Highlights from the Board meeting held on 23rd July 2025

Social Benefits

The Board approved [Exposure Draft 214] on the proposed Standard of GRAP on *Social Benefits - Limited Scope Amendments*. ED 214 results from feedback received on the initial proposals published by the Board. Based on the feedback received, the Board agreed that the verification of substantive eligibility criteria affects measurement and not recognition of social benefit liabilities. The Board also agreed that the verification of ongoing eligibility criteria should only affect the measurement of social assistance benefits. For social assistance benefits, the entity may not have detailed information about the beneficiaries to reliably measure the liability beyond the next point of verification.

The comment deadline is **15 November 2025**. In support of ED 214, a full mark-up of the proposed Standard is available as background information.

The Board's responses to the initial Exposure Draft are on the ASB's website.

Post-implementation Review of Statutory Receivables (GRAP 108)

The Board reviewed the results of the post-implementation review of GRAP 108. The purpose of the review was to assess whether the Standard is meeting its objectives, i.e. users can hold officials accountable and make the decisions they need about receivables taxes, fines, levies, transfers, etc.

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In general, users were satisfied with the information they receive on statutory receivables. Additional information on credit and liquidity risk was requested. This additional information can be accommodated by applying the general principle that information relevant to users' needs should be disclosed.

Preparers shared concerns about the application of the Standard. These areas included:

- The distinction between statutory receivables and financial instruments.
- The difference between impairment and derecognition of receivables.
- Recognition of revenue from statutory receivables such as conditional grants provided in legislation.
- Disclosures, including how statutory receivables arise and their terms; and what to include in the accounting policies and notes.

Responses to many of the matters identified in the review are already addressed through FAQs, YouTube content, Fact Sheets, or other content published by the ASB or the OAG. The Knowledge Hub brings together all the resources available on statutory receivables.

The results of the review will be available on ASB's website.

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Consultation on the ASB's Work Programme for 2027 to 2029

The ASB consulted on the standard-setting and related activities it should undertake for the period 1 April 2026 to 31 March 2029.

Stakeholders supported the ASB's work over the last few years, particularly the focus to issue fewer new and amended Standards. It was suggested that this be continued into the next work programme. The ASB's work should continue to focus on improving the application of the Standards and the useability of the financial statements by users. The theme **Financial Reporting for a Capable State** was supported.

Many of the projects for the new work programme roll over from the current work programme. Key projects from the 2024-2026 work programme include:

- Publication of a Standard of GRAP on *Measurement* and related changes to the Conceptual Framework.
- A review of whether IPSAS 47 on *Revenue* should be adopted locally.

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The Board agreed that it can take on one additional standard-setting project for 2027-2029. Based on feedback from stakeholders, the Board approved a project to update the Standard on *Leases*.

Stakeholders made comments on a range of issues where the ASB should consider doing work. These included:

1. Materiality.
2. Property, plant and equipment.

Materiality

Materiality is a fundamental principle to be applied in preparing the financial statements. It is also one of the most complex principles to apply as it requires judgement. The Board has published a Guideline on how to apply materiality, and several supporting materials are available (Fact Sheets, FAQs and YouTube content). The Board is of the view that this is a matter that needs to develop in practice and will take time. As the sector matures, so will the application of materiality.

Property, plant and equipment

Accounting for PPE remains a cause of concern in the sector and was again highlighted in the AGSA's General Report for the last municipal reporting cycle. The ASB has taken various steps to improve the application of the Standard, including a post-implementation review of the asset-Standards in 2016. An asset-decision tree, FAQs, and YouTube content are available on accounting for assets. The OAG also has GRAP Guidelines on various asset topics.

The ASB will develop guidance on the "lifecycle" of an asset which will pull together a range of issues. Guidance from the updated IPSAS on PPE will also be reviewed, and if appropriate, included in the Standard of GRAP.

Next steps

The comments received from stakeholders are available on the ASB's website. A summary of key issues and an indicative work programme will also be made available shortly.

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