

Topic	Issues deliberated	Decisions of the Board	Status	Effective date	Next steps
<p>Measurement of public sector assets and liabilities</p>	<p>What is the objective of the project?</p>	<p>Stakeholders often indicate that it is complex to measure assets and liabilities in the public sector and that there is a need for clear guidance to support valuations. The initial phase of the project was to assess whether IPSAS 46 on <i>Measurement</i> should be adopted in the South African environment.</p> <p>IPSAS 46 provides guidance on how to apply the principles in the topic-specific IPSAS when measuring assets and liabilities. For example, if the asset-related IPSAS require or permit measurement at fair value, IPSAS 46 explains how to determine fair value. IPSAS 46 does not change the standards-level measurement options available to preparers of the financial statements.</p> <p>IPSAS 46 was developed by the IPSASB using IFRS 13 on <i>Fair Value Measurement</i>, but expanded the scope of the project to include public sector specific measurement bases.</p> <p>The principles in IPSAS 46 are both new and complex. To understand whether adoption of this Standard will resolve stakeholders' concerns, the first phase of the project was to consult preparers, auditors, valuers, technical specialists and others.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>Develop Exposure Draft</p>
	<p>What are the key differences between the requirements in the Standards of GRAP and the new IPSAS 46 on <i>Measurement</i>?</p>	<p>The key differences between the current requirements and the new IPSAS 46 are as follows:</p> <ul style="list-style-type: none"> • There are two measurement models – current value and historical cost model. • Within each measurement model, there are various measurement bases. For the current value measurement model, there is fair value, current operational value (COV) and cost of fulfilment. For assets, the measurement basis used will depend on whether the asset is held for its financial or operational capacity. The concept of assessing why the asset is held and how it will be used helps direct preparers to the most appropriate measurement basis. • Fair value in IPSAS 46 is aligned to the IFRS 13 concept 			

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		<p>of fair value which is an exit value.</p> <ul style="list-style-type: none"> COV replaces replacement cost. COV is the amount the entity would pay for the remaining service potential of an asset at the measurement date. Several existing measurement bases in the IPSASB Conceptual Framework were deleted and therefore are not discussed in IPSAS 46. Some, like net realisable value, may still be used at a Standards-level. 			
	What were stakeholders' initial views on the principles in IPSAS 46?	<p>Stakeholders were generally supportive of the principles in IPSAS 46 and believed they would resolve certain measurement challenges currently experienced in the sector.</p> <p>As a result, the Board agreed that the project should be progressed, and an Exposure Draft of an IPSAS 46 equivalent developed, along with changes to the Conceptual Framework.</p>			
Review Report on the Desktop Review of GRAP 20 on <i>Related Party Disclosures</i>	Did the Board support the publication of the Review Report and next steps?	<p>The Board reviewed the detailed findings of the desktop review in July 2024.</p> <p>The Board agreed a number of actions, which included:</p> <ul style="list-style-type: none"> Updating GRAP 20 to clarify the disclosure requirements for transactions that are undertaken on normal operating terms and conditions between entities/parties. Developing new and/or updating existing FAQs on GRAP 20-related issues. <p>The Board approved the Review Report for publication.</p>	Approved.	Not applicable.	Update GRAP 20 and develop FAQs.