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MINUTES OF THE PROJECT GROUP MEETING OF THE ACCOUNTING STANDARDS BOARD ON ED 214 *PROPOSED STANDARD OF GRAP ON SOCIAL BENEFITS - LIMITED SCOPE AMENDMENTS* HELD ON 11 FEBRUARY 2026

Present:

E Alant	Criterion Consulting
M Mentz	AGSA
B van der Merwe	Nexia SAB&T

Secretariat:

A Botha	Standard setter
E van der Westhuizen	Head of Technical

1. WELCOME AND APOLOGIES

Members were WELCOMED to the project group meeting. Apologies were NOTED from R Fourie, B George, M Hempel, N Imam Shah, S van der Merwe and T Zuccollo.

2. CONFIRMATION OF AGENDA

The agenda was confirmed.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 17 June 2025 were NOTED. No comments were received.

4. REVIEW OF RESPONSES TO ED 214 ON *PROPOSED STANDARD OF GRAP ON SOCIAL BENEFITS – LIMITED SCOPE AMENDMENTS* AND RECOMMEND TO THE TECHNICAL COMMITTEE

4.1 The Secretariat TABLED the following documents at the meeting:

- Memorandum from the Secretariat
- Analyses of verbal and written comment received on ED 214 *Proposed Standard of GRAP on Social Benefits – Limited Scope Amendments*
- Standard of GRAP on *Social Benefits* (mark-up and clean versions)

Background and objective of the discussion

4.2 The Secretariat PROVIDED background information and NOTED the objective of the meeting was to review the responses to ED 214 on *Proposed Standard of GRAP on Social Benefits – Limited Scope Amendments* and recommend proposed responses, next steps and the final Standard of GRAP on *Social Benefits* to the Board for approval.

Consultation process followed

4.3 The Project Group NOTED the consultation process followed by the Secretariat to solicit comment on ED 214.

Key issues for consideration

<u>Availability of information to reliably measure social assistance benefit liabilities</u>

4.4 A member SHARED further context to a comment provided on availability of information to reliably measure social assistance benefit liabilities, being that entities providing these benefits should have information available about the beneficiaries to whom the benefits are provided from an internal control and good governance perspective. It was acknowledged that the information may not currently be used in financial reporting but for other purposes. Members AGREED that the Secretariat reflect this perspective in paragraph BC59.

Secretariat

4.5 Members NOTED that it is important to recognise the differences between social assistance benefits and social security insurance benefits. It is also important that the Standard is finalised and issued so that entities may be able to apply it. The requirements can be revisited in future once practice is established. Furthermore, not all the entities who may provide social assistance benefits may currently be known and therefore, although some of the entities may have sufficient information to reliably measure these liabilities beyond the next point of verification of substantive eligibility criteria, not all of them may.

4.6 On balance, members AGREED with the proposal that the verification of substantive eligibility criteria is considered in measuring social assistance benefit liabilities, thereby retaining the proposals in ED 205 and ED 214 in the final Standard of GRAP on *Social Benefits*. Members also EMPHASISED the importance of the work that the Reference Group will do.

Secretariat

<u>Other matters</u>

4.7 Members SUPPORTED the Secretariat's rationale in paragraph BC60. that similar applications may be grouped for purposes of calculating the liability and that this is done in practice and accepted as a reliable measure.

Secretariat

4.8 A member ASKED for clarity on concerns raised by a respondent on the scope of the Standard and why some benefits who are similar to social benefits are excluded from the scope. The Secretariat EXPLAINED that entities who provide benefits that do not meet all the elements of the definition of a social benefit can apply the flowchart in the application guidance to know which Standard(s) applies to their transactions, and they may provide additional information if necessary for users to understand the financial statements. Members SUPPORTED that the flow chart is used as guidance outside the Standard, to improve accessibility of the guidance.

Secretariat

4.9 A member ASKED whether it is practice delaying the effective date of a new Standard to allow entities time to get ready, and if applicable, a reference group or similar to consider the guidance. The member NOTED that it may be better to not delay the effective date of this Standard given that there is a need for guidance and uncertainty will remain until the Standard is effective. The Secretariat NOTED that the next phase will consider the time and relief entities may need to implement the new Standard. The timing of the Reference Group could be determined once the needs are understood. The Secretariat also NOTED that entities would be able to use the Standard to develop accounting policies once the Board approves it, and can early adopt it once the Minister of Finance determines the effective date.

4.10 Members RECOMMENDED the proposed responses to comment on ED 214 and the proposed Standard of GRAP on *Social Benefits* to the Technical Committee.

Secretariat

5. NEXT STEPS

The next steps were NOTED.

6. GENERAL

There were no further matters for discussion raised.

7. CLOSING REMARKS

Members were THANKED for their time to prepare for the meeting, and their participation and input during the meeting and throughout the project.

Prepared by: **E van der Westhuizen** **12 February 2026**