

Standing Committee on Finance

20 August 2019





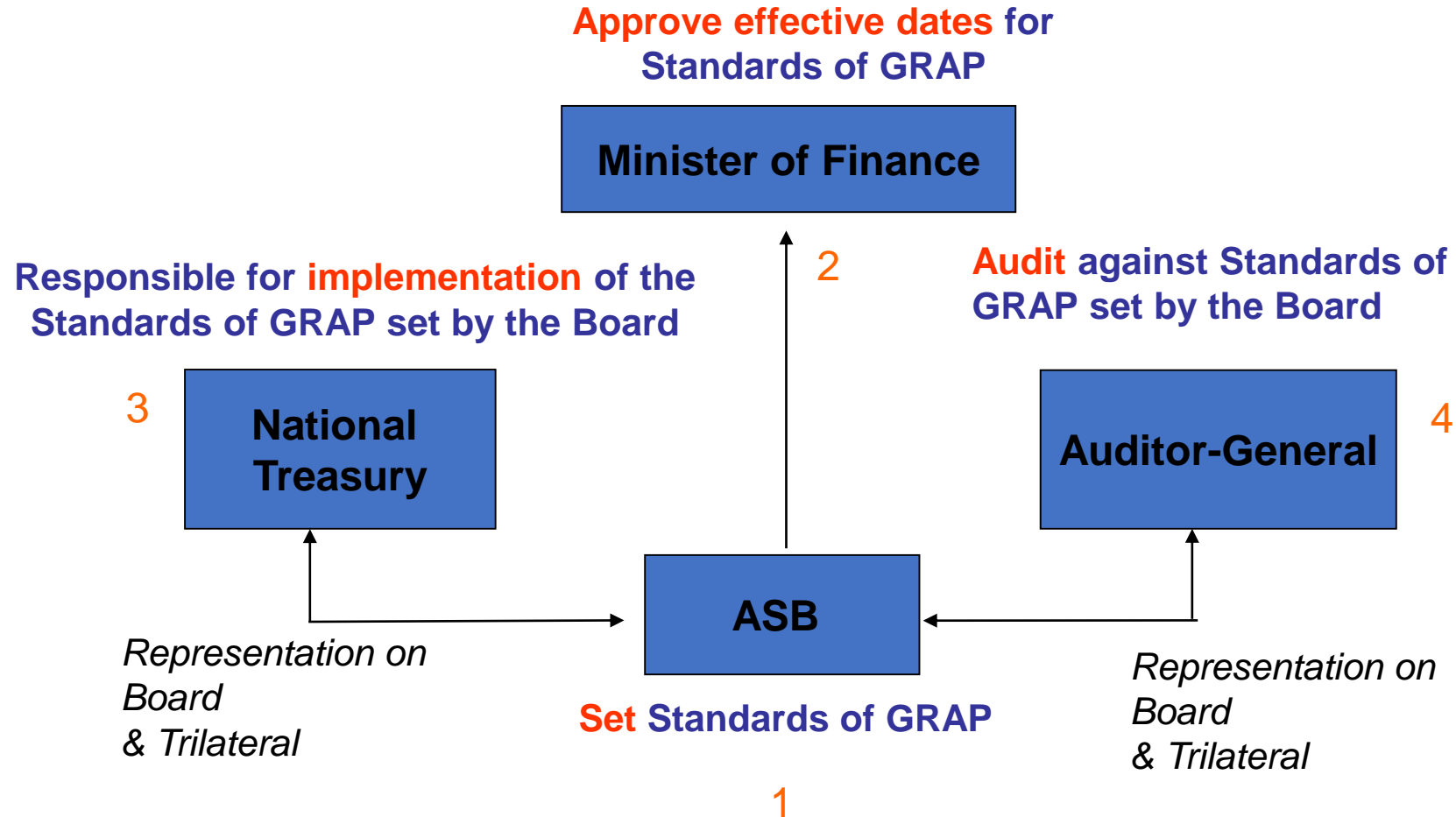
Overview

- Role & Mandate
- Key strategic objectives
- Establishment & operations
- Communication and outreach

Role & Mandate

- Setting Accounting Standards for all spheres of government
 - To ensure transparency & expenditure control
 - To manage REAL effectively
 - Uniform reporting requirements
 - Best practice
 - Capacity to implement

Interaction between the ASB & key role players



Uniform reporting requirements?

| National government | | | | |
|-------------------------------------|-----------------|-----------------------------|------------------|-----------------------------|
| Departments & Government components | Public entities | State-owned entities (GBEs) | Trading entities | Constitutional institutions |
| Cash | Accrual | Accrual | Accrual | Accrual |
| MCS | GRAP | IFRS | GRAP | GRAP |

| Provincial government | | | |
|-----------------------|-----------------|---------|------------------|
| Departments | Public entities | GBEs | Trading entities |
| Cash | Accrual | Accrual | Accrual |
| MCS | GRAP | GRAP | GRAP |

| Local government | |
|------------------|--------------------|
| Municipalities | Municipal entities |
| Accrual | Accrual |
| GRAP | GRAP |



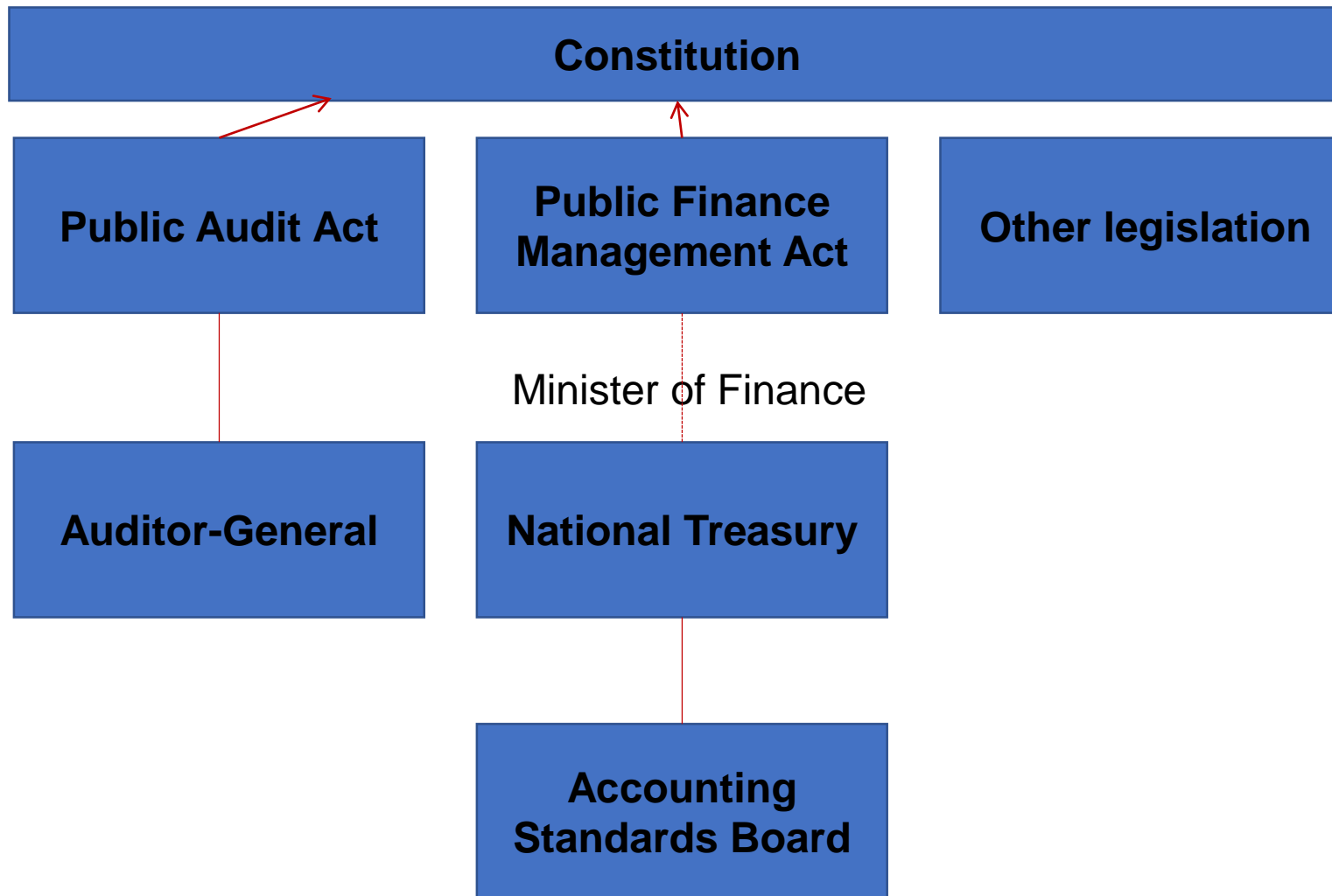
Key Strategic Objectives

- Set Standards of GRAP
 - Local initiatives (Combined AFS, PIR of GRAP 103, Review of GRAP 3, Liquidation basis of accounting)
 - Research (GRAP for small entities)
 - Convergence with IASB & IPSASB (Employee benefits & IFRIC 22)
- Promote the adoption of the Standards of GRAP (transitional provisions)
- Monitor the application of the Standards of GRAP
 - Post-implementation reviews (heritage assets & Principals & Agents)
 - Desktop reviews (Cash flow statements & Comparison with budget)
- Influence development of international standards (Social benefits & Leases)
- Manage resources to ensure the ASB is operationally effective

Establishment and operations

- Chapter 11 of the PFMA established Board
- Juristic person (public entity)
- Wholly funded by transfer payment from National Treasury
- Report to Minister of Finance, but establish own operating procedures

Establishment and operations



Communication & outreach

Outreach activities

- Continuous promotion of GRAP by improving outreach to stakeholders (workshops, meetings, seminars, SAIKA webinars)
- Stakeholders should liaise with ASB when requiring any engagements
- Newsletters & Meeting Highlights
- Handbook



Translation

- Standards translated into isiZulu, Sesotho and Afrikaans
- The official version is the English language version
- Available on website

Website

- Overview of changes made to reporting framework for 2018 onwards.
- Three set of Standards:
 - Those entities with a December year-end
 - The Standards applicable for the current year
 - The Standards applicable for the next financial year
- Please register on website to be advised of changes:
<http://www.asb.co.za/GRAP/Subscribe-to-email-alerts>

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