b>	Future economic benefits or service potential distributed by the entity to all or some of its owners, either as a return on investment or as a return of investment.	1.05



<b>e</b>		
<b>economic entity</b>	A group of entities comprising a controlling entity and one or more controlled entities.	1.05 4.07
<b>economic entity</b>	A controlling entity and its controlled entities.	35.11
<b>economic life</b>	Either: (a) the period over which an asset is expected to yield economic benefits or service potential to one or more users; or (b) the number of production or similar units expected to be obtained from the asset by one or more users.	13.06
<b>effective interest method</b>	A method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on <i>Revenue from Exchange Transactions</i> ), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).	104.13
<b>employee benefits</b>	All forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.	25.08
<b>entity-specific value</b>	The present value or service potential of the benefits an entity expects to arise from the continuing use of an asset and from its	17.06

	disposal at the end of its useful life or expects to incur when settling a liability.	
<b>equity method</b>	A method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's surplus or deficit includes its share of the investee's surplus or deficit and the investor's net assets includes its share of changes in the investee's net assets that have not been recognised in the investee's surplus or deficit.	34.04 36.06
<b>events after the reporting date</b>	Those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:  (a) those that provide evidence of conditions that existed at the reporting date ( <u>adjusting events after the reporting date</u> ); and  (b) those that are indicative of conditions that arose after the reporting date ( <u>non-adjusting events after the reporting date</u> ).	14.03
<b>exchange difference</b>	The difference resulting from translating a given number of units of one currency into another currency at different exchange rates.	4.07
<b>exchange rate</b>	The ratio of exchange for two currencies.	4.07
<b>exchange transactions</b>	Transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.	1.05 9.12 12.07 16.05 23.06
<b>executory contracts</b>	Contracts under which neither party has performed any of its obligations or both parties have partially performed their obligations to an equal extent.	19.17
<b>expenses</b>	Decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets, other than those relating to distributions to owners.	1.05
<b>expenses paid through the tax system</b>	Amounts that are available to beneficiaries regardless of whether or not they pay taxes.	23.06



<b>experience adjustments</b>	The effects of differences between the previous actuarial assumptions and what has actually occurred.	25.08
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<b>f</b>		
<b>fair value</b>	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.	4.07 9.12 12.07 13.06 16.05 103.04 104.13 106.10 110.08
<b>fair value less costs to sell</b>	The amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.	21.10 26.10
<b>final budget</b>	The approved budget adjusted for transfers, allocations, supplemental appropriations, and other changes applicable to the budget period.	24.06
<b>finance lease</b>	A lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.	13.06
<b>financial asset</b>	Any asset that is: (a) cash; (b) a residual interest of another entity; or (c) a contractual right to: (i) receive cash or another financial asset from another entity; or (ii) exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.	104.13
<b>financial guarantee contract</b>	A contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.	19.17 104.13
<b>financial instrument</b>	Any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.	104.13

<b>financial instruments at amortised cost</b>	<p>Non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:</p> <ul style="list-style-type: none"> <li>(a) the entity designates at fair value at initial recognition in accordance with paragraph .17; or</li> <li>(b) are held for trading.</li> </ul>	104.14
<b>financial instruments at cost</b>	Investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.	104.14
<b>financial instruments at fair value</b>	<p>Financial assets or financial liabilities that are:</p> <ul style="list-style-type: none"> <li>(a) derivatives;</li> <li>(aA) contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on <i>Transfer of Functions Between Entities Not Under Common Control</i> applies;</li> <li>(b) combined instruments that are designated at fair value in accordance with paragraphs .20 or .21;</li> <li>(c) instruments held for trading. A financial instrument is held for trading if: <ul style="list-style-type: none"> <li>(i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or</li> <li>(ii) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;</li> </ul> </li> <li>(d) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition in accordance with paragraph .17; and</li> <li>(e) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.</li> </ul>	104.14
<b>financial liability</b>	<p>Any liability that is a contractual obligation to:</p> <ul style="list-style-type: none"> <li>(a) deliver cash or another financial asset to another entity; or</li> <li>(b) exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.</li> </ul>	104.13
<b>financing activities</b>	Activities that result in changes in the size and composition of the contributed capital and borrowings of the entity.	2.07

<b>finer</b>	Economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.	23.06
<b>firm commitment</b>	A binding agreement for the exchange of a specified quantity of resources at a specified price on a specified future date or dates.	IFRS 9 App A
<b>fixed price contract</b>	A construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.	11.08
<b>foreign currency</b>	A currency other than the functional currency of the entity.	4.07
<b>foreign currency transaction</b>	A transaction that is denominated in or requires settlement in a foreign currency, including transactions arising when an entity: <ul style="list-style-type: none"> <li>(a) buys or sells goods or services whose price is denominated in a foreign currency;</li> <li>(b) borrows or lends funds when the amounts payable or receivable are denominated in a foreign currency; or</li> <li>(c) otherwise acquires or disposes of assets, or incurs or settles liabilities, denominated in a foreign currency</li> </ul>	4.20
<b>foreign operation</b>	An entity that is a controlled entity, associate, joint arrangement or branch of a reporting entity, the activities of which are based or conducted in a country or currency other than those of the reporting entity.	4.07
<b>function</b>	An integrated set of activities that is capable of being conducted and managed for purposes of achieving an entity's objectives, either by providing economic benefits or service potential.	105.09 106.10
<b>functional currency</b>	The currency of the primary economic environment in which the entity operates.	4.07 10.06

<b>g</b>		
<b>general purpose financial statements</b>	Financial statements that are intended to meet the needs of users who are not in a position to demand reports tailored to meet their particular information needs.	1.03
<b>government for levy purposes</b>	Government and its related entities whether local, provincial, national or international.	IGRAP 19.06
<b>grantor (for service concession arrangements)</b>	The entity that grants the right to use the service concession asset to the operator.	32.06
<b>gross investment in the lease</b>	The aggregate of: (a) the minimum lease payments receivable by a lessor under a finance lease; and (b) any unguaranteed residual value accruing to the lessor.	13.06
<b>group of biological assets</b>	An aggregation of similar living animals or plants.	27.07
<b>group of resources</b>	A grouping of living or non-living resources of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the financial statements.	110.08
<b>guaranteed residual value</b>	(a) For a lessee, that part of the residual value that is guaranteed by the lessee or by a party related to the lessee (the amount of the guarantee being the maximum amount that could, in any event, become payable).  (b) For a lessor, that part of the residual value that is guaranteed by the lessee or by a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee.	13.06

<b>h</b>		
<b>harvest</b>	The detachment of produce from a biological asset or the cessation of a biological asset's life processes.	27.07
<b>heritage assets</b>	Assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.	103.04
<b>held for trading</b>	A financial instrument that: <ul style="list-style-type: none"> <li>(a) is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or</li> <li>(b) on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking.</li> </ul>	104.14



<b>i</b>		
<b>identifiable</b>	An asset is identifiable if it either: (a) is separable, i.e. is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or (b) arises from rights arising from binding arrangements, but excluding rights granted by statute), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.	106.10
<b>impairment</b>	A loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.	21.10 26.10
<b>impairment loss of a cash-generating asset</b>	The amount by which the carrying amount of an asset exceeds its recoverable amount.	26.10 103.04
<b>impairment loss of a non-cash-generating asset</b>	The amount by which the carrying amount of an asset exceeds its recoverable service amount.	21.10 103.04
<b>impracticable</b>	Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.	1.05 3.04
<b>inalienable item</b>	An asset that an entity is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.	103.04
<b>inception of the lease</b>	The earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease.	13.06
<b>initial acquisition</b>	Assets acquired before the date of adopting Standards of GRAP or assets acquired in a transfer of functions between entities under common control or in a merger.	D7.05
<b>initial direct costs</b>	Incremental costs that are directly attributable to negotiating and arranging a lease, except for such costs incurred by manufacturer or trader lessors.	13.06

<b>intangible asset</b>	An identifiable non-monetary asset without physical substance.	31.11
<b>interest in another entity (for disclosure of interests in other entities)</b>	Refers to involvement by way of binding arrangements or otherwise that exposes an entity to variability of benefits from the performance of the other entity. An interest in another entity can be evidenced by, but is not limited to, the holding of equity or debt instruments as well as other forms of involvement such as the provision of funding, liquidity support, credit enhancement and guarantees. It includes the means by which an entity has control or joint control of, or significant influence over, another entity. An entity does not necessarily have an interest in another entity solely because of a typical funder/recipient or customer/supplier relationship.	38.06
<b>interest rate implicit in the lease</b>	The discount rate that, at the inception of the lease, causes the aggregate present value of: (a) the minimum lease payments; and (b) the unguaranteed residual value, to be equal to the sum of: (i) the fair value of the leased asset; and (ii) any initial direct costs of the lessor.	13.06
<b>interest rate risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	104.13
<b>inventories</b>	Assets: (a) in the form of materials or supplies to be consumed in the production process; (b) in the form of materials or supplies to be consumed or distributed in the rendering of services; (c) held for sale or distribution in the ordinary course of operations; or (d) in the process of production for sale or distribution.	12.07
<b>investing activities</b>	The acquisition and disposal of long-term assets and other investments not included in cash equivalents.	2.07
<b>investment entity</b>	An entity that: (a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;	34.04 35.11



	<p>(b) has the purpose of investing funds solely for returns from capital appreciation, investment revenue, or both; and</p> <p>(c) measures and evaluates the performance of substantially all of its investments on a fair value basis.</p>	
<b>investment property</b>	<p>Property (land or a building – or part of a building – or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:</p> <p>(a) use in the production or supply of goods or services or for administrative purposes; or</p> <p>(b) sale in the ordinary course of operations.</p>	16.05

<b>j</b>		
<b>joint arrangement</b>	An arrangement of which two or more parties have joint control.	36.06 37.05
<b>joint control</b>	The agreed sharing of control by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.	36.06 37.05
<b>joint control</b>	The agreed sharing of control over an activity by a binding arrangement and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).	20.10
<b>joint operation</b>	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.	37.05
<b>joint operator</b>	A party to a joint operation that has joint control of that joint operation.	37.05
<b>joint venture</b>	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.	36.06 37.05
<b>joint venturer</b>	A party to a joint venture that has joint control of that joint venture.	36.06 37.05

<b>I</b>		
<b>lease</b>	An agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.	13.06
<b>lease term</b>	The non-cancellable period for which the lessee has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option.	13.06
<b>legal obligation</b>	An obligation that derives from: (a) a contract (through its explicit or implicit terms); (b) legislation; or (c) other operation of law.	19.17
<b>lessee's incremental borrowing rate of interest</b>	The rate of interest the lessee would have to pay on a similar lease or, if that is not determinable, the rate that, at the inception of the lease, the lessee would incur to borrow over a similar term, and with a similar security, the funds necessary to purchase the asset.	13.06
<b>levy</b>	For the purposes of this IGRAP, a levy is a non-exchange transaction resulting in an outflow of resources embodying economic benefits or service potential that is imposed by government on entities in accordance with legislation or similar means, other than:  (a) those outflows of resources that are within the scope of other Standards (such as income taxes that are within the scope of the International Accounting Standard <sup>®</sup> on <i>Income Taxes</i> or employee-related expenses under the Standard of GRAP on <i>Employee Benefits</i> (for example, unemployment insurance fund and workmen's compensation payments);  (b) fines or other penalties that are imposed for breaches of legislation or similar means; and  (c) emissions trading schemes.	IGRAP 19.06
<b>liabilities</b>	Present obligations of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits or service potential.	1.05 19.17



<b>liquidity risk</b>	The risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	104.13
<b>living resources</b>	Those resources that undergo biological transformation.	110.08
<b>loan commitment</b>	A firm commitment to provide credit under pre-specified terms and conditions.	19.17 104.13
<b>loans payable</b>	Financial liabilities, other than short-term payables on normal credit terms.	104.13

<b>m</b>		
<b>management</b>	Those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.	1.05 14.03 18.05 19.17 20.10
<b>mandated function</b>	The delivery of a public service by an operator on behalf of a grantor that falls within the grantor's mandate.	32.06
<b>market risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.	104.13
<b>material</b>	Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.	1.05 3.04
<b>measurement date</b>	Either: (a) the date that an entity adopts the Standards of GRAP and is the beginning of the earliest period for which an entity presents full comparative information, in its first financial statements prepared using Standards of GRAP; or (b) the transfer date or the merger date.	D7.05
<b>merger</b>	The establishment of a new combined entity in which none of the former entities obtains control over any other and no acquirer can be identified.	105.09 106.10 107.06
<b>merger date</b>	The date on which entities are combined for the mutual sharing of risks and benefits and when the assets and liabilities are transferred to the combined entity.	107.06
<b>minimum lease payments</b>	The payments over the lease term that the lessee is or can be required to make, excluding contingent rent, costs for services and, where appropriate, taxes to be paid by and reimbursed to the lessor, together with:	13.06



	<p>(a) for a lessee, any amounts guaranteed by the lessee or by a party related to the lessee; or</p> <p>(b) for a lessor, any residual value guaranteed to the lessor by:</p> <ul style="list-style-type: none"> <li>(i) the lessee;</li> <li>(ii) a party related to the lessee; or</li> <li>(iii) a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee.</li> </ul> <p>However, if the lessee has an option to purchase the asset at a price that is expected to be sufficiently lower than fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised, the minimum lease payments comprise the minimum payments payable over the lease term to the expected date of exercise of this purchase option and the payment required to exercise it.</p>	
<b>monetary items</b>	Units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency.	4.07
<b>multi-employer plans</b>	<p>Defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that:</p> <ul style="list-style-type: none"> <li>(a) pool the assets contributed by various entities that are not under common control; and</li> <li>(b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees.</li> </ul>	25.08
<b>multi-year budget</b>	An approved budget for more than one year. It does not include published forward estimates or projections for periods beyond the budget period.	24.06



n		
<b>net assets</b>	The residual interest in the assets of the entity after deducting all its liabilities.	1.05
<b>net defined benefit liability (asset)</b>	The deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.	25.08
<b>net interest on the net defined benefit liability (asset)</b>	The change during the period in the net defined benefit liability (asset) that arises from the passage of time.	25.08
<b>net investment in a foreign operation</b>	The amount of the reporting entity's interest in the net assets of that operation.	4.07
<b>net investment in the lease</b>	The gross investment in the lease discounted at the interest rate implicit in the lease.	13.06
<b>net realisable value</b>	The estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.	12.07
<b>nominal interest rate</b>	The interest rate and/or basis specified in legislation, supporting regulations or similar means.	108.05
<b>non-cancellable lease</b>	A lease that is cancellable only: <ul style="list-style-type: none"> <li>(a) upon the occurrence of some remote contingency;</li> <li>(b) with the permission of the lessor;</li> <li>(c) if the lessee enters into a new lease for the same or an equivalent asset with the same lessor; or</li> <li>(d) upon payment by the lessee of such an additional amount that, at inception of the lease, continuation of the lease is reasonably certain.</li> </ul>	13.06
<b>non-cash-generating assets</b>	Assets other than cash-generating assets.	21.10 26.10 100.04
<b>non-controlling interest</b>	The interest in the net assets of a controlled entity not attributable, directly or indirectly, to a controlling entity.	106.10



<b>non-controlling interest</b>	The net assets in a controlled entity not attributable, directly or indirectly, to a controlling entity.	35.11
<b>non-current asset</b>	An asset that does not meet the definition of a current asset.	1.68
<b>non-exchange transactions</b>	Transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.	1.05 9.12 12.07 16.05 23.06
<b>non-living resources</b>	Those resources, other than living resources, that occur naturally and have not been extracted.	110.08
<b>non-monetary items</b>	Items that are not monetary items.	10.06
<b>notes</b>	Notes contain information in addition to that presented in the statement of financial position, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts. Notes provide narrative descriptions or disaggregations of items disclosed in those statements and information about items that do not qualify for recognition in those statements.	1.05

<b>O</b>		
<b>obligating event</b>	An event that creates a legal or constructive obligation that results in an entity having no realistic alternative to settling that obligation.	19.17
<b>onerous contract</b>	A contract for the exchange of assets or services in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits or service potential expected to be received under it.	19.17
<b>operating activities</b>	The activities of the entity that are not investing or financing activities.	2.07
<b>operating lease</b>	A lease other than a finance lease.	13.06
<b>operator (for service concession arrangements)</b>	The entity that uses the service concession asset to provide a mandated function subject to the grantor's control of the asset.	32.06
<b>other long-term employee benefits</b>	All employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.	25.08
<b>other price risk</b>	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.	104.13
<b>owner-occupied property</b>	Property held (by the owner or by the lessee under a finance lease) for use in the production or supply of goods or services or for administrative purposes.	16.05
<b>owners</b>	Holders of residual interests.	106.10

<b>p</b>		
<b>party to a joint arrangement</b>	An entity that participates in a joint arrangement, regardless of whether that entity has joint control of the arrangement.	37.05
<b>past due</b>	A financial asset where a counterparty has failed to make a payment when contractually due.	104.13
<b>plan assets</b>	Comprise: (a) assets held by a long-term employee benefit fund; and (b) qualifying insurance policies.	25.08
<b>post-employment benefit plans</b>	Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.	25.08
<b>post-employment benefits</b>	Employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.	25.08
<b>power</b>	Existing rights that give the current ability to direct the relevant activities of another entity.	35.11
<b>present value of a defined benefit obligation</b>	The present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.	25.08
<b>presentation currency</b>	The currency in which the financial statements are presented.	4.07
<b>principal</b>	An entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.	109.05
<b>principal-agent arrangement</b>	A binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).	109.05
<b>prior period errors</b>	Omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that: (a) was available when financial statements for those periods were authorised for issue; and	3.04

	<p>(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.</p> <p>Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.</p>	
<b>property, plant and equipment</b>	<p>Tangible items that:</p> <p>(a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and</p> <p>(b) are expected to be used during more than one reporting period.</p>	17.06
<b>prospective application</b>	<p>Prospective application of a change in an accounting policy and of recognising the effect of a change in an accounting estimate, respectively, are:</p> <p>(a) applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and</p> <p>(b) recognising the effect of the change in the accounting estimate in the current and future periods affected by the change.</p>	3.04
<b>protective rights</b>	<p>Rights designed to protect the interest of the party holding those rights without giving that party power over the entity to which those rights relate.</p>	35.11
<b>provision</b>	<p>A liability of uncertain timing or amount.</p>	19.17
<b>puttable instrument</b>	<p>A financial instrument that gives the holder the right to put it back to the issuer for cash or another financial asset.</p>	104.28

<b>q</b>		
<b>qualifying asset</b>	An asset that necessarily takes a substantial period of time to get ready for its intended use or sale.	5.04
<b>qualifying insurance policy</b>	<p>An insurance policy* issued by an insurer that is not a related party (as defined in the Standard of GRAP on <i>Related Party Disclosures</i>) of the reporting entity, if the proceeds of the policy:</p> <ul style="list-style-type: none"> <li>(a) can be used only to pay or fund employee benefits under a defined benefit plan; and</li> <li>(b) are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either: <ul style="list-style-type: none"> <li>(i) the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or</li> <li>(ii) the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.</li> </ul> </li> </ul>	25.08

\* A qualifying insurance policy is not necessarily an insurance contract (see the IFRS Accounting Standard(s) on insurance).

<b>r</b>		
<b>recoverable amount</b>	The higher of an asset or a cash-generating unit's fair value less costs to sell and its value in use.	26.10
<b>recoverable amount</b>	The higher of a cash-generating asset's net selling price and its value in use.	103.04
<b>recoverable service amount</b>	The higher of a non-cash-generating asset's fair value less costs to sell and its value in use.	21.10 103.04
<b>related party</b>	<p>A person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:</p> <p>(a) A person or a close member of that person's family is related to the reporting entity if that person:</p> <ul style="list-style-type: none"> <li>(i) has control or joint control over the reporting entity;</li> <li>(ii) has significant influence over the reporting entity; or</li> <li>(iii) is a member of the management of the entity or its controlling entity.</li> </ul> <p>(b) An entity is related to the reporting entity if any of the following conditions apply:</p> <ul style="list-style-type: none"> <li>(i) the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);</li> <li>(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);</li> <li>(iii) both entities are joint ventures of the same third party;</li> <li>(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;</li> <li>(v) the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;</li> </ul>	20.10

	<p>(vi) the entity is controlled or jointly controlled by a person identified in (a); and</p> <p>(vii) a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).</p> <p>(viiA) The entity, or any member of a group of which it is part, provides management services to the reporting entity or to the controlling entity of the reporting entity.</p>	
<b>related party transaction</b>	A transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.	20.10
<b>relevant activities (for investments in associates and joint ventures)</b>	Activities of the potentially controlled entity that significantly affect the nature or amount of the benefits that an entity receives from its involvement with that other entity.	35.11
<b>remeasurement of the net defined benefit liability (asset)</b>	<p>Comprises:</p> <p>(a) actuarial gains and losses;</p> <p>(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and</p> <p>(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).</p>	25.08
<b>removal rights</b>	Rights to deprive the decision maker of its decision making authority.	35.11
<b>remuneration of management</b>	Remuneration derived for services provided to the reporting entity in their capacity as members of the management team or employees.	20.20
<b>reporting date</b>	The date of the last day of the reporting period to which the financial statements relate.	1.05 14.03
<b>research</b>	Original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.	31.11
<b>residual interest</b>	<p>Any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:</p> <p>(a) equity instruments or similar forms of unitised capital;</p> <p>(b) a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming</p>	104.13 106.10



	<p>part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or</p> <p>(c) a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.</p>	
<b>residual value</b>	The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.	17.06 110.08
<b>restrictions on transferred assets</b>	Stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.	23.06
<b>restructuring</b>	<p>A programme that is planned and controlled by management, and materially changes either:</p> <p>(a) the scope of an entity's activities; or</p> <p>(b) the manner in which those activities are carried out.</p>	19.17
<b>retrospective application</b>	Applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied.	3.04
<b>retrospective restatement</b>	Correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.	3.04
<b>return on plan assets</b>	<p>The interest, dividends or other similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less</p> <p>(a) any costs of managing the plan assets; and</p> <p>(b) any tax payable by the plan itself other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.</p>	25.08
<b>revenue</b>	The gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.	1.05 9.12
<b>revenue from a structured entity (for disclosure of interests in other entities)</b>	Includes, but is not limited to, recurring and non-recurring fees, interest, dividends or similar distributions, gains or losses on the remeasurement or derecognition of interests in structured entities and gains or losses from the transfer of assets and liabilities to the structured entity.	38.06

<b>S</b>		
<b>segment</b>	<p>An activity of an entity:</p> <ul style="list-style-type: none"> <li>(a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);</li> <li>(b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and</li> <li>(c) for which separate financial information is available.</li> </ul>	18.05
<b>separate financial statements</b>	<p>Those presented by an entity, in which the entity could elect, subject to the requirements in the Standard of GRAP on <i>Separate Financial Statements</i>, to account for its investments in controlled entities, joint ventures and associates either at cost, in accordance with the Standard of GRAP on <i>Financial Instruments</i> or using the equity method as described in the Standard of GRAP on <i>Investments in Associates and Joint Ventures</i>.</p>	34.04
<b>separate vehicle</b>	<p>A separately identifiable financial structure, including separate legal entities or entities recognised by statute, regardless of whether those entities have a legal personality.</p>	37.05
<b>service concession arrangement</b>	<p>A contractual arrangement between a grantor and an operator in which:</p> <ul style="list-style-type: none"> <li>(a) the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time; and</li> <li>(b) the operator is compensated for its services over the period of the service concession arrangement.</li> </ul>	32.06
<b>service concession asset</b>	<p>An asset used to provide a mandated function in a service concession arrangement that:</p> <ul style="list-style-type: none"> <li>(a) is provided by the operator which: <ul style="list-style-type: none"> <li>(i) the operator constructs, develops, or acquires from a third party; or</li> <li>(ii) is an existing asset of the operator; or</li> </ul> </li> <li>(b) is provided by the grantor which: <ul style="list-style-type: none"> <li>(i) is an existing asset of the grantor; or</li> <li>(ii) is an upgrade to an existing asset of the grantor.</li> </ul> </li> </ul>	32.06

<b>service cost</b>	Comprises: (a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period; (b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and (c) any gain or loss on settlement.	25.08
<b>settlement (of employee benefit obligations)</b>	A transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.	25.08
<b>short-term employee benefits</b>	Employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.	25.08
<b>significant influence</b>	The power to participate in the financial and operating policy decisions of an entity, but is not control or joint control over those policies.	20.10 36.06
<b>spot exchange rate</b>	The exchange rate for immediate delivery.	4.07
<b>standards of grap</b>	The Standards, Interpretations of the Standards of GRAP and Directives issued by the Accounting Standards Board.	1.05 3.04
<b>state plans</b>	Plans established by legislation that operate as if they are multi-employer plans for all entities in economic categories laid down in legislation.	25.08
<b>statutory receivables</b>	Receivables that: (a) arise from legislation, supporting regulations, or similar means; and (b) require settlement by another entity in cash or another financial asset.	108.05
<b>stipulations on transferred assets</b>	Terms in laws or regulation, or a similar binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.	23.06

<p><b>structured entity</b></p>	<p>(a) In the case of entities where legislation is normally the dominant factors in deciding who has control of an entity, an entity that has been designed so that legislation is not the dominant factor in deciding who controls the entity, such as when contractual arrangements are significant to determining control of the entity and relevant activities are directed by means of contractual arrangements; or</p> <p>(b) In the case of entities where voting or similar rights are normally the dominant factor in deciding who has control of an entity, an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of other binding arrangements.</p>	<p>38.06</p>
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<b>T</b>		
<b>tax expenditures</b>	Preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.	23.06
<b>taxable event</b>	The event that the government, legislature or other authority has determined will be subject to taxation.	23.06
<b>taxes</b>	Economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.	23.06
<b>termination benefits</b>	Employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.	25.08
<b>transaction amount (for statutory receivables)</b>	The amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.	108.05
<b>transaction costs</b>	Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.	104.13
<b>transfer date</b>	The date on which the acquirer obtains control of the function and the transferor loses control of that function.	105.09
<b>transfer of functions</b>	The reorganisation and/or the re-allocation of functions between entities by transferring functions between entities or into another entity.	105.09 106.10 107.06
<b>transferor</b>	The entity that relinquishes control of a function.	105.09
<b>transfers</b>	Inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.	23.06

<b>u</b>		
<b>unearned finance revenue</b>	The difference between: (a) the gross investment in the lease; and (b) the net investment in the lease.	13.06
<b>unguaranteed residual value</b>	That portion of the residual value of the leased asset, the realisation of which by the lessor is not assured or is guaranteed solely by a party related to the lessor.	13.06
<b>useful life</b>	Either: (a) the period over which an asset is expected to be available for use by an entity, or (b) the number of production or similar units expected to be obtained from the asset by an entity.	17.06 110.08
<b>useful life (of a leased asset)</b>	The estimated remaining period, from the commencement of the lease term, without limitation by the lease term, over which the economic benefits or service potential embodied in the asset, are expected to be consumed by the entity.	13.06

<b>V</b>		
<b>value in use of a cash-generating asset</b>	The present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.	26.10
<b>value in use of a cash-generating asset</b>	The present value of the future cash flows expected to be derived from an asset or cash-generating unit.	103.04
<b>value in use of a non-cash-generating asset</b>	The present value of the asset's remaining service potential.	21.10 103.04