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Technical Session 1

Service Performance Reporting

Project Overview

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Agenda

- Project objective
- Alignment with AASB strategic objectives
- Project journey to date
- Current status
- Next steps
- Q&A

Project objective

- develop a pronouncement that establishes scalable principles for not-for-profit entities to report information about their service performance in a cost-effective way
- considers issues relevant to service performance reporting, including understanding user needs, costs, and benefits to determine the nature and the scope of any future service performance reporting pronouncement

Alignment with AASB strategic objectives

The AASB uses an evidence-informed approach, collaboration, communication, and education as enablers to:



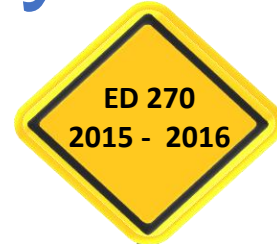
Project journey to date

Research & consultation prior and during ED270:

- Initiated in 2009 to improve information to users
- The Senate Standing Committee on Economic Report [Disclosure regimes for charities and not-for-profit organisations](#) (2008)
- The Institute of Chartered Accountants in Australia's 2009 edition of [Enhancing Not-for-Profit Annual and Financial Reporting](#)
- IPSASB Recommended Practice Guideline (RPG) 3 *Reporting Service Performance Information*
- New Zealand project on Service Performance reporting

Feedback on ED 270:

- General agreement with objectives and principles
- Concerns with overlap with existing frameworks, mandatory status and costs of implementation vs value to users esp. for SME NFPs
- Further research and consultation needed



- AASB Research Report 14: [Literature Review: Service Performance Reporting for Not-for-profits](#) (February 2020)
- Project restarted in 2022 - [AASB Agenda consultation 2022-2026 Feedback Statement](#)

In 2022 and 2023:

- Board considered number of working assumptions and potential baselines
- NZ PBE FRS 48 *Service Performance Reporting* as the primary point of reference for further consideration

Current status

Working assumptions:

- Collaboration with regulators and stakeholders
- NZ PBE FRS 48 Service Performance Reporting as the primary point of reference
- Interaction with other projects, including sustainability reporting and management commentary
- Scope to include NFP public and private sector
- Differential reporting may not be needed (at least for Tier 1 and Tier 2)
- Definition of “service” to be developed
- To assess interaction with GPFRs and assurance requirements
- To assess mandatory/voluntary status
- Nature and form of next due process document

Next steps

- Project plan – key milestones and timeline
- Continue to re-assess working assumptions and appropriateness of NZ PBE FRS 48 as point of reference
- Further research and stakeholder outreach (interaction with academics, AASB advisory panel, Productivity Commission's Philanthropy Inquiry)

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Q&A

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