New and revised Standards of GRAP for the 2024-25 financial year

April 2025

The tables outline Standards of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board of South Africa, effective for year-ends after 1 April 2025. Entities applying GRAP should use GRAP 3 and Directive 5 in adopting new standards and disclosing the impact in their annual financial statements.

Revised and amended standards

Effective 1 April 2025			
Standard	**Description**	**Summary of changes**	**Issued**
GRAP 104	Financial instruments	The new standard has been aligned to IFRS 9 and replaces the current standard. The standard has a significant impact on classification of financial instruments and the impairment model amongst others. Some simplifications regarding disclosures are included which are not available in IFRS 7.	Apr-19

Not yet effective			
Standard	**Description**	**Summary of changes**	**Issued**
GRAP 1	Presentation of Financial Statements	Amendments made regarding the assessment of going concern and required disclosure	Nov-22
GRAP 103	Heritage Assets	Changes were made to the definition of heritage assets to include cultural significance. Heritage assets must be presented in a single line on the statement of financial position with disclosure of alternative uses. Heritage assets are not depreciated. Further guidance has been provided for determining fair value and disclosures.	Jun-22
GRAP 105	Transfer of Functions Between Entities Under Common Control	The standard has been updated to include new disclosures that provide additional information to users. The acquirer or combined entity must explain the primary reason for the transfer of functions or merger and disclose any transfers or mergers that occurred after the reporting period but before the financial statements were authorised for issue.	Feb-24
GRAP 106	Transfer of Functions Between Entities not Under Common Control	The standard has been updated to include new disclosures that provide additional information to users. The acquirer or combined entity must explain the primary reason for the transfer of functions or merger and disclose any transfers or mergers that occurred after the reporting period but before the financial statements were authorised for issue.	Feb-24
GRAP 107	Mergers	The standard has been updated to include new disclosures that provide additional information to users. The acquirer or combined entity must explain the primary reason for the transfer of functions or merger and disclose any transfers or mergers that occurred after the reporting period but before the financial statements were authorised for issue.	Feb-24

Interpretations

Effective 1 April 2025			
Standard	**Description**	**Summary of changes**	**Issued**
IGRAP 22	Foreign Currency Translation and Advance Consideration	This Interpretation addresses how to determine the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency	Oct-23

Entities should ensure their accounting policies include all issued but not yet effective GRAP standards, along with an assessment of the potential impact that the application of the new standard may have on the entity's financial statements (GRAP 3.32).

Example: Disclosure of the possible impact of new GRAP Standards

Note X: Impact of New GRAP Standards

Introduction of GRAP 104: Financial Instruments

The Accounting Standards Board has issued GRAP 104, which will be effective from April 1, 2025. This standard introduces new requirements for the recognition, measurement, and disclosure of financial instruments.

Impact on Financial Statements:

Recognition and Measurement:

- *The new standard requires financial instruments to be measured at fair value through profit or loss, amortized cost, or fair value through other comprehensive income, depending on the business model and contractual cash flow characteristics.*
- *This change is expected to increase the volatility of reported earnings due to the fair value measurement of certain financial assets and liabilities.*

Disclosure Requirements:

- *Enhanced disclosures about the entity's risk management strategy, credit risk, and liquidity risk will be required.*
- *Additional disclosures on the fair value hierarchy and the methods and assumptions used in determining fair values will be necessary.*

Management's Assessment:

Management has conducted a preliminary assessment of the impact of GRAP 104 on the entity's financial statements. The key areas affected include:

- *Financial Assets: Certain financial assets currently measured at amortized cost will be reclassified to fair value through profit or loss.*
- *Financial Liabilities: No significant changes are expected in the measurement of financial liabilities.*
- *Disclosures: The entity will need to enhance its disclosures related to financial instruments, particularly in the areas of risk management and fair value measurement.*

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