



ACCOUNTING STANDARDS BOARD

REVIEW REPORT

ON

THE RESULTS OF THE REVIEW OF

DIRECTIVE 12 ON *THE SELECTION OF AN*

APPROPRIATE REPORTING FRAMEWORK BY

PUBLIC ENTITIES



Copyright © 2021 by the Accounting Standards Board

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior permission of the Accounting Standards Board. The approved text is published in the English language.

Permission to reproduce limited extracts from the publication will usually not be withheld.



Contents

Review Report of Directive 12

Executive summary	4
Results of the review.....	4
Board decisions and key actions.....	5
Introduction	6
Authority of this publication	6
Section 1 – Approach to the review	7
Scope of the review	7
Desktop review	7
Engagements with stakeholders	8
Section 2 – Results of the review	9
Phase I - Assessing compliance with the Directive	9
Phase II - Evaluating the effectiveness of the Directive	13
Section 3 – Key actions arising from the review	17
Appendix A	18
List of entities listed in the PFMA Schedules 2, 3B and 3D	18

Executive summary

The Directive on *The Selection of an Appropriate Reporting Framework by Public Entities* (Directive 12) outlines a set of criteria that public entities listed in the Schedules 2, 3B and 3D to the Public Finance Management Act, Act No. 1 of 1999 as amended (PFMA), are required to consider in determining their reporting framework. Entities that met the criteria were required to apply the International Financial Reporting Standards (IFRS® Standards). If entities did not meet the criteria, the Standards of GRAP were applicable.

A project to review Directive 12 was undertaken to:

- (a) assess the status of compliance with the Directive; and
- (b) evaluate the effectiveness of the self-assessment criteria and guidance in the Directive.

Results of the review

Phase I – Assessing compliance with the Directive

The initial phase was a desktop review of audited annual financial statements of affected entities to assess compliance with the Directive.

The desktop review indicated that all 22 entities that applied Statements of GAAP (SA GAAP) adopted a new reporting framework, either IFRS Standards or Standards of GRAP. The result is that there are now more entities applying Standards of GRAP because of the Directive. To some stakeholders, the adoption of Standards of GRAP was a potential indication that the entities were not classified correctly in the PFMA Schedules.

Furthermore, the review could not confirm with sufficient certainty what proportion of entities that applied IFRS Standards before the Directive became effective, undertook the assessment as not all entities provided the necessary disclosures in their financial statements. The Board noted that there is a risk that some of these entities may be applying IFRS Standards when it is appropriate for them to apply Standards of GRAP.

The desktop review identified that some entities, in particular water boards which are established on the same basis, concluded differently on their self-assessments. This resulted in seven water boards adopting Standards of GRAP while the other two continued to apply IFRS Standards.

Phase II – Evaluating the effectiveness of the Directive

The second phase of the review was the evaluation of the effectiveness of the Directive through engagements with stakeholders representing the affected entities as well as their auditors.

The Board requested feedback about the clarity of the criteria and implementation challenges, if any. Most stakeholders indicated that the Directive is clear and understandable. However, a minority group of stakeholders requested the Board to clarify the self-assessment criteria and guidance in the Directive. They reported that assessing whether an entity's operations are commercial in nature and the significance of government funding can be a challenge. It was noted that while the guidance may be clear, applying the guidance in an environment when



government decisions and policies take long to be implemented, and entities' circumstances can change at any point due to an unstable economy, is problematic.

Section 2 provides a detailed discussion of the findings.

Board decisions and key actions

The Board considered the results of the review and agreed that the findings should be shared with relevant stakeholders. To respond to the feedback from stakeholders on their experience with the application of the Directive, the Board agreed to develop a Fact Sheet to clarify the matters raised, instead of amending the Directive itself.

Furthermore, the Board agreed that a report should be published to communicate the results of the review with stakeholders.

More information on the key decisions and actions is included in Section 3.



Introduction

Directive 12 was issued in July 2015 with an effective date of 1 April 2018.

The Directive outlines a set of criteria that public entities listed in the Schedules 2, 3B and 3D of the PFMA (hereafter “affected entities”) are required to consider in determining their reporting framework. The affected entities were required to undertake a self-assessment to determine whether they meet the criteria to apply IFRS Standards, otherwise they were required to apply Standards of GRAP.

The Board agreed that once the Directive is effective, it would undertake a project to review the Directive. This review was completed in the first half of 2021.

The purpose of the review was to:

- (a) assess the status of compliance with the Directive; and
- (b) evaluate the effectiveness of the self-assessment criteria and guidance in the Directive.

This report is set out in three sections:

Section 1 –

Section 2 – Results

Section 3 –

Authority of this publication

The Board publishes Review Reports to communicate the results of any reviews undertaken on the application of Standards of GRAP or any other topic the Board may deem appropriate.

Review Reports are non-authoritative pronouncements issued by the Board, and their application is not mandatory.

Section 1 – Approach to the review

Scope of the review

The review was conducted in two phases:

- The initial phase was to assess compliance with the Directive. This was completed by way of a desktop review of audited annual financial statements of affected entities (hereafter “financial statements”).
- The second phase was to evaluate the effectiveness of the Directive through engagements with stakeholders.

Entities considered in the review

The review considered entities that were required to apply the Directive when it became effective. These included the Schedule 2, 3B and 3D entities that applied SA GAAP or IFRS Standards. Entities already applying Standards of GRAP (i.e., Schedule 3A and 3C entities) were exempt from applying the Directive as the Minister of Finance already approved GRAP as their reporting framework.

A total of 60 entities were identified for the review. [Appendix A](#) provides a list of these entities¹. Included in this list is one Schedule 3A entity that applied IFRS Standards due to an exemption received from the National Treasury.

Entities not considered in the review

Five entities were not considered in the review due to a lack of information or because they were exempt from applying the Directive.

Desktop review

Since the Directive became effective on 1 April 2018, the financial statements for the reporting period before the Directive was applied (i.e., 2018), and the two reporting periods thereafter (i.e., 2019 and 2020) were reviewed.

These financial statements were reviewed to:

- (a) determine whether all entities applied the requirements in the Directive by undertaking the self-assessment,
- (b) identify which entities changed their reporting framework; and
 - to assess the impact of the change in reporting framework in the financial statements; and
 - to determine whether there were any changes in the audit outcomes for the periods following the change in reporting framework.

For the purposes of reviewing the audit outcomes, the audit reports for two years before and after the Directive was applied were considered. In the case of entities that early adopted the

¹ The list was based on the public entities listed in the National Treasury’s Public Institutions Listed in the PFMA Schedules as at 24 May 2019.



Directive, the audit reports for the two years prior to the adoption of the Directive were considered.

Engagements with stakeholders

Stakeholders identified in the review included the preparers of affected entities, their auditors and other relevant users identified by the Board (e.g., the Department of Water and Sanitation, the Office of the Accountant-General and the JSE).

Initial engagements with preparers and auditors were undertaken by circulating questionnaires to them. This was then followed by targeted stakeholder engagements.

The next section addresses the results of the review.

Section 2 – Results of the review

The results of the review are presented to deal with the two parts.



Phase I - Assessing compliance with the Directive

In assessing compliance with the Directive, a desktop review of entities' financial statements was undertaken. The results of the desktop review are summarised in A. to C. below.

A. Determining whether all entities that previously applied IFRS Standards or Statements of GAAP undertook the self-assessment

Public entities that applied a reporting framework other than Standards of GRAP, were required to apply the Directive in selecting and applying an appropriate reporting framework when preparing their financial statements for periods commencing on or after 1 April 2018.

(a) Reporting frameworks following the application of the Directive

Key findings

A comparison of entities reporting frameworks before and after the application of Directive 12 was undertaken.

The table below summarises the composition of affected entities as well as their reporting frameworks before and after applying Directive 12:

Table A: Affected entities and their reporting frameworks before and after applying Directive 12

	Before Directive 12					After Directive 12				
	GAAP	IFRS	GRAP	No info	Total	GAAP	IFRS	GRAP	No info	Total
Schedule 2	3	18	-	-	21	-	19	2	-	21
Schedule 3A²	-	1	-	-	1	-	1	-	-	1
Schedule 3B	7	12	-	2	21	-	10	9	2	21
Schedule 3D	12	2	1	2	17	-	6	9	2	17
Total	22	33	1	4	60	-	36	20	4	60
Total as%	37%	55%	1%	7%		-	60%	33%	7%	

² The Board approved that Schedule 3A and 3C public entities should apply Standards of GRAP. Directive 12 is not applicable to entities that were already applying Standards of GRAP.



The Board is pleased to note that from the 60 affected entities:

- no entities are applying SA GAAP;
- 26 entities changed their reporting framework - this includes 22 entities that previously applied SA GAAP, and four entities that applied IFRS Standards;
- there are now 19 more entities applying Standards of GRAP because of the Directive; and
- two entities (Schedule 2³ and 3A⁴) applied to the National Treasury for an exemption to apply IFRS Standards instead of Standards of GRAP.

(b) Level of compliance with the Directive

Key findings

Directive 12 includes a requirement for entities to disclose, in the summary of significant accounting policies or notes, the judgements made in applying the criteria.

It was unclear from the review what proportion of entities that continued to apply IFRS Standards undertook the self-assessment, as only a few of those entities disclosed their judgements in applying the criteria or mentioned undertaking the self-assessment in their financial statements.

Consequently, the review revealed that there is a risk that there may be entities that did not undertake the self-assessment that are continuing to apply an inappropriate reporting framework.

Way forward

Stakeholders indicated that when the Directive was issued, there was a perception that it only applied to entities that applied SA GAAP. However, various initiatives were undertaken by auditors from the AGSA and private audit firms to raise awareness with their auditees that the Directive applies to all entities that previously applied SA GAAP and IFRS Standards, without exception.

While this may be a compliance issue, the Board's view is that there is no other action required other than ensuring that the Directive is applied correctly in future. The Board agreed that it is important to emphasise that the requirements in the Directive are not once-off - entities may need to re-assess when there are significant changes to their operations.

To ensure the correct application of the Directive, the Board, together with the AGSA and OAG, will continue to monitor how entities apply the Directive.

(c) Different reporting frameworks applied by similar entities

Key findings

Included in Schedule 3B are nine water boards. Water boards are established on the same legislative basis, however they concluded differently on their self-assessments. Seven water boards adopted Standards of GRAP while the other two continued to apply IFRS Standards.

³ The Schedule 2 entity's exemption was granted for reporting periods 2019 to 2023.

⁴ The Schedule 3A entity's exemption was granted until the 2020/21 reporting period, however this was extended until the 2022/23 reporting period subject to specific conditions.

The results were concerning, and the Board needed to understand how a group of similar entities would have varying conclusions on their assessments. Through engagements with the water boards, it was clarified that while the water boards are similar in nature and activities, their operations and funding mechanisms vary. As a result, seven out of the nine water boards did not meet the criteria to apply IFRS Standards as their operations are not commercial in nature and are reliant on funding from government.

The Department of Water and Sanitation is the shareholder and an oversight body for the water boards. Discussions were held with the Department to identify if there were any emerging issues following the changes in the reporting framework for water boards. The Department confirmed that its information needs as a user have not been impacted by the different reporting frameworks.

Way forward

The Board concluded that it is acceptable for similar entities to have different conclusions about the self-assessment criteria as demonstrated by the water boards. As such, it was agreed that no further action is required from the Board as the information needs of the Department have continued to be met.

B. Identifying which entities adopted a new reporting framework

This part of the review was aimed at identifying the entities that changed their reporting framework and assessing the impact of the change in reporting framework on the financial statements.

Key findings

As noted in Part A above, 26 entities of the 60 affected entities adopted a new reporting framework. Of these entities, 19 adopted Standards of GRAP. A majority of the entities that adopted a new reporting framework disclosed in the notes to the financial statements that they undertook the self-assessment, and provided details about the results of the assessment.

Most of the entities that changed their reporting framework to Standards of GRAP are the Schedule 3B and 3D entities.

Stakeholders noted the increased number of entities that adopted Standards of GRAP, and observed that it may be an indication that the entities were not classified correctly in the PFMA Schedules.

Others interpreted the results as a need for the Board to reconsider the scope of the Directive such that it applies to entities that are already applying Standards of GRAP. In their view, the change from IFRS Standards to Standards of GRAP by affected entities is an indication that there may be other entities that meet the criteria to apply IFRS Standards but are currently applying Standards of GRAP.

Way forward

The Board is pleased that the application of the Directive resulted in an increased number of entities applying Standards of GRAP.

The Board considered stakeholders' observations and agreed that, with regards to the classification of entities, the results of the review should be shared with the National Treasury to give input into the PFMA classification processes.

In the case of the scope of the Directive, the Board notes that the Directive exempts entities applying Standards of GRAP as, in accordance with the PFMA, the Minister of Finance approved GRAP as their reporting framework. Only those entities that are within the scope of Directive 12 would be able to change their reporting framework on initial and subsequent application of the Directive.

Any entities that are exempt from applying the Directive, because they are already applying Standards of GRAP and whose operations have changed significantly such that they should be applying IFRS Standards, will need to follow the National Treasury's processes for a reclassification in the PFMA Schedules.

C. Determining whether there were any changes to the audit outcomes of entities that adopted a new reporting framework

In this part of the review, the audit outcomes of entities that adopted a new reporting framework were assessed to identify any changes for the periods following the application of Directive 12. The information below was compiled based on information available in the public domain. As at the date of finalisation of the review, the audit outcomes of four entities (two water boards, and two Schedule 3D entities) could not be confirmed.

Key findings

The table below summarises the audit outcomes of 26 entities for the reporting periods 2017 to 2020.

Table B: Audit outcomes of entities that changed their reporting framework

	Audit outcomes before Directive 12								Audit outcomes after Directive 12							
	2017				2018				2019				2020			
Audit opinion	Unqualified	Qualified	Disclaimer	No info	Unqualified	Qualified	Disclaimer	No info	Unqualified	Qualified	Disclaimer	No info	Unqualified	Qualified	Disclaimer	No info
IFRS to GRAP (4)	2	1	-	1	3	-	-	1	4	-	-	-	4	-	-	-
GAAP to IFRS (7)	6	1	-	-	5	1	1	-	3	2	1	1	4	-	2	1
GAAP to GRAP (15)	8	3	2	2	8	3	2	2	9	3	2	1	8	1	3	3
Total (26)	16	5	2	3	16	4	3	3	16	5	3	2	16	1	5	4

In totality, the audit outcomes of entities remained substantially the same before and after the application of Directive 12. However, the 2020 outcomes indicate a regression with more entities that received a disclaimer of opinion than in the previous years.

The review further analysed the audit outcomes of the 19 entities that adopted Standards of GRAP. In particular, the Board was interested in the nature of the areas that led to the qualified or disclaimer of opinions. In most cases, the matters pointed to a lack of audit evidence to support the information disclosed in the financial statements due to poor systems and record-keeping. The matters raised affected property, plant and equipment, investment properties, exchange receivables, payables and revenue, commitments, and unspent conditional grants.

Way forward

The entities that received qualifications or disclaimers in 2019 (i.e., the first year of application of Directive 12) have had a history of qualifications or disclaimers under the previous reporting framework. The Board concluded that since the areas of qualification arose due to a lack of audit evidence, no further actions are required.

Phase II - Evaluating the effectiveness of the Directive

The objective of phase II of the review was to evaluate the effectiveness of the guidance in Directive 12. The Directive requires entities to apply IFRS Standards when they meet one or more of the following criteria:

- (a) *The entity is a financial institution.*
- (b) *The entity has ordinary shares or potential ordinary shares that are publicly traded on capital markets.*
- (c) *Its operations are such that they are:*
 - i. *commercial in nature; and*
 - ii. *only an insignificant portion of the entity's funding is acquired through government grants or other forms of financial assistance from government.*

If entities do not meet any of these criteria, they should apply Standards of GRAP.

The Directive includes explanatory guidance to assist with the application of the criteria, with the basis for conclusions outlining the Board's rationale for the decisions made in the development of the Directive.

Following the issue of the Directive in 2015, several queries were raised by stakeholders about the application of the Directive. The Secretariat responded to those queries by publishing a communiqué to clarify the application of the Directive. The communiqué was distributed to affected entities and auditors, and no other issues were raised.

This section considers stakeholders' experience with the Directive and the issues identified by them when undertaking the self-assessment. Generally, the feedback received was positive as most stakeholders indicated that the criteria and guidance in the Directive are clear. Other stakeholders disagreed and provided details on areas that could be improved. Although the latter were a minority, the feedback is outlined in the paragraphs below.

(a) Clarification of the self-assessment criteria and guidance in the Directive

Key Findings

Stakeholders noted that assessing whether an entity's operations are commercial in nature and the significance of government funding can be a challenge. It was noted that while the guidance is clear, applying the guidance in an environment when government decisions and policies take long to be implemented, and entities' circumstances can change at any point due to an unstable economy, is problematic.

Some indicated that motivating that an entity is commercial, and not reliant on government funding, will become increasingly difficult with the pandemic as entities will require continuing bail outs (with some bail outs realising over several reporting periods) due to a depressed economy.

Stakeholders highlighted several areas where the criteria and guidance could be improved in applying the self-assessment criteria:

Criterion	Issues
General	<ul style="list-style-type: none"> Clarify the requirement that the self-assessment should be undertaken at the economic entity level. Amend the criteria such that the basis of the selection of an appropriate reporting framework is the entity's classification in the PFMA Schedules. Establish a default reporting framework when there is uncertainty about what the appropriate reporting framework (e.g., borderline cases where the operations of an entity are commercial and non-commercial) assist when there is uncertainty about the outcome of the self-assessment. Introduce a requirement that entities with international competitors or publicly traded debt should automatically apply IFRS Standards without undertaking the assessment. Introduce additional exemptions for specific industries for legal or practical reasons. Restructure the criteria between conceptual and non-conceptual/practical criteria to enhance the credibility of the self-assessment. Clarify the appropriate accounting treatment when entities have made an incorrect assessment and discover that an inappropriate reporting framework was applied.
Financial institutions	<ul style="list-style-type: none"> Clarify whether a controlling entity could apply a reporting framework that is different to the controlled entity if the controlled entity is a financial institution.
Nature of operations	<ul style="list-style-type: none"> Clarify whether breaking even or a sustainability objective are indicators of a commercial objective, particularly when an entity's enabling legislation does not require the entity to generate a return to its shareholders. Revise the definition of service delivery or reconsidering whether the concept of service delivery should be used in assessing the nature of the operations when all public sector entities have service delivery objectives. Provide guidance for semi-commercial entities. Clarify what it means to have a competitive market.

Criterion	Issues
Funding from government	<ul style="list-style-type: none"> Clarify what it means to have an insignificant portion of funding, and the impact of bail outs on the assessment. Clarify the forms of government funding or assistance as these may include guarantees provided by the shareholder, as well as policy and regulatory support. Provide guidance for start-up entities which are likely to be reliant on government funding initially even though their mandate may require that they become financially viable.
Other matters	<ul style="list-style-type: none"> Provide guidance on first-time adoption indicating to entities adopting IFRS Standards that they should apply IFRS 1. Provide guidance on relevant disclosures that should be provided in the financial statements on adoption of Standards of GRAP.

Way forward

The Board considered the issues collectively and concluded that they can be addressed in supplementary guidance rather than amending the Directive itself. The Board noted that in most cases explanatory guidance already exists, either in the core text of the Directive or the basis of conclusions, that responds to the stakeholders' concerns.

The Board agreed that supplementary guidance in the form of a Fact Sheet should be developed to clarify these matters. The Fact Sheet will also be used as a tool to amplify some of the key decisions made by the Board in the development of the Directive.

(b) Misapplication of the requirements

Key findings

The Directive requires that entities undertake a holistic assessment that considers all relevant information including historical and prospective information.

Stakeholders noted two instances where entities did not consider all relevant information which resulted in the selection of an inappropriate reporting framework. Through interventions by the provincial treasury and auditors, these entities were subsequently requested to re-assess taking all the relevant information into account. The final assessments indicated that their operations were not commercial in nature, and they received a significant portion of government funding. The entities reconsidered those assessments and agreed that Standards of GRAP are appropriate.

Way forward

The Board commends all stakeholders that have been involved in assisting entities to correctly apply the requirements in the Directive. The Board will continue to monitor the application of the Directive for new entities, and existing entities when they consider a re-assessment. The Board agreed to emphasise the need for re-assessments in the supplementary guidance.



(c) Impact of exemptions on the effectiveness of the Directive

Key findings

As noted in the results of Phase I of the review, two entities applied to the National Treasury for an exemption to apply IFRS Standards instead of Standards of GRAP.

Some stakeholders noted that the effectiveness of the Directive is impacted when some entities are granted exemptions as this impairs comparability between similar entities.

Way forward

In terms of the PFMA, the National Treasury has the authority to provide exemptions. The two exemptions were granted with specific conditions and are valid for a specified period. The National Treasury has the discretion to provide exemptions to entities based on its own processes, and the Board agreed that no further action is required.



Section 3 – Key actions arising from the review

This Board agreed to undertake the following actions based on the results of the review and feedback received.

- Develop supplementary guidance (i.e., Fact Sheet) to clarify the issues identified in the review about the application of the Directive.
- Share the results of the review with the National Treasury as the results may contribute to the processes for the classification of entities in the PFMA Schedules.
- Update the Directive to reflect the changes in legislation and/or pronouncements referenced in the Directive.
- Publish and communicate the results of the review directly with key stakeholders.

Appendix A

List of entities listed in the PFMA Schedules 2, 3B and 3D

No.	Name of entity	Previous reporting framework	Current reporting framework
Schedule 2			
1	Air Traffic and Navigation Services Company Ltd	IFRS	IFRS
2	Airports Company of SA Ltd	IFRS	IFRS
3	Alexkor Ltd	IFRS	IFRS
4	Armaments Corporation of SA Ltd	SA GAAP	GRAP
5	Broadband Infrastructure Company (Pty) Ltd	IFRS	IFRS
6	CEF (Pty) Ltd	IFRS	IFRS
7	Denel (Pty) Ltd	IFRS	IFRS
8	Development Bank of Southern Africa	IFRS	IFRS
9	Eskom	IFRS	IFRS
10	Independent Development Trust	SA GAAP	GRAP
11	Industrial Development Corporation of SA Ltd	IFRS	IFRS
12	Land and Agricultural Development Bank of SA	IFRS	IFRS
13	SA Airways (Pty) Ltd	IFRS	IFRS
14	SA Broadcasting Corporation Ltd	IFRS	IFRS
15	SA Express (Pty) Ltd	IFRS	IFRS
16	SA Forestry Company Ltd	IFRS	IFRS
17	SA Nuclear Energy Corporation Ltd	SA GAAP	IFRS
18	SA Post Office Ltd	IFRS	IFRS
19	Telkom SA Ltd	IFRS	IFRS
20	Trans-Caledon Tunnel Authority	IFRS	IFRS
21	Transnet Ltd	IFRS	IFRS
Schedule 3B			
1	Amatola Water Board	SA GAAP	GRAP
2	Bloem Water	SA GAAP	GRAP
3	Lepelle Northern Water	IFRS	GRAP
4	Magalies Water	IFRS	GRAP
5	Mhlathuze Water	SA GAAP	GRAP
6	Overberg Water	IFRS	GRAP
7	Rand Water	IFRS	IFRS
8	Sedibeng Water	SA GAAP	GRAP
9	Umgeni Water	IFRS	IFRS

No.	Name of entity	Previous reporting framework	Current reporting framework
10	Aventura ⁵	No information	
11	Council for Scientific and Industrial Research	IFRS	IFRS
12	Export Credit Insurance Corporation of SA Ltd	IFRS	IFRS
13	Inala Farms (Pty) Ltd ⁵	No information	
14	Mintek	SA GAAP	GRAP
15	Onderstepoort Biological Products Ltd	IFRS	IFRS
16	Passenger Rail Agency of SA	SA GAAP	GRAP
17	Public Investment Corporation Ltd	IFRS	IFRS
18	SA Bureau of Standards	IFRS	IFRS
19	Sasria Ltd	IFRS	IFRS
20	Sentech Ltd	IFRS	IFRS
21	State Diamond Trader	SA GAAP	IFRS
Schedule 3D			
1	Casidra (Pty) Ltd	SA GAAP	GRAP
2	Cowslip Investments (Pty) Ltd	SA GAAP	IFRS
3	East London Industrial Development Zone	SA GAAP	GRAP
4	Eastern Cape Development Corporation	SA GAAP	IFRS
5	Free State Development Corporation	SA GAAP	IFRS
6	Gateway Airport Authority Ltd	SA GAAP	GRAP
7	Ithala Development Finance Corporation	SA GAAP	IFRS
8	KwaZulu-Natal Mjindi Farming (Pty) Ltd ⁵	No information	
9	Limpopo Economic Development Agency	SA GAAP	IFRS
10	Mayibuye Transport Corporation	SA GAAP	GRAP
11	Mjindi Farming (Pty) Ltd	SA GAAP	GRAP
12	Mpendle Ntambanana Agricultural Company (Pty) Ltd ⁵	No information	
13	Mpumalanga Economic Growth Agency	IFRS	IFRS
14	North-West Development Corporation	SA GAAP	GRAP
15	North-West Transport Investments (Pty) Ltd	SA GAAP	GRAP
16	Richards Bay Industrial Development Zone Company	IFRS	GRAP
17	Saldanha Bay IDZ Licencing Company Soc Ltd	GRAP	GRAP
Schedule 3A			
1	Sanral ⁶	IFRS	IFRS

⁵ The entity was not included in the review as there was no information about the entity in the public domain.

⁶ The Board approved that Schedule 3A and 3C public entities should apply Standards of GRAP. Directive 12 is not applicable to entities that were already applying Standards of GRAP. This entity has been applying IFRS Standards because of an exemption from the National Treasury.