



31 MAY 2022

## URGENT CLARIFICATION ON STATUS OF STANDARDS OF GRAP

1. This is an urgent notice to clarify the status of the Standards of GRAP on *Financial Instruments* (GRAP 104) and *Employee Benefits* (GRAP 25).
2. It has come to our attention that some entities may have applied the incorrect versions of the Standards of GRAP in the preparation of their financial statements for 31 March 2022.

### Status of Standards of GRAP?

3. In 2019 and 2021, the ASB revised GRAP 104 and GRAP 25 respectively. The status of these Standards is as follows:
  - (a) GRAP 104 on *Financial Instruments* (Revised 2019) is not yet effective. This Standard is effective for financial years commencing on or after 1 April 2025. As the Standard was substantially changed, an entity may not use the version revised in 2019 to formulate its accounting policies. The Standard must be adopted and applied in totality – partial adoption or application is not permitted.

The differences between the 2009 and 2019 versions of GRAP 104 are significant.
  - (b) GRAP 25 on *Employee Benefits* (Revised in 2021) has no effective date. As the Minister of Finance has not determined an effective date, it cannot be adopted or applied in any way.

### Which versions to apply?

4. The Standards that are effective and should be applied are as follows:
  - [GRAP 104 \(Issued October 2009\)](#) (Remember to apply the main text and Application Guidance)
  - [GRAP 25 \(Issued November 2009\)](#)
5. The Standards of GRAP that are not yet effective are separately listed on the [ASB's website](#).
6. Disclosure of Standards of GRAP approved but not yet effective should be considered in terms of the relevant Standards of GRAP, Directive 5 and the FAQs issued by the Secretariat.

### Where to get more information?

7. For any other queries related to the reporting framework for financial years ending on 31 March 2022 or 30 June 2022, please consult the following sources:
  - [FAQs](#) – section 2 deals with the reporting framework for 2021/2022 reporting periods.
  - [Directive 5](#) – Annexure C for period commencing on or after 1 April 2021 should be applied.