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MINUTES OF THE TECHNICAL COMMITTEE MEETING OF THE ACCOUNTING STANDARDS BOARD HELD VIRTUALLY ON 3 SEPTEMBER 2026

ATTENDANCE

MEMBERS OF THE COMMITTEE

CHAIRPERSON S Gcwabe (until 9:45)

BOARD REPRESENTATIVES

A van der Burgh
I Engelmohr (Deputy-chair)
A Hardien (from 10:10)

REPRESENTATIVE OF THE AGSA

M Mentz

REPRESENTATIVE OF THE ASB

J Poggiolini

REPRESENTATIVE OF THE OAG

L Bodewig (until 11:00)

EX OFFICIO

A Botha	Standard-setter
N Imam-Shah	Standard-setter
S Nondlazi	Standard-setter
E van der Westhuizen	Head of Technical

Board Members: Mr A van der Burgh (Chair), Mr A Hardien, Ms W de Jager,
Mr D Dlamini, Mr I Engelmohr, Mr S Gcwabe, Mr S Khan, Ms A Muller
Chief Executive Officer: Mrs J Poggiolini

1. WELCOME AND APOLOGIES

The meeting was OPENED by the Chairperson. Due to a scheduling conflict, the Chairperson ADVISED Members that he would leave the meeting at 10:00 and HANDED the chairing responsibilities to the Deputy Chairperson for the remainder of the meeting.

2. CONFIRMATION OF THE AGENDA

The agenda was CONFIRMED.

3. DECLARATIONS OF INTERESTS

Members were ASKED to indicate if they had interests to declare. No declarations were NOTED other than Members' standing declarations.

4. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 4 June 2026 were TABLED and APPROVED.

Secretariat

5. MATTERS ARISING

5.1 The Secretariat PRESENTED the matters arising and PROPOSED the removal of several items where related work is being addressed through projects and other ASB activities. Members AGREED that the following matters do not need to remain separately tracked:

- Discounting of receivables and payables and other revenue matters.
- Social benefits and transitional provisions.
- Frequently Asked Questions relating to Standards becoming effective on 1 April 2027.
- Initiatives to improve access to Standards, including enhancements to the website and supporting educational material.
- GRAP 104 implementation issues.

5.2 The Secretariat NOTED that future transitional provisions will be incorporated into the related Standards rather than in the Directives.

5.3 Members REQUESTED feedback after the first implementation cycle of GRAP 104, including observations from auditors, trilateral discussions and the Reference Group. This will be provided through emerging issues.

Secretariat

5.4 The Secretariat PROVIDED an update on the "state of play" and integrated reporting initiatives, including collaboration with external stakeholders, development of a roadmap, awareness activities and future research work.

5.5 A Member ASKED whether the National Treasury would update the MFMA annual report Circular as this was last issued in 2012. The representative from the National Treasury INDICATED that the Inter-governmental Relations (IGR) team is looking to update the Circular. The OAG will engage them on the matter.

- 5.6 A Member RECOMMENDED that the project considers developing digital tools, e.g. a bot that can help entities combine existing reports on the six capitals into an integrated report.

Secretariat

- 5.7 It was AGREED that future reporting on the initiatives will be included in the work programme reporting process.

Secretariat

6 TECHNICAL MATTERS

REVIEW OF RESPONSES TO PROPOSED AMENDMENTS TO CHAPTER 7 ON MEASUREMENT OF ASSETS AND LIABILITIES IN FINANCIAL STATEMENTS OF THE CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSE FINANCIAL REPORTING – LIMITED SCOPE AMENDMENTS (ED 217)

- 6.1 The Secretariat TABLED the following at the meeting:

- Memorandum from the Secretariat
- Analyses of verbal and written comment received on ED 217
- Draft minutes of project group meetings
- Final amendments to Chapter 7 on Measurement of assets and liabilities in financial statements of the *Conceptual Framework for General Purpose Financial Reporting*

- 6.2 The Secretariat PRESENTED the consultation process undertaken on ED 217 and REPORTED that stakeholders supported the proposed amendments. As a result, no amendments were required to the ED.

- 6.3 The Secretariat NOTED that one written response appeared to have been generated using artificial intelligence (AI). Members DISCUSSED the appropriate use of AI in comment submissions and AGREED that emphasis should remain on receiving relevant and well-supported comment rather than focusing specifically on the technology used. Members SUGGESTED that the Secretariat consider the following measures to encourage the submission of relevant comments:

- include text in the Invitation to Comment explaining when comments on Exposure Drafts are useful;
- prepare a short recording on how to comment on Exposure Drafts and explain how comments are considered in the development of a Standard; and
- explore the use of bots on the ASB website that interact with stakeholders while capturing their comments. This could be in the form of screening the responses and prompting further questions or using the bot to better articulate responses.

Secretariat

- 6.4 The Secretariat REPORTED that stakeholders did not fully understand the relationship between the amendments to the *Conceptual Framework for General Purpose Financial Reporting* (Conceptual Framework) and the future Standard of GRAP on *Measurement* and other Standards dealing with assets and liabilities. Members SUPPORTED

proposals to provide explanatory guidance, examples, education material and transitional support during and/or after the development of the Standard of GRAP on *Measurement*.

Secretariat

- 6.5 Members REVIEWED the analyses of written and verbal comments and PROPOSED that the response in item 4.1.7 of attachment 3(b) be redrafted to reflect that sustainability reporting in the South African environment has not progressed sufficiently for the Board's consideration at this stage. Members RECOMMENDED the analyses of written and verbal comments to the Board, subject to this amendment.

Secretariat

- 6.6 Members DEBATED whether the amendments to the Conceptual Framework should be approved and published before the related Standard of GRAP on *Measurement* is developed. Concerns were raised about whether there would be an opportunity to amend the Conceptual Framework during the development of that Standard, if required, and the use of the Conceptual Framework by preparers.

- 6.7 After discussion, Members AGREED to recommend the amendments to the Board for approval, while noting that amendments to the Conceptual Framework could be made when the Standard of GRAP on *Measurement* is developed. The approval of ED 217 at this point would allow stakeholders to familiarise themselves and engage with the new concepts. Members RECOMMENDED the final amendments to the Board for approval and publication.

Secretariat

- 6.8 Members AGREED that re-exposure of ED 217 was not required and RECOMMENDED this to the Board.

Secretariat

REPORTING FRAMEWORK FOR 2027/2028

- 6.9 The Secretariat TABLED the following at the meeting:

- Memorandum from the Secretariat
- Proposed Reporting Framework for 2027/2028
- Full Reporting Framework (for publication on the website)
- Communication on Reporting Framework

- 6.10 The Secretariat PRESENTED the proposed 2027/28 GRAP Reporting Framework and OUTLINED the key changes included in the Framework.

- 6.11 Members DISCUSSED the treatment of government components applying the Standards of GRAP. Members NOTED that government components have historically been treated in the same manner as departments and consequently should apply the Modified Cash Standard. It was AGREED that further investigation is required to understand the basis on which certain government components currently apply the Standards of GRAP.

Secretariat

- 6.12 Members EXPRESSED concern that the current wording of Directive 5 may create uncertainty about the reporting framework applicable to government components as they are not specifically identified in the Directive.
- 6.13 Members CAUTIONED against making amendments to Directive 5 before the underlying conceptual and legal considerations are fully assessed. Members AGREED that further consideration and engagement with National Treasury should be undertaken.

National Treasury and Secretariat

- 6.14 Members RECOMMENDED the 2027/28 GRAP Reporting Framework to the Board for approval.

Secretariat

7 EMERGING ISSUES

- 7.1 The Secretariat PROVIDED an update on emerging issues. It was NOTED that further engagements were planned with relevant stakeholders regarding exemptions.
- 7.2 Members RECEIVED an update on sustainability reporting developments and DISCUSSED concerns about the pace and governance of ongoing initiatives, NOTING the importance of a measured approach.

8 ADMINISTRATION

WORK PROGRAMME AND PROJECTED PERFORMANCE 2026/27

- 8.1 The Secretariat TABLED the following at the meeting:
- Memorandum from the Secretariat
 - Work programme for 2026/27
 - Monitoring convergence with the IPSASB
 - Education material for preparers 2026/27 workplan
 - GRAP 104 Reference Group workplan
 - Frequently Asked Questions
- 8.2 The Secretariat REPORTED on progress against the approved work programme and ADVISED that no changes were proposed to planned projects.
- 8.3 Members CONSIDERED the education material workplan for the next quarter and RECOMMENDED the proposed topics to the Board.

Secretariat

- 8.4 The Secretariat PROVIDED an update on outreach activities relating to the Citizens' Guide and CONFIRMED that SALGA was engaged. It was NOTED that more outreach and awareness activities will be undertaken when new councillors are inducted after the municipal elections.
- 8.5 Members AGREED that no additional expertise are required for the next Technical Committee meeting.

Secretariat

- 8.6 Projected performance against annual targets was REVIEWED and Members NOTED that performance targets are expected to be achieved.

WORK PROGRAMME 2027/2028

- 8.7 The Secretariat TABLED the following at the meeting:

- Memorandum from the Secretariat
- Project brief on Revenue
- Project brief on Employee-related disclosures
- Indicative work programme for 2027/2028 (for information purposes)

Project brief: Revenue

- 8.8 The Secretariat TABLED the proposed project brief to assess challenges with applying revenue-related Standards and Interpretations.
- 8.9 A Member ASKED whether the issue with discounting of debtors and creditors, as noted under matters arising, would be considered in this project. The Secretariat NOTED that, although this was not separately listed as a key issue, it will be considered when assessing whether the guidance in IPSAS 47 on *Revenue* may result in amendments to GRAP 104 on *Financial Instruments* and/or GRAP 108 on *Statutory Receivables*.
- 8.10 Members QUESTIONED whether mSCOA and the Municipal Budget Regulations should be included as regulatory requirements affecting the project, as these requirements should not determine the accounting. The Secretariat RESPONDED that these requirements will only be considered to understand challenges in accounting for revenue. It was AGREED that a lead-in to the legislative and regulatory requirements should be included to explain how the requirements will be considered in this project.

Secretariat

- 8.11 A Member ASKED whether any jurisdiction other than New Zealand has started developing revenue guidance based on IPSAS 47 that can assist in identifying and addressing local implementation challenges. It was NOTED that Kenya is the only other African standard-setter that adapts IPSAS Accounting Standards, but it is not known whether they have commenced work in this area.
- 8.12 It was PROPOSED that IPSAS 47 implementation challenges be suggested as a future agenda item for the Financial Reporting Implementation Forum, although such a discussion may not take place in time to inform this phase of the project. In the meantime, A van der Burgh and E van der Westhuizen will share any feedback from the IPSASB discussions or outreach sessions. It was also NOTED that the project brief indicates that questions to the IPSASB's Application Group will be considered during this phase of the project.
- 8.13 It was AGREED that the project brief be amended with the following comment shared by L Bodewig:
- Adding GRAP 109 on *Accounting by Principals and Agents* to the list of existing accounting guidance.

- Include the Financial Sector Conduct Authority (FSCA), the OAG and the IGR Unit as key stakeholders to be consulted during the project. The engagement with the FSCA should focus on the levies it charges.

Secretariat

8.14 Members RECOMMENDED the project brief to the Board for approval.

Secretariat

Project brief: Employee-related disclosures

8.15 The Secretariat PRESENTED a literature review project focused on employee compensation disclosures and emerging reporting practices.

8.16 Members INDICATED that the Secretariat should consider the following literature as it relates to providing information on employee compensation disclosure as part of the review:

- GRI Standards
- MFMA Circular 65 - Internal Audit and Audit Committee
- Remuneration frameworks/guidelines for departments and municipalities
- POPI Act
- Remuneration of Public Office Bearers Act

Secretariat

8.17 A Member ASKED whether the project would consider compensation to those appointed in a governance capacity or only compensation to employees of the entity. It was NOTED that the project would consider both those charged with governance and employees, and that the project brief would be amended to clarify this.

Secretariat

8.18 Members ENQUIRED on the types of compensation the project will consider and whether it will consider payments to consultants. The Secretariat RESPONDED that the project will consider all types of compensation in GRAP 25 on *Employee Benefits* and the project is not envisaged to cover payments to service providers such as consultants.

8.19 A Member INDICATED that it may be useful to engage with the Department of Cooperative Governance and Traditional Affairs as they determine the salary bands for municipalities and may have insight into employee compensation disclosures.

Secretariat

8.20 Members RECOMMENDED the project brief to the Board for approval, subject to the amendments above.

Secretariat

Work programme and APP targets 2027/2028

8.21 Members NOTED the proposed work programme for 2027/2028 and APP targets and that the Secretariat will update the quarterly dates in the indicative work programme.

REVIEW OF TECHNICAL POLICIES

8.22 The Secretariat TABLED the following at the meeting:

- Memorandum from the Secretariat
- Due Process Handbook
- SS017 - Procedure Manual for Standard-setting Activities

8.23 Members SUPPORTED revisions arising from the latest IFAC agreement and procedural updates. Members SUPPORTED the proposed guidance to assist in determining when guidance should be included in a Standard and when it should be developed separately, but AGREED that the placement in the Due Process Handbook should be reconsidered.

Secretariat

8.24 It was AGREED that the proposed amendments to the Due Process Handbook were clarifications rather than significant changes and did not require public exposure.

Secretariat

8.25 Members RECOMMENDED the amendments to the Board for approval subject to the agreed amendment.

Secretariat

9 INTERNATIONAL STANDARD-SETTING ACTIVITIES

9.1 The Secretariat PROVIDED an update on recent and upcoming IPSASB activities.

9.2 Members NOTED that comments had been submitted on the proposed materiality practice statement and that a response on presentation of financial statements was being finalised.

9.3 A Member ASKED whether feedback received from stakeholders on the presentation of financial statements project was generally consistent with concerns raised by the Technical Committee. The Secretariat CONFIRMED this was the case.

10 GENERAL

No additional matters were raised.

11 FUTURE MEETINGS

It was NOTED that the next meeting is scheduled for 11 November 2026.

12 CLOSING

Members were THANKED for the fruitful discussions at the meeting and for their participation. The meeting was CLOSED.

Prepared by:	E van der Westhuizen	8 September 2026
Reviewed by:	I Engelmohr	xx September 2026
Issued:		