

In Brief

A plain and simple overview of survey results on the AcSB's Framework for Reporting Performance Measures

“Whether you are a small or large entity, if you plan on making information available to the public, you want to make sure that it is quality information. That is what the Framework is here to do.”

- Linda Mezon, Chair, AcSB

Project objectives:

The AcSB took on a leadership role to enhance the relevance of financial information – in Canada and globally.

The Framework helps entities improve the quality of financial and non-financial performance measures they choose to report outside of the financial statements.

An entity could be a public company, a NFPO, a private company or a pension plan.

Current stage:

The Board deliberated the feedback received from the survey responses, comment letters and discussions. A revised Framework was issued in December 2018.

Next steps:

The Board will support the application of the Framework by:

- promoting awareness and use of the Framework;
- raising awareness with directors and users of issues and supporting their roles in improving the reporting of performance measures; and
- continuing the conversation with stakeholders to assess different stakeholders' needs and challenges.

The additional feedback will help guide the Board on the type of guidance to develop next.

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Why did the AcSB survey stakeholders on performance measures?

The AcSB wanted to hear from stakeholders on how to help improve financial and non-financial performance measures reported outside of financial statements.

Stakeholders across Canada and other countries were encouraged to respond by October 1, 2018.

The Board encouraged input from any party involved in financial reporting on whether the type of guidance in the Framework:

- is useful;
- would be applied; and
- could help to improve the consistency, comparability, and transparency of performance measures reported.

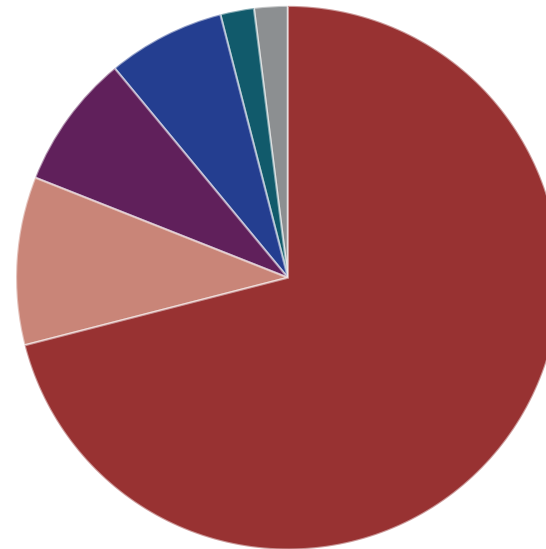
In addition to the survey, the Board discussed the draft Framework with over 225 stakeholders from across Canada and 50 standard setters from other countries and received over 20 written responses. All the feedback helped guide the Board in revising the Framework.

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Who responded?

- 59 stakeholders responded
- Respondents were from around the world

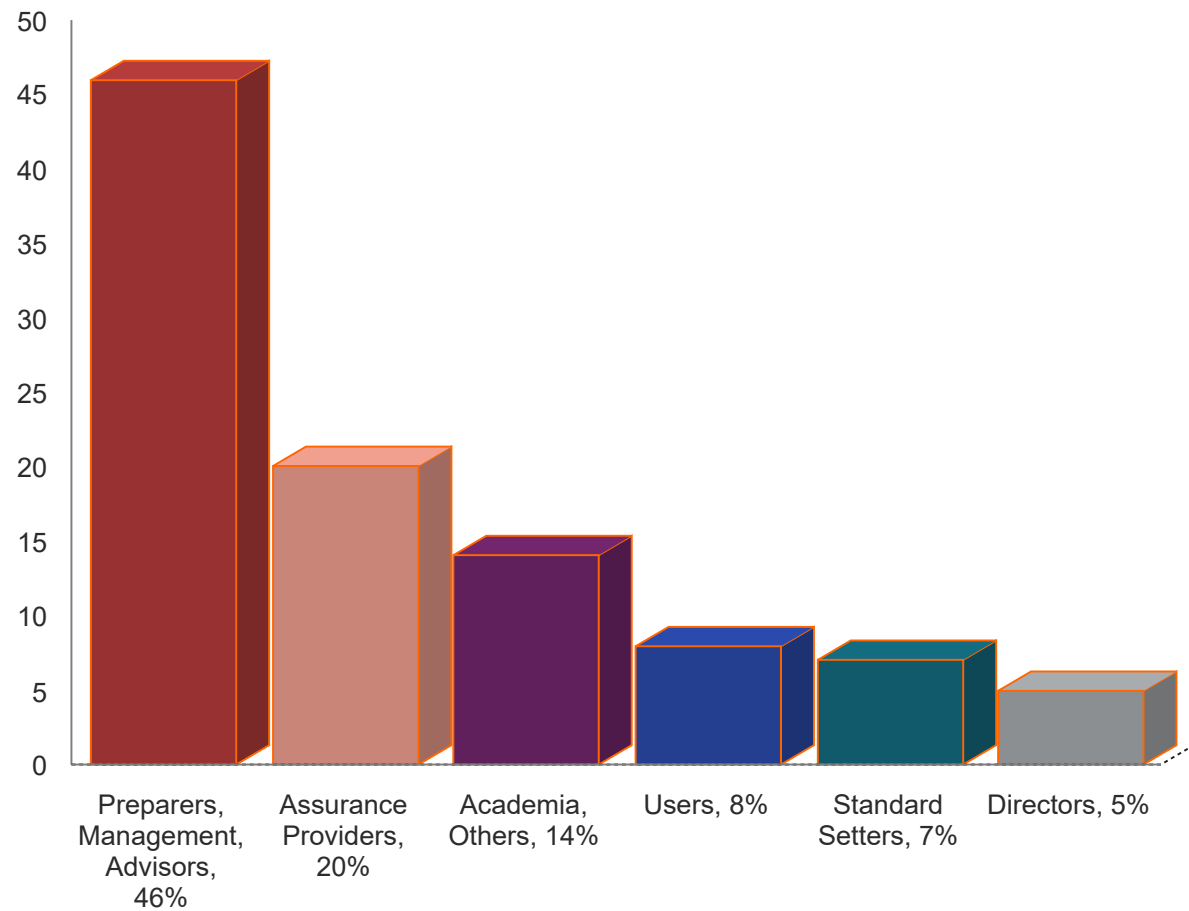


● Canada	71%	● Asia-Oceania	10%
● Europe	8%	● Australia / New Zealand	7%
● United States	2%	● South / Central America	2%

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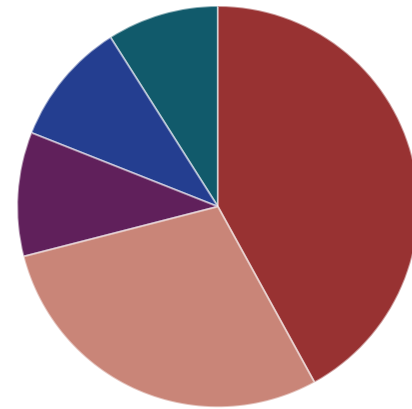
- Breakdown of respondents by role:



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- Respondents' backgrounds were from different types of entities:



Public companies	42%
Not-for-profit organizations	29%
All types of entities	10%
Other	10%
Private companies	9%

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What did respondents say?

"Guidance is much needed and anything the AcSB can do to get these to be a requirement would be very helpful to my organization and the sector I work in (i.e. NFP)."

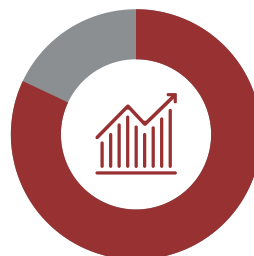
"I'd like to see these implemented, but our problem is we still really haven't determined what our KPI's are. What is important to me in finance, might not be important to others. We can't seem to get people to decide what is MOST important as most are still at the level of 'everything is important'."

"Represents best practices, I see my clients using it."

**The above quotes are direct comments from survey respondents.*

94%

of management, directors and users use financial and non-financial measures outside of the financial statements.



82%

of respondents use financial and non-financial measures to better understand an entity's performance.

37%

of management apply similar guidance to that in the Framework when developing performance measures.

71%

of directors and users said that management rarely or sometimes seek feedback from them about the relevance of performance measures reported.

60%

of respondents rarely ask for or are asked to provide additional explanations or clarifications about an entity's performance measures.

46%

of management and directors considered asking an internal or external party to perform some verification procedures to their entity's performance measures.

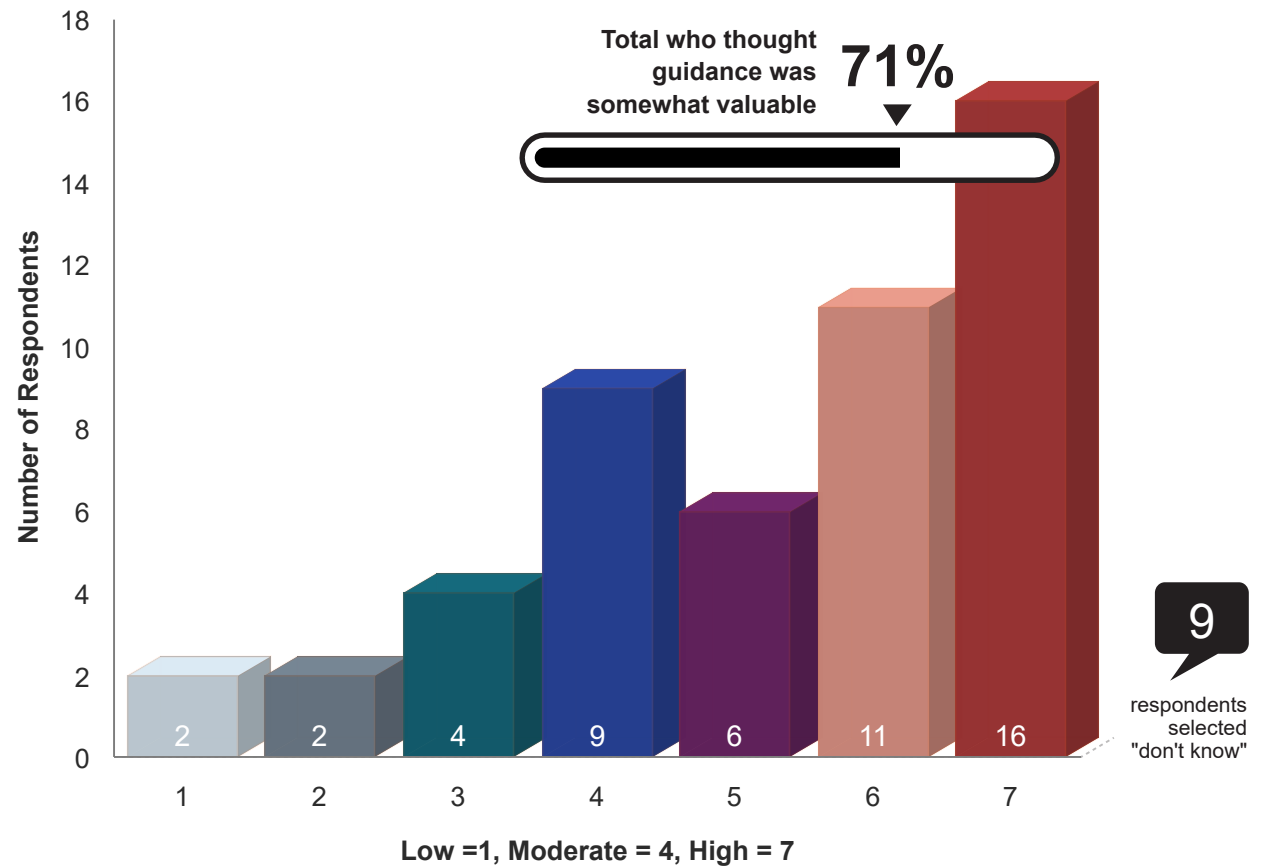
This is where the Framework kicks in. It was developed to help start conversations between different stakeholders about performance measures, and help report performance measures that are more consistent, comparable and transparent.

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The following questions pertaining to the guidance in the Framework were asked to the respondents:

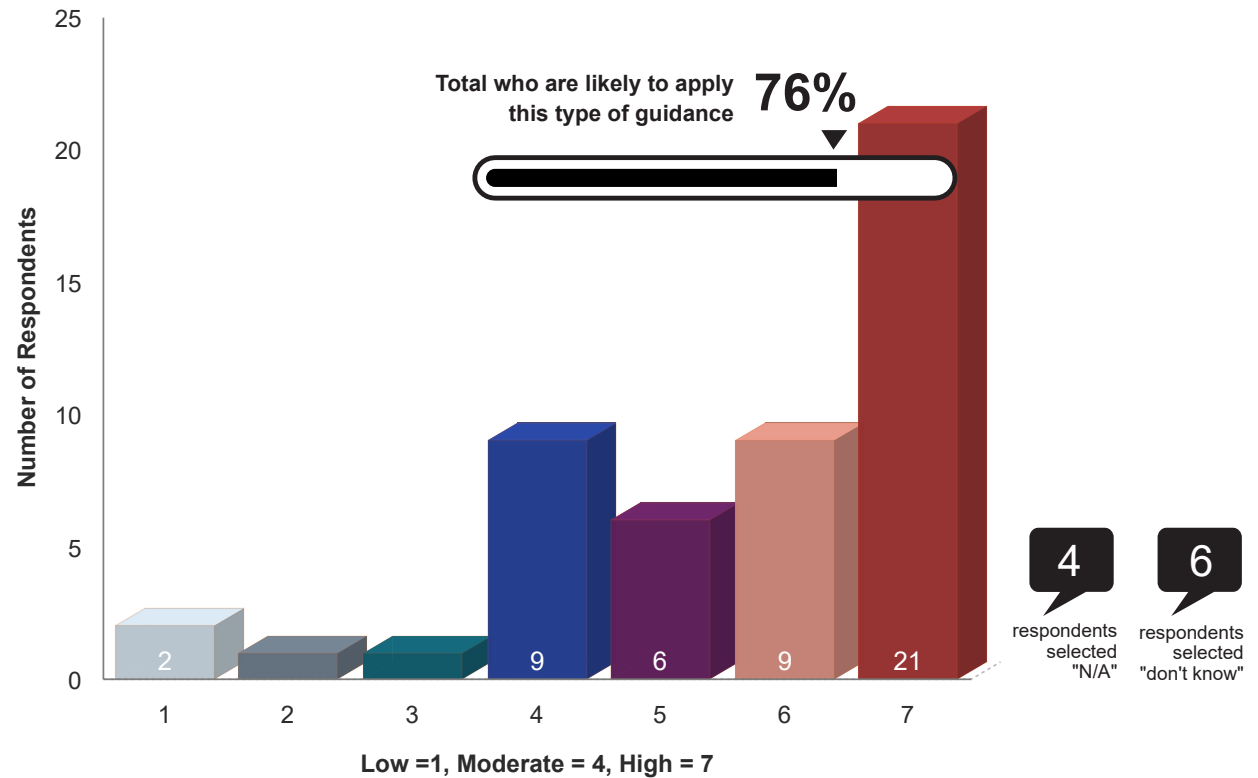
- How valuable did you find the type of guidance in the Framework?



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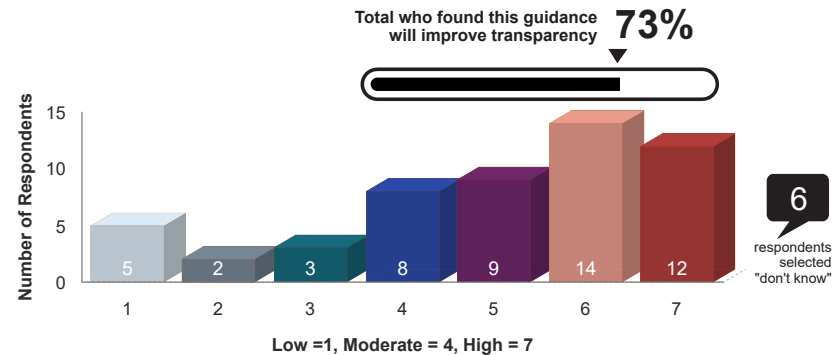
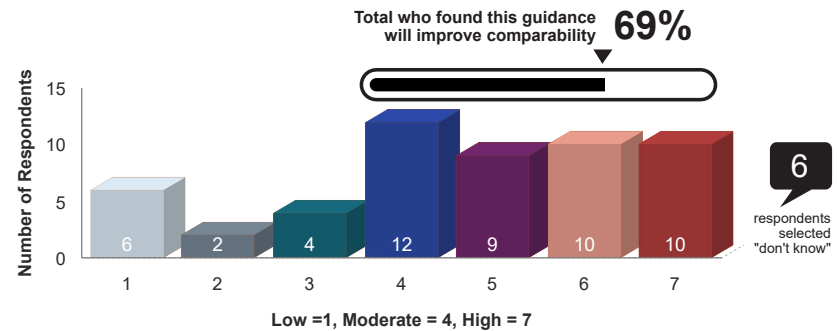
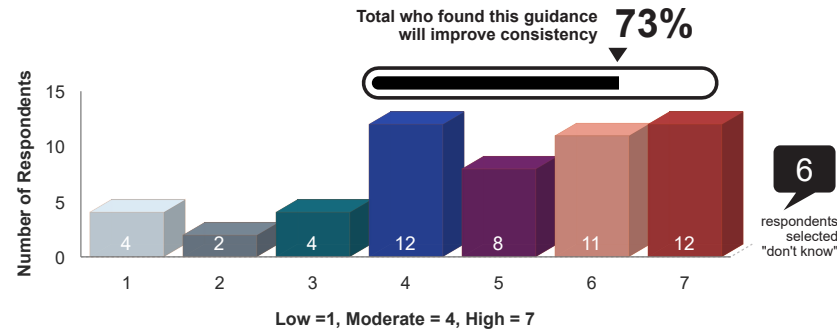
- How likely are you to apply the type of guidance in the Framework?



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- To what extent do you think the type of guidance in the Framework will improve the consistency, comparability and transparency in reporting?



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Overall, the feedback received from stakeholders is very positive.



50%

of Canadian users will likely ask entities if the processes used to develop performance measures are consistent with the guidance in the Framework.

In addition, stakeholders have mentioned that the Framework will improve the consistency, comparability and transparency of financial and non-financial performance measures used by different entities.



76%

of the respondents from the not-for-profit sector deemed the value of the guidance in the Framework as highly valuable.

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Next Steps

The Board issued a revised Framework on December 12, 2018.

Stay up to date on the Framework via the [FRAS Canada website](#).

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