AcSB
Accounting Standards Board

Consultation Paper

Advancing Accounting Standards Together

2027-2032 Draft Strategic Plan

May 2026

Comments to the AcSB must be received by September 9, 2026

LAND ACKNOWLEDGMENT

We, the Accounting Standards Board (AcSB), acknowledge that our work is being developed on the lands of First Nations, Métis, and Inuit (Indigenous) Peoples across Canada, who have stewarded these lands for generations and continue to do so.

We recognize and respect the significance of both treaty and unceded lands, and the diverse history and culture of Indigenous Peoples across Canada. We also recognize that our standard-setting work affects Indigenous Peoples and their businesses and organizations. Accordingly, we commit to building respectful relationships and fostering meaningful engagement with Indigenous Peoples as we serve the Canadian public interest by influencing and developing accounting standards and other related reporting guidance that support informed economic decision making.

This land acknowledgment is just one step in our journey toward reconciliation. We invite our interested and affected parties to reflect on their own relationship to the land and Indigenous Peoples, and to consider how their work can contribute to the ongoing journey of reconciliation.

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CHAIR MESSAGE

Looking ahead, we face an environment filled with uncertainty and rapid change – economic shifts, evolving financial reporting needs, and technological transformation. These realities continue to underscore the importance of our mission to support informed economic decision making.

We know that resource constraints are real, and the need for practical, timely guidance continues to grow. At the same time, we recognize the importance of expanding Canada's influence internationally and preparing for the future. That includes embracing technology and innovation to improve how financial information is reported and how standards are developed and implemented.

When we think about the next five years, our strategies focus on working with interested and affected parties. We want to grow our reach so that broad perspectives guide our decisions and activities. This approach will enable our standards to produce useful information, allow us to support implementation with the right tools, and ensure that Canada's perspective is influential on the global stage. These are not just strategies, but our commitment to collaboration and responsiveness in ensuring our standards meet the needs of interested and affected parties.

Our strategies in this draft were developed based on what we heard in our ongoing interactions with those affected by our standards, but they are not final. Your participation in our standard-setting activities is highly valued, and your input now is critical because the questions in this document are intended to confirm that our proposed strategies align with your needs and expectations. Your perspectives will help shape concrete actions through our annual planning over the next five years. Thank you for taking the time to participate in this process and for working with us to build a plan that serves the Canadian public interest.

Armand Capisciolto, FCPA, FCA, CPA(MI)
Chair, AcSB

REQUEST FOR COMMENTS

The AcSB is proposing a five-year strategic plan for the period 2027-2032. This Draft Strategic Plan outlines the Board's proposed strategies and invites feedback to help shape its strategic direction.

We value your input and look forward to your feedback. You can contribute your perspectives by completing the Connect.FRASCanada.ca survey or submitting a comment letter addressed to:

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AcSB's planning process

The AcSB intends to obtain input on its proposed strategies through online surveys, comment letters and consultations with interested and affected parties. After analyzing the input, we will develop any necessary modifications and discuss a revised strategic plan with the Reporting and Assurance Standards Oversight Council (the Oversight Council). We expect to finalize the plan in March 2027 and begin implementing it on April 1, 2027.

Questions

We welcome comments on all aspects of our Draft Strategic Plan. In particular, we would like to hear your comments on the following questions:

1. Do you agree with our proposed strategies? If not, what additional strategies should be considered? Where appropriate, please specify the individual strategy that you do or do not support with your reasoning.
2. Do you have any other comments for the AcSB on the content included in this Draft Strategic Plan?

ABOUT THE AcSB

The AcSB is an independent body with the authority to establish accounting standards for use by all Canadian entities outside the public sector. Accounting standards specify how transactions and other events are to be communicated in financial statements.

OUR MISSION

As a global leader in standard setting, our mission is to serve the Canadian public interest by influencing and developing accounting standards and other related reporting guidance that support informed economic decision making.

HOW WE SERVE THE PUBLIC INTEREST

We establish high-quality accounting standards that promote confidence in the information reported by Canadian private sector entities. When developing these robust standards, we consider changes in the economy, as well as the costs and benefits to both preparers and financial statement users. We remain accountable to interested and affected parties by responding to their needs in a timely manner and facilitating their participation and input into the development of the standards that affect them.

We contribute to global best practices in accounting standard setting for every major reporting entity category in Canada's private sector: publicly accountable enterprises, private enterprises, not-for-profit organizations (NFPOs), and pension plans.

We follow a due process based on three principles: transparency, consultation, and accountability. These principles permeate the due process procedures we follow when determining the content of the CPA Canada Handbook – Accounting (the Handbook) applied by all reporting entities in Canada.

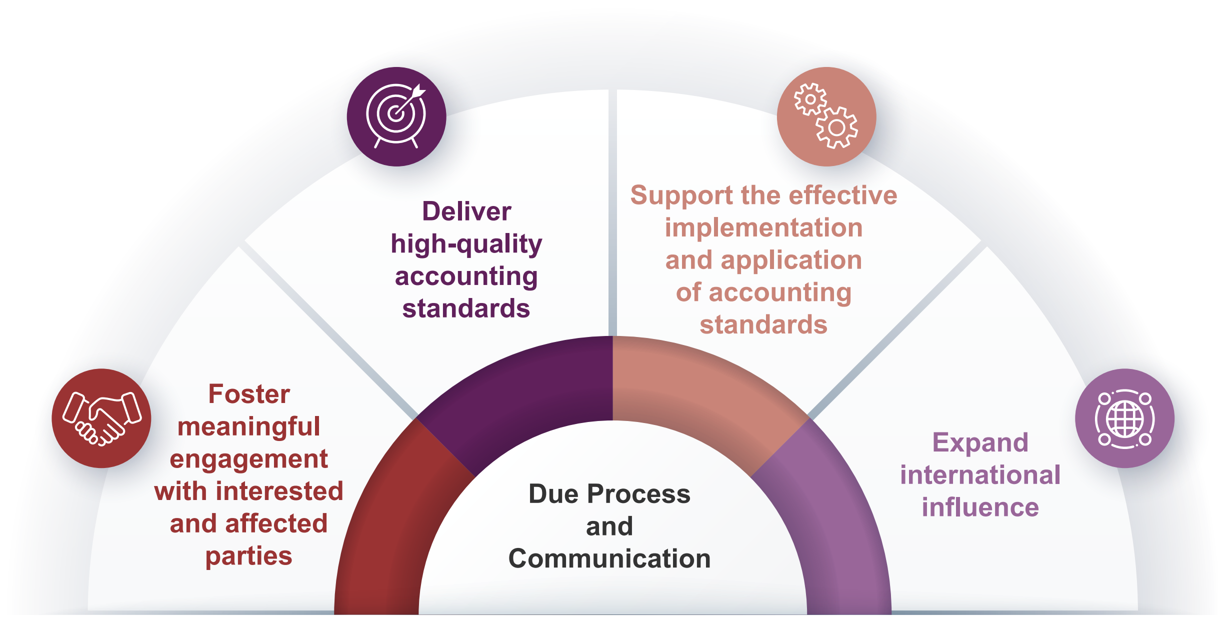
OUR STRATEGIES

Introduction

In recent years, developments in Canada and abroad, including the evolving geopolitical landscape, have sharpened our focus. These developments are influencing what is reported inside and outside of financial statements. We are also observing shifts in how entities access capital or resources, along with calls to reduce reporting burden due to increasing resource constraints.

As we reflect on these developments in pursuit of our mission, we will continue to enhance the relevance of our work by addressing the distinct needs of Canadian entities – thereby facilitating their access to capital or resources. At the same time, we will remain attentive to developments in other types of reported information, recognizing that such information may influence how users interpret an entity's financial statements.

We have developed broad strategies that guide us toward achieving our mission over a multi-year period. These strategies consider the evolving domestic and international environmental landscape that influences financial reporting. Foundational to our work is our commitment to due process and communication.



Our strategies and related objectives are described in further detail below.

Strategy 1: Foster meaningful engagement with interested and affected parties

Engagement with our interested and affected parties lies at the heart of our standard-setting work. We need to understand their needs to ensure that information reported in the financial statements by Canadian publicly accountable enterprises, private enterprises, NFPOs, and pension plans supports informed economic decision making and facilitates efficient capital or resource allocation. The AcSB continually strives to engage with different types of interested and affected parties. As the Canadian standard setter, we value perspectives from across the financial reporting community, including individuals from diverse backgrounds and regions. Broad perspectives support stronger decision making in influencing and developing accounting standards.

We recognize that many of our interested and affected parties face resource constraints in preparing their financial statements and applying our standards, particularly among smaller reporting issuers, private enterprises and NFPOs.

To foster meaningful engagement with interested and affected parties, we propose the following objectives:

- **Gather a broad range of perspectives to inform the AcSB's activities and decision-making process.** We will establish and maintain advisory committees made up of experts who reflect the types of interested and affected parties we seek to engage. We will also educate Canadians on our proposals and facilitate accessible public engagement by offering multiple feedback channels (e.g., surveys, targeted meetings, public roundtables, and technology-enabled outreach) so that we reach Canadians from coast to coast to coast.
- **Consider our interested and affected parties' capacity to participate in standard-setting activities and implement accounting standard changes.** We will take a measured approach to consultation, balancing the volume of documents we issue for domestic standards and setting thoughtful consultation periods. We will also work closely with the International Accounting Standards Board (IASB) to help ensure its consultation processes allow for adequate time to engage and respond.
- **Increase collaboration with other Canadian standard-setting boards.** We are one of four standard-setting Boards overseen by the Oversight Council. We will continue to share cross-functional knowledge to ensure that collectively, we establish and maintain Canadian standards on accounting, auditing, and sustainability disclosures that serve the public interest.

Strategy 2: Deliver high-quality accounting standards

Guided by our current principle that "one size does not fit all," we remain steadfast in our commitment to deliver high-quality accounting standards to Canadian publicly accountable enterprises, private enterprises, NFPOs, and pension plans. We will ensure our standards remain relevant in reporting useful information in financial statements by addressing the distinct needs of these entities.

To deliver high-quality accounting standards, we propose the following objectives:

- **Continue to support the application in Canada of IFRS® Accounting Standards for publicly accountable enterprises.** Our view remains that a global accounting language enhances comparability and quality of financial information, enabling informed decision making and lowering capital costs for publicly accountable enterprises. We believe a single global effective date for new or amended standards is important to promote consistent global adoption but recognize the challenges this may pose for smaller entities with limited resources. To promote understanding and acceptance of forthcoming changes, we will consult early to ensure Canadian issues affecting entities of all sizes are considered by the IASB and advocate for a measured pace of change, including effective dates that enable practical implementation.
- **Continue to establish appropriate accounting standards for private enterprises and NFPOs.** We understand that private enterprises and NFPOs vary widely in terms of size and complexity. We will address emerging issues to ensure our standards continue to meet diverse reporting needs. This includes simplifying their application where appropriate, particularly to help smaller entities given the resource constraints they face. Through prior consultations with Canadians, we understand that introducing additional reporting frameworks will place an undue burden on the financial reporting ecosystem. Accordingly, our work plan will include projects arising from our Detailed Review of ASPE initiative that explore practical solutions to requirements identified as most complex to apply. These projects are intended to support private enterprises and NFPOs while maintaining the overall decision-usefulness of information produced for users.
- **Continue to establish appropriate accounting standards for pension plans, which include benefit plans with characteristics similar to pension plans.** We will address emerging issues and conduct research to assess whether there is a need for new guidance given the evolving trends in the type of plans being offered in the Canadian market.
- **Integrate technological development into our standard-setting work.** We recognize that technology is transforming how users consume financial information and how interested and affected parties apply our standards. We will engage with users and other relevant parties to understand how users leverage technology to enhance their analysis of Canadian entities' financial information. We will also engage with interested and affected parties to understand how they use artificial intelligence to apply our standards and leverage such technology in our development of new standards and amendments.

Underlying this strategy is our commitment to conducting research that informs future project work and supports evidence-based standard-setting decisions. We will also remain attentive to how information beyond the financial statements can influence the understanding of financial statements.

Strategy 3: Support the effective implementation and application of accounting standards

We recognize that effective implementation and consistent application are essential to the success of any standard. That is why for our domestic standard-setting process, we have created a Guidance Framework to provide clarity and consistency in how the AcSB deals with issues arising in practice. We also revised our post-implementation review process to proactively address challenges and ensure new domestic standards and major amendments achieve their intended impact. Our aim is to work alongside other parties in the market to help promote the consistent implementation and application of our domestic standards.

For IFRS Accounting Standards, we have an endorsement model in Canada that supports a single set of high-quality global accounting standards, and as such, we refrain from issuing authoritative guidance. But we recognize that Canada is often among the first to apply and interpret a new or amended standard issued by the IASB because of our quarterly reporting regime. Therefore, we will devote our efforts to influencing and working with the IASB.

To support the effective implementation and application of accounting standards, we propose the following objectives:

- **Engage with our advisory committees to identify implementation and application challenges related to IFRS Accounting Standards.** We will urge the IASB to work toward timely resolution of the issues identified through discussions within Canada and with standard setters from other jurisdictions. Our advisory committees, such as the IFRS® Accounting Standards Discussion Group, stand ready to discuss issues submitted by the public.
- **Make resources available in Canada to support implementation and application of IFRS Accounting Standards.** We will translate IFRS® Interpretations Committee Agenda Decisions and make them available on our website to support consistent application. We will also expand the IASB non-authoritative materials, such as bases for conclusions, illustrative examples, and implementation guidance, within our Handbook to aid in implementing new standards and amendments.
- **Address issues related to implementing and applying our domestic standards that meet the AcSB's Guidance Framework criteria.** Our domestic advisory committees stand ready to discuss issues submitted by the public. We will apply our Guidance Framework to address issues that meet the framework's criteria and determine the best course of action to take. For example, we might develop non-authoritative guidance to support understanding of our standards or authoritative guidance to resolve issues that require greater clarity.
- **Initiate our post-implementation review assessment immediately after issuing new domestic standards or major amendments to ensure timely identification of challenges in practice.** Our review now includes two earlier stages with our advisory committees to gather information from preparers and practitioners after issuing new domestic standards or major amendments and engaging with financial statement users after the standard takes effect. A final stage – public consultation – will be initiated if needed, to gather information from a wider group of interested and affected parties by issuing a document for comment.

Strategy 4: Expand international influence

The AcSB has earned recognition as a respected national standard setter and will continue to build on this strong foundation. Our goal is to ensure that the Canadian voice remains present and influential in global standard-setting dialogues. We will deepen our collaboration with international peers to amplify Canadian perspectives while bringing home insights to strengthen our home-grown standards.

To expand our international influence, we propose the following objectives:

- **Build on our ongoing engagement to ensure Canadian perspectives are considered in the development of IFRS Accounting Standards.** For publicly accountable enterprises, we will continue to gather Canadian views and work closely with the IASB to ensure these views directly inform and influence international dialogue. This commitment includes continuing to present our research internationally to support evidence-based standard setting. In parallel, we will also maintain ongoing engagement with the U.S. Financial Accounting Standards Board (FASB) and encourage both the IASB and FASB to work toward narrowing new, unnecessary differences in financial reporting outcomes under IFRS Accounting Standards and U.S. generally accepted accounting principles. We will regularly liaise with other standard setters on matters of mutual interest to maintain the high quality of IFRS Accounting Standards for global use. To amplify Canada's influence, we aim to identify and support qualified Canadians in key global advisory roles, while upholding a strong presence at the international table ourselves.
- **Expand involvement in other international standards to enrich the development of Canadian domestic standards.**
    - For private enterprises, we will strengthen our home-grown standards by engaging in IFRS for SMEs® Accounting Standard initiatives to gather any insights that could inform our work. These insights could improve efficiency in standards development, including advancing our own initiative to simplify the application of Accounting Standards for Private Enterprises while maintaining the decision-usefulness of the financial statements for entities of all sizes and complexities.
    - For NFPOs, we will engage with peers across jurisdictions and the International Non-Profit Reporting Foundation to learn about new international standards and gather any insights that could improve our Accounting Standards for Not-for-Profit Organizations.
    - For pension plans and benefits plans, we will exchange views with other standard setters carrying out work in this area to gather any insights that could improve our Accounting Standards for Pension Plans for the Canadian market.

STANDARD-SETTING FOUNDATION

Due process

We follow due process when setting accounting standards to act in the public interest. Our due process is based on three principles:

- Transparency: conducting our standard-setting process openly, being clear about how we make our decisions and keeping the public informed about standard-setting developments.
- Consultation: considering the perspectives of those affected by Canadian financial reporting standards.
- Accountability: analyzing the potential effects of standard-setting proposals on affected parties and explaining the rationale for our decisions.

While our due process is comparable to that of global standard setters, such as the IASB and FASB, we are committed to finding ways to be more efficient and effective in carrying out due process.

Communication

The quality of our work is directly tied to maintaining open and responsive lines of communication with interested and affected parties. We view communication as a critical aspect of enhancing the public's understanding of our work. Therefore, we are committed to reaching a broad and diverse audience through dynamic communication platforms – including our website and social media channels – and through meaningful engagement activities such as public roundtables, targeted meetings, and conference presentations.

We will continue to explore innovative technologies to enhance accessibility, deepen engagement, and expand our reach. In parallel, we remain dedicated to liaising with key authorities – including securities regulators, auditing and prudential regulators, governments, and professional and regional accounting bodies – as we pursue our shared goal of advancing high-quality financial reporting.

RISKS AND ACCOUNTABILITY

Our risk management process requires us to regularly assess our risks. We identify pervasive risks, implement mitigating controls and monitor environmental developments to ensure we can achieve our mission.

The pervasive risks that we manage relate to the following areas:

- Strength of our reputation and acceptance of our standards.
- Effectiveness of our strategic decisions.
- Effectiveness of our operations, which includes:
  - expertise of AcSB members, staff, and volunteer members;
  - quality of our consultation and communication processes; and
  - timeliness in addressing significant issues or gaps with existing standards.

We are also accountable to our interested and affected parties and the Oversight Council for the achievement of our strategies and fulfillment of our mission. We report annually to the Oversight Council on our performance.

We measure achievement by:

- setting out specific activities and performance measures that support the achievement of the strategies in our annual plans;
- reporting progress against those measures; and
- publishing annual reports to inform the public of our performance.

We will remain nimble and flexible in implementing the strategies in this plan to ensure we can respond to the needs of our interested and affected parties effectively and efficiently in an ever-changing environment.