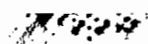# BOARD NOTICE

BOARD NOTICE 110 OF 2009

Accounting Standards Board

INVITATION TO COMMENT ON A PROPOSED DIRECTIVE ON *THE APPLICATION OF DEEMED COST FOR THE INITIAL ADOPTION OF STANDARDS OF GRAP*

Issued: 4 September 2009

The Accounting Standards Board (the Board), at its meeting held on 29 July 2009, approved for release an exposure draft of a proposed Directive on *The Application of Deemed Cost for the Initial Adoption of the Standards of GRAP* (ED 66).

When an entity initially adopts Standards of GRAP, it is required to initially measure assets using their acquisition cost, which is determined using either historical cost or fair value at the date it was acquired. An entity may however not be able to determine the acquisition cost of assets that were acquired several years ago. This proposed directive permits an entity to determine a deemed cost, using fair value, depreciated replacement cost or replacement cost at the date of adoption of certain Standards of GRAP when the acquisition cost of assets cannot be determined.

As a result of its relevance to all entities, it is important for users, preparers and auditors of general purpose financial statements to consider the issues and principles proposed in this Exposure Draft. Responses received as part of the public comment process provide valuable input into the process of standard setting, and are carefully considered by the Board.

All those affected by, or are interested in this Exposure Draft issued by the Board are encouraged to provide a response.

The comment period for this exposure draft ends on **30 September 2009**.

Copies of the exposure draft can be downloaded from the Board's website – http://www.asb.co.za, or can be obtained by contacting the Board's offices on:

- Tel: 011 697 0660, or
- Fax: 011 697 0666

Comment also can be emailed to info@asb.co.za or can be submitted in writing to:

Accounting Standards Board
PO Box 74129
Lynwood Ridge
0040

On request, respondents can provide verbal comment on the Exposure Draft by contacting the Board's offices. We look forward to receiving your responses.