



EXTERNAL REPORTING BOARD

Te Kāwai Ārahi Pūrongo Mōwaho

"Giving Life to the User-Needs Framework"

Strategic Action Plan

**For the five year period
1 July 2014 to 30 June 2019**

August 2014

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1. Introduction

1.1 XRB Strategic Plan

In April 2014 the External Reporting Board (XRB) published its Strategic Plan for the five year period 1 July 2014 to 30 June 2019 entitled "Giving Life to the User-Needs Framework".¹

The Strategic Plan establishes the strategic priorities for the XRB Organisation for the next 5 years. It comprises an overarching strategy and five specific strategies which are summarised as follows:

Overarching Strategy

Maintain the existing financial reporting strategic approach comprising accounting and auditing & assurance standards that are converged with international standards and (where appropriate) harmonised with Australian standards. In the case of accounting standards this is set within the established multi-standards, multi-tier accounting framework.

Specific Strategy 1: Maintain and Enhance Existing Standards

Establish a period of relative standards stability during which the existing suites of standards are maintained to reflect changes to international standards and, where necessary, enhanced to address any deficiencies or gaps that are critical to user-needs and the quality of financial reporting.

Specific Strategy 2: Undertake User-Needs Research

Undertake deliberate, organised research into the financial and non-financial information needs of the various users of our standards as a basis for considering enhancements to the financial reporting framework or specific standards in the future, and to help inform efforts to influence the work of the international standard setting boards.

Specific Strategy 3: Influence the International Boards

Support the XRB Board's international convergence strategy by actively seeking to influence the agenda and standards development work of the international standard setting boards based on two broad (and interconnected) approaches: relationships and participation.

Specific Strategy 4: Enhance Constituency Engagement and Support

Continue to develop standards in a collaborative manner with the constituency and to this end:

- establish approaches to further enhance the level and quality of constituency engagement;

¹ A copy of the Strategic Plan is available at: http://www.xrb.govt.nz/Site/about_us/Accountability_Documents.aspx

- increase the organisation’s involvement in education activities that help the constituency better understand the role, purpose and requirements of our standards;
- actively facilitate other relevant organisations to provide appropriate training and professional development activities relating to financial reporting; and
- actively work with other agencies to ensure the linkages between the work of relevant agencies in the financial reporting area is identified and gaps addressed.

Specific Strategy 5: Maintain Capability within a Financially Prudent Organisation

Maintain a high performance culture commensurate with achieving the XRB’s outcome goals, while operating in a financially prudent manner and maintaining the level of capability needed to deliver the outputs required.

1.2 Strategic Action Plan

The Strategic Plan establishes the overarching strategic direction for the XRB Organisation. That strategic direction will be given effect by the specific actions of the XRB Board, its two standard setting sub-boards – the New Zealand Accounting Standards Board (NZASB) and the New Zealand Auditing and Assurance Standards Board (NZAuASB), and the staff team. Those proposed actions are outlined in “Strategic Action Plans” established by each of the three boards, which have then been combined into this document.

Accordingly, this Strategic Action Plan outlines the specific actions that the XRB Organisation intends to take in the 2014/15 financial year and subsequent years to give effect to the overarching strategic plan.

It is intended to update and revise this Strategic Action Plan annually during the five year period covered by the overarching strategic plan. This will help ensure that the Strategic Action Plan is a dynamic document that reflects achievements to date and new subsequent actions.

1.3 Roles and Responsibilities of the Three Boards

This Strategic Action Plan identifies which of the three boards (XRB Board, NZASB or NZAuASB) will be responsible for each specific action². The division of the actions between the three boards reflects their respective roles and responsibilities within the XRB Organisation:

- The XRB Board is responsible for Financial Reporting Strategy³ and Governance;
- The NZASB is responsible for detailed accounting standard setting (acting under delegated authority from the XRB Board); and

² For the purposes of this Strategic Action Plan the Boards include the staff teams that support them.

³ The financial reporting strategy function relates to the shape and structure of the overall Accounting Standards Framework and the Auditing & Assurance Standards Framework.

- The NZAuASB is responsible for detailed auditing and assurance standard setting (acting under delegated authority from the XRB Board).

2. Business as Usual Activities

This section outlines the “business as usual” activities that the XRB Organisation will undertake during the strategic period. These activities comprise the actions required to maintain the existing suites of standards in accordance with the overarching strategy (convergence with international standards, and harmonisation with Australian standards where appropriate). To a large extent these activities are a continuation of the activities undertaken by the XRB Organisation during the previous strategic period.

Specific Strategy 1: Maintain and Enhance Existing Standards – Part A: Maintain Existing Suites of Standards

Purpose of Strategy

The purpose of this strategy is to ensure that the existing suites of standards are maintained on an on-going basis so that they are fully converged with international standards and (where appropriate) harmonised with Australian standards at all times.

The actions required under this strategy are those necessary to ensure convergence and harmonisation is maintained, including actively monitoring any issues emerging from the implementation of the new standards, and responding to those issues through changes to standards where appropriate.

Specific Strategic Actions

Monitoring

XRB Board Action 1A.1: Monitoring Appropriateness of Reporting Framework

The XRB Board will monitor the appropriateness of the overall financial reporting framework as it applies to both for-profit and public benefit entities (both public sector and not-for-profit entities).

The Action will comprise:

- a. monitoring both the legislative and standards frameworks during the period which they are being implemented by reporting entities (primarily 2014-2016) to ensure that the practical effect of the new requirements is as intended, and making adjustments where necessary; and
- b. monitoring the overall impact on financial reporting of both the legislative and standards frameworks to identify whether the changes are contributing to high quality general purpose financial reporting in the way envisaged.

XRB Board Action 1A.2: Monitoring International Developments

The XRB Board will monitor international developments in general purpose financial reporting for any matters that may need to be considered in the context of the Accounting Standards Framework or the Auditing & Assurance Standards Framework to ensure New Zealand reporting is consistent with international norms and expectations.

The Action will comprise:

- a. monitoring international developments in for-profit reporting, including developments in general purpose non-financial reporting;
- b. monitoring international development in public sector general purpose financial reporting (both financial and non-financial);
- c. monitoring international developments in general purpose financial reporting (both financial and non-financial) by not-for-profit entities, including any moves towards the development of international accounting standards or reporting norms for not-for-profit entities;
- d. monitoring developments in international auditing practice and regulatory regimes, including those relating to independence and other elements of audit quality; and
- e. monitoring developments in international financial reporting policies by attending and participating at the annual IFRS Regional Policy Forum⁴.

NZASB Action 1A.3: Monitoring Accounting Standards Implementation Issues

The NZASB will monitor the application of the sets of standards in each sector to ensure that they are “fit for purpose” for the entities concerned.

The Action will comprise:

- a. Monitoring the implementation and application of the various sets of standards, including through the establishment of a constituent based technical reference group, or groups, to advise the NZASB on implementation issues; and
- b. Taking appropriate action in relation to any matters identified including:
 - Raising the issues with the relevant international standard setting boards or via international fora; and
 - In the case of PBEs
 - issuing additional guidance; or
 - considering amendments to PBE Accounting Standards.

NZAuASB Action 1A.3: Monitoring the Assurance Environment

The NZAuASB will monitor the wider assurance environment and consider the implications of any developing issues for New Zealand auditing and assurance standards.

The Action will comprise:

- a. Monitoring issues arising from the implementation of the current suite of standards and responding as appropriate;

⁴ The IFRS Regional Policy Forum is one of the key platforms in the Asian-Oceanic region for standards setters, policymakers, regulators and government bodies to deliberate on broader topics in relation to the diverse roles of financial reporting and how financial reporting could influence policy formulation and execution.

- b. Monitoring issues or gaps with the current suite of standards and responding as appropriate.
- c. Tracking local and international research projects and considering the implications for the New Zealand auditing and assurance standards;
- d. Monitoring results from QA reviews conducted locally and internationally and considering the implications for New Zealand auditing and assurance standards;
- e. Contributing to government policy work relating to auditing and assurance standards.

Policy Support

XRB Action 1A.3: Supporting Financial Reporting Policy Work

The XRB Board will continue to support the policy work of the Ministry of Business, Innovation and Employment (MBIE) and other relevant Ministries and government agencies relating to financial reporting matters.

The Action will comprise:

- a. providing input into policy work being undertaken by relevant ministries and agencies on request;
- b. raising policy matters with MBIE and other relevant agencies as the XRB becomes aware of such matters, including as a result of the activities undertaken as part of Action 1A.1 and Action 1A.2; and
- c. actively participating in cross-sectoral policy discussions and activities relating to enhancing financial reporting policy frameworks.

International Due Process

XRB Action 1A.4: Commenting on Governance and Strategy Proposals

The XRB Board will seek to influence the governance and strategy of the international standard setting bodies to ensure that the New Zealand issues and perspectives are taken into account.

This Action will comprise commenting on governance and strategy proposals/consultation documents issued by the relevant governance bodies as appropriate.

NZASB Action 1A.1: Contributing to International Accounting Standards Due Process

The NZASB will actively contribute to the "due process" activities of the International Accounting Standards Board (IASB) and the International Public Sector Accounting Standards Board (IPSASB). These activities relate to the development or amendment of international standards.

The Action will comprise:

- a. Ensuring constituents are aware of IASB and IPSASB due process documents and encouraging them to make submissions directly to the international boards and to the NZASB⁵;
- b. Responding to IASB and IPSASB due process documents (such as consultation papers, discussion documents and exposure drafts) where the matter is of importance to New Zealand and/or where we can add value, and doing so in conjunction with the AASB where appropriate;
- c. Responding, as appropriate, to requests for information from international standards setting boards and regional groupings including the IFRS Interpretations Committee, the Asian-Oceanian Standard Setters Group (AOSSG)⁶, the Accounting Standards Advisory Forum (ASAF) and any relevant working groups;
- d. Participating, as appropriate, in roundtables and other face-to-face due process related meetings organised by the international boards; and
- e. Encouraging the IASB and the IPSASB to work with each other to ensure that there are no unnecessary differences between their standards.

NZAuASB Action 1A.1: Contributing to International Auditing and Assurance Standards Due Process

The NZAuASB will actively contribute to the “due process” activities of the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA). These activities relate to the development or amendment of international standards.

The Action will comprise:

- a. Ensuring assurance practitioners and relevant users of assurance reports are aware of IAASB and IESBA due process documents and encouraging them to make submissions directly to the international boards and to the NZAuASB;
- b. Responding, as appropriate, to IAASB and IESBA due process documents (consultation documents, discussion papers and exposure drafts) and doing so in conjunction with the Australian Auditing and Assurance Standards Board (AUASB) where appropriate;
- c. Participating, as appropriate, in roundtables and other face-to-face due process related meetings organised by the international boards.

⁵ NZASB Action 4.1 below about enhancing due process consultation also links to this action point.

⁶ NZASB Action 3.3 below outlines a more proactive role for the NZASB with the AOSSG.

Standards Maintenance

NZASB Action 1A.2: Maintaining New Zealand Accounting Standards

The NZASB will amend the sets of For-profit Accounting Standards and PBE Accounting Standards to ensure that the existing sets of standards are maintained on an on-going basis.

The Action will comprise:

- a. Incorporating into the set of For-profit Accounting Standards any standards, or amendments to standards, issued by the IASB, including working with the AASB to ensure these are appropriately harmonised;
- b. Incorporating into the set of PBE Standards, in accordance with the *Policy Approach for Amending the Suite of PBE Standards*, standards, or amendments to standards, issued by the IPSASB or the IASB; and
- c. Developing domestic standards as appropriate to include in the sets of For-profit Accounting Standards and PBE Accounting Standards.

NZAuASB Action 1A.2: Maintaining New Zealand Auditing and Assurance Standards

The NZAuASB will amend the auditing and assurance standards (auditing standards, review engagement standards, other assurance standards) to ensure that the existing suites of standards are maintained on an on-going basis.

The Action will comprise:

- a. Incorporating any auditing and assurance standards, or amendments to those standards, issued by the IAASB, to achieve convergence, and including working with the AUASB to ensure any changes are appropriately harmonised; and
- b. Incorporating any professional and ethical standards, or amendments to those standards, issued by IESBA, including liaising with the Australian Professional Ethical Standards Board (APESB) to ensure any changes are appropriately harmonised.

3. New Specific Strategic Actions

This section outlines the new specific strategic actions that the XRB Organisation intends to undertake during the strategic period. These strategic actions comprise activities that would not normally be undertaken as part of the business as usual actions outlined in section 2.

They also relate to new issues or matters not addressed (or addressed in any detail) by the XRB Organisation previously.

Specific Strategy 1: Maintain and Enhance Existing Standards – Part B: Address Critical Issues

Purpose of Strategy

Specific Strategy 1 of the overarching Strategic Plan includes creating a “period of relative stability” in standards for the next few years to allow the constituency to implement and adapt to the legislative and standards framework changes that have occurred during the 2011-14 period.

This period of relative stability does not mean that there will be no changes to standards. The need to ensure New Zealand standards are converged internationally and (where appropriate) harmonised with Australia means that some change to the standards is inevitable. In addition, the overarching Strategic Plan envisages that the period of relative stability should not prevent any “critical issues” with existing standards being addressed.

The purpose of this strategy is to address any deficiencies or gaps in existing standards that are critical to user-needs and the quality of financial reporting. The actions required under this strategy are to (a) identify critical issues; and (b) undertake appropriate actions to address those critical issues within a reasonable timeframe.

Specific Strategic Actions

For-Profit Entities

NZASB Action 1B.1: Contributing to the IASB’s Disclosure Initiative Project

The NZASB will actively contribute to the IASB’s Disclosure Project. This project is considered a matter of importance in New Zealand because of concerns raised by a number of New Zealand constituents about the extent of disclosures required by IFRS and the implications for the understandability of financial reports.

The Action will comprise:

- a. Actively monitoring the work being undertaken by the IASB as part of the project and engaging with the IASB staff on matters relevant to New Zealand including contributing to the IASB work as appropriate and achievable; and
- b. Making high quality submissions on any consultation documents that are issued by the IASB.

NZASB Action 1B.2: Developing a RDR Policy for For-Profit Accounting Standards

The NZASB will develop a policy that establishes clear principles for determining reduced disclosure concessions for Tier 2 for-profit entities and establishes protocols for the establishment of those concessions jointly with the AASB⁷.

The Action will comprise developing the RDR policy for For-Profit Accounting Standards in conjunction with the AASB.

NZAuASB Action 1B.1: Developing Guidance on Assurance on Non-Financial Information

The NZAuASB will develop guidance on providing assurance on non-financial information other than service performance information.

The Action will comprise:

- a. Obtaining a greater understanding of the assurance engagements on non-financial information being carried out in New Zealand; and
- b. Developing the guidance in accordance with the due process for domestic standards and in collaboration with the AUASB as appropriate.

PBE Entities

XRB Action 1B.1: Considering the Appropriateness of the Accounting Standards Framework for Incorporated Societies

The XRB Board will consider the appropriateness of the Accounting Standards Framework as it applies to not-for-profit entities for incorporated societies that are not registered charities. This Action results from the Government's response to the Law Commission Report on the legal framework for incorporated societies. The Government has agreed with the Law Commission's proposal that incorporated societies be required to comply with XRB accounting standards when preparing their financial statements.

The Action will comprise reviewing the scope of the population of incorporated societies that are not registered charities, considering the needs of the users of financial reports of those entities, and considering whether the Accounting Standards Framework as it applies to not-for-profit entities is appropriate for incorporated societies or whether modifications are required.

NZASB Action 1B.3: Developing a RDR Policy for PBE Accounting Standards

The NZASB will develop a policy that establishes clear principles for determining reduced disclosure concessions for Tier 2 PBEs.

The Action will comprise developing the RDR policy for PBE Standards.

⁷ NZASB Action 2.1 below about carrying out user-needs research will be helpful to developing a RDR Policy for For-profit Accounting Standards.

NZASB Action 1B.4: Improving the PBE Standard on Non-Exchange Revenue

The NZASB will work to improve the PBE Standard on non-exchange revenue.

The Action will comprise:

- a. Working to actively influence the IPSASB to review IPSAS 23, including offering New Zealand assistance to any resulting project; and
- b. Should the IPSASB not review the standard, undertake a review of the standard.

NZASB Action 1B.5: Developing a Standard on Reporting Service Performance Information

The NZASB will develop a standard to provide guidance on the reporting of service performance information by Tier 1 and Tier 2 PBEs.

The Action will comprise developing the standard in conjunction with the PBE sector and in accordance with the due process for domestic standards.

NZAuASB Action 1B.3: Developing an Auditing Standard on Auditing Service Performance Information

The NZAuASB will develop an auditing standard on auditing service performance for Public Benefit Entities (PBEs).⁸

The Action will comprise: developing the standard in accordance with the due process for domestic standards and in collaboration with the AUASB as appropriate.

General

NZAuASB Action 1B.2: Developing an Assurance Standard on the Examination of Prospective Information

The NZAuASB will develop an assurance standard for other assurance engagements involving the examination of prospective information.⁹

The Action will comprise: developing the standard in accordance with the due process for domestic standards and in collaboration with the AUASB as appropriate.

⁸ This action reflects the new accounting standards that encourage (and sometimes require) PBEs to include both financial and non-financial information in their general purpose financial reports to report their performance. In addition many PBEs are required by legislation to report service performance information.

⁹ There is currently no such standard in the New Zealand suite of standards. An assurance standard on prospective information is relevant for both listed entities and in the public sector. For example, in New Zealand all local government entities are required to prepare a 10 year Long Term Plan that has to be audited every 3 years.

Specific Strategy 2: Undertake User-Needs Research

Purpose of Strategy

A key objective of the XRB is to ensure that accounting and auditing & assurance standards are based on a user-needs approach i.e. the financial reports required by those standards provide information required by users of those financial reports for accountability and decision-making purposes.

The purpose of this strategy is to enhance the XRB Organisation's understanding of user-needs in New Zealand. This will in turn help inform future decisions about the standards frameworks and the content of specific standards, as well as help inform discussions on policy matters, both locally and in the international arena.

The strategy involves undertaking deliberate, organised research into the financial and non-financial information needs of the various users of XRB standards.

Specific Strategic Actions

For-Profit Users

Research Project 1: Needs of Capital Market Users

This research project will encompass the following strategic actions:

XRB Action 2.1: Researching Information Needs of Users of New Zealand Capital Market Entity Reports

The XRB Board will research whether there is any difference in user-needs between an entity operating in the international capital market and an entity operating in the New Zealand domestic market. The results of this research will be used as input into a future review of the standards frameworks, and in particular whether For-Profit Tier 1 should be segmented in some way.

This Action will comprise:

- a. literature review;
- b. sample-based empirical research targeted at key users of capital market information.

Research Project 2: Needs of Users of For-Profit Tier 2 Reports

This research project will encompass the following strategic actions:

XRB Action 2.2: Researching Information Needs of Users of For-Profit Tier 2 Entity Reports

The XRB Board will research the information needs of users of financial reports of entities in For-profit Tier 2 i.e. for-profit entities that are large and/or are not FMC Reporting Entities with a higher level of public accountability. The results of this research will be used as input into a future review of the standards frameworks, and in particular whether the reduced disclosure regime (RDR) for For-Profit Tier 2 entities is appropriate.

The Action will comprise two main elements:

- a. obtaining a better understanding of the entities that make up the population of For-Profit Tier 2; and
- b. establishing the broad information needs of users of these entities through:
 - an analysis of the type, size, and nature of these entities; and
 - an empirical based analysis of who the main users of their financial reports are, and what information they are most interested in.

XRB Action 2.3: Researching Non-Financial Information Needs of Users in the For-Profit Sector

The XRB Board will undertake some initial research into the non-financial information needs of users of financial reports in the New Zealand for-profit sector, with particular reference to the information reported under integrated reporting. The results of this research will be used as the basis for considering whether non-financial reporting standards for for-profit entities should be developed in the future, and if so the nature of that reporting.

The Action will comprise the following:

- a. literature review;
- b. sample-based empirical research on user's non-financial information needs; and
- c. consideration of the role of general purpose financial reports (GPFR) in meeting those needs versus the role of supplementary information provided in external reporting (e.g. Management Discussion and Analysis) versus the role of special purpose financial reports (SPFR).

NZASB Action 2.1: Researching Information Needs of Users of Tier 2 For-Profit Entity Financial Reports¹⁰

The NZASB will research the information needs of users of financial reports of for-profit entities in Tier 2. The results of this research will be used as input into a future review of whether users' needs are appropriately met by the Tier 2 Accounting Standards (NZ IFRS RDR).

The Action will comprise:

- a. Identifying the types of entities that make up the population of for-profit entities in Tier 2; and
- b. Carrying out a literature review on the information needs of users for those types of entities.

¹⁰ NZASB Action 1B.2 above about developing the RDR policy for for-profit standards in conjunction with the AASB will also benefit from the research carried out about the information needs of users of Tier 2 for-profit entities' financial reports.

NZAuASB Action 2.1: Researching Assurance Needs of Users of Non-Public Interest Entities Reports

The NZAuASB will research the assurance needs of users of assurance reports for entities that are not public interest entities (non-PIEs). The results of the research will be used as input into a future review of whether users' needs are appropriately met by the less stringent requirements for assurance for non-PIEs.

The Action will comprise:

- a. Identifying the types of entities that make up the non-PIE population;
- b. A literature review on user assurance needs for those types of entities; and
- c. An empirically-based analysis of the users of assurance reports of those types of entities and their assurance needs.

Public Sector Users

Research Project 3: Needs of Users of Public Sector Tier 1 Reports

This research project will encompass the following strategic actions:

XRB Action 2.4: Researching Information Needs of Rating Agencies of Public Sector Entities

The XRB Board will research the key information needs of rating agencies of public sector entity GPFR, in particular the Crown and Local Authorities. The results of this research will be used as a starting point for considering whether the financial reporting requirements for public sector entities should be modified in the future, and as input into feedback to the IPSASB.

The Action will comprise the following:

- a. literature review;
- b. empirical research with rating agencies on user's information needs; and
- c. consideration of the role of GPFR in meeting those information needs.

NZASB Action 2.2: Researching Information Needs of Users of Tier 1 Public Sector PBE Financial Reports

The NZASB will research the information needs of users of financial reports of public sector PBEs in Tier 1. The results of this research will be used as input into a future review of whether user needs are being appropriately met by Tier 1 PBE Standards.

The Action will comprise:

- a. Identifying the types of entities that make up the population of public sector PBEs in Tier 1; and
- b. Carrying out a literature review on the information needs of users for those types of entities.

Research Project 4: Needs of Users of Public Sector Tier 2 Reports

This research project will encompass the following strategic actions:

NZASB Action 2.3: Researching Information Needs of Users of Tier 2 Public Sector PBE Financial Reports

The NZASB will research the information needs of users of financial reports of public sector PBEs in Tier 2. The results of this research will be used as input into a future review of whether user needs are being appropriately met by Tier 2 PBE Standards (PBE Standards RDR).

The Action will comprise:

- a. Identifying the types of entities that make up the population of public sector PBEs in Tier 2; and
- b. Carrying out a literature review on the information needs of users for those types of entities.

NFP Users

Research Project 5: Needs of Users of NFP Reports

This research project will encompass the following strategic actions:

XRB Action 2.5: Researching Information Needs of Key NFP Users

The XRB Board will research the key information needs of key users of not-for-profit entity (NFP) GPFR, in particular donors and funders. The results of this research will be used as a starting point for considering whether the financial reporting requirements of NFP entities should be modified in the future.

The Action will comprise the following:

- a. literature review;
- b. identification of the key donor and funder user groups;
- c. sample-based empirical research on user's information needs; and
- d. consideration of the role of GPFR in meeting those information needs.

NZASB Action 2.4: Analysing NFP Tier Populations

The NZASB expects that there could be changes to the shape of the registered charities sector during the next three years or so, as the new Accounting Standards Framework is bedded in. Therefore, although the NZASB has recently done some analysis of the number of registered charities in each tier, it expects that it will need to analyse the types of NFP entities in each tier over time. The results of this research will be used to identify and address any implementation issues that may arise as registered charities apply the new Accounting Standards Framework.

The Action will comprise identifying the types of entities that make up the NFP populations in each tier in the PBE tier structure.

Research Project 6: Demand for Assurance for Small NFPs

This research project will encompass the following strategic actions:

NZAuASB Action 2.2: Researching the Demand for Simple Assurance for Small NFPs

The NZAuASB will research the user-based demand for a simple form of assurance for small entities in the NFP Sector. The results of the research will be used to inform future consideration of whether a new simple assurance engagement should be developed for small entities.

The Action will comprise:

- a. Identifying the types of entities that are small NFP entities;
- b. A literature review on user assurance needs for those types of entities; and
- c. An empirical-based analysis of the users of assurance reports of those types of entities and their assurance needs.

Specific Issues

Research Project 7: Extent of Assurance Provided

This research project will encompass the following strategic actions:

XRB Action 2.6: Researching the Extent of Assurance Provided by Audits and Agreed Upon Procedures

The XRB Board will research the nature of audit vs agreed upon procedures engagements and any tensions that might exist at the boundaries. The results of this research will be used as part of a review of the XRB's assurance standard setting responsibilities.

The Action will comprise the following:

- a. literature review;
- b. identification of the nature of audit and agreed upon procedure engagements and the extent of assurance (if any) provided by each engagement type;
- c. consideration of the boundaries and overlaps between the two types of engagements; and
- d. consideration of any standard setting synergies that might exist or be established.

Research Project 8: Scope of Other Assurance

This research project will encompass the following strategic actions:

NZAuASB Action 2.3: Researching the Scope of Other Assurance Required by Law

The NZAuASB will undertake research to identify the types of other assurance engagements required by law to be conducted in accordance with XRB assurance

standards. The results of this research will be used as input into a future review of whether the assurance standards are appropriately addressing legislative requirements.

The Action will comprise:

- a. Identifying the types of assurance engagements required by law to be conducted in accordance with XRB assurance standards (including by secondary or tertiary legislation); and
- b. Analysing whether the guidance provided by the assurance standards adequately covers those types of engagement.

Research Project 9: Extent of Multiple Assurance Engagements

This research project will encompass the following strategic actions:

NZAuASB Action 2.4 Researching the Extent of Multiple Reporting Assurance Engagements

The NZAuASB will undertake research to identify the extent to which multiple reporting assurance engagements exist in New Zealand¹¹. The result of this research will be used as input into a future review of whether user needs are appropriately met by the auditing and assurance standards.

This Action will comprise:

- a. Identifying the types of multiple reporting assurance engagements being conducted in New Zealand and the reason for such engagements;
- b. Analysing whether the auditing and assurance standards adequately address the assurance requirements of multiple reporting engagements.

Research Project 10: Extent of Direct Assurance

This research project will encompass the following strategic actions:

NZAuASB Action 2.5 Researching the Extent of Direct Assurance Engagements

The NZAuASB will undertake research to identify the extent to which direct reporting assurance engagements exist in New Zealand¹². The result of this research will be used as input into a future review of whether user needs are appropriately met by the assurance standards.

The Action will comprise:

- a. Identifying the types of direct assurance engagements being conducted in New Zealand;
- b. Analysing whether the assurance standards adequately address the assurance requirements of direct reporting engagements.

¹¹ Engagements where the auditor, in addition to the audit report on the financial statements, is required to report to a third party on supplementary matters arising from the audit.

¹² A direct reporting engagement is where the assurance practitioner measures or evaluates the underlying subject matter against the criteria, and provides the subject matter to intended users in the assurance report.

Future Needs

Research Project 11: Future Reporting

This research project will encompass the following strategic actions:

XRB Action 2.7: Considering What Future Financial Reporting Might Look Like

The XRB Board will undertake some initial thinking about what general purpose financial reporting might look like in ten to twenty years. The results of this research will help inform future deliberations on the standards frameworks.

The Action will involve:

- a. identification of current trends and pressures on financial reporting; and
- b. blue-skies consideration of possible future directions for financial reporting from the incremental to the radical; the balance (and integration) between financial and non-financial information and the manner in which the information is presented.

Specific Strategy 3: Influence the International Boards

Purpose of Strategy

A key aspect of the overarching strategy contained in the XRB Strategic Plan is the international convergence approach. Implicit in this approach is the need for the XRB to be mostly a "standard-taker" i.e. to use the international standards as the base for New Zealand standards. In order for those standards to be appropriate in the New Zealand context, it is important for the XRB to seek to influence international standards "at the front end" (i.e. during their development stage) as the ability to influence the content of international standards once an exposure draft is issued is limited.

The purpose of Specific Strategy 3 is to seek to influence the work of the international boards during the early stages of standards development through the establishment of "influencing strategies" specific to each international board.

For-Profit Accounting Standard Setters: IFRS Foundation/IASB

XRB Action 3.1: Building Relationships at the IFRS Governance Level

The XRB Board will seek to build relationships with the following governance or strategy influencing bodies associated with the International Accounting Standards Board (IASB):

- IFRS Foundation;
- Monitoring Board; and
- IFRS Advisory Council.

The Action will comprise:

- a. taking opportunities to meet with these bodies and their members;

- b. attending relevant meetings and events;
- c. hosting representatives of the bodies in visits to New Zealand; and
- d. fostering relationships with New Zealand and Australian representatives on these bodies; and
- e. inviting New Zealand and Australian representatives to attend XRB Board meetings periodically to exchange information of common interest.

NZASB Action 3.1: Building Relationships with the IASB

The NZASB will seek to build relationships with IASB members and staff.

The Action will comprise:

- a. Taking opportunities to meet or liaise with IASB members and staff;
- b. Attending relevant meetings and events; and
- c. Hosting IASB members and staff that visit New Zealand;

NZASB Action 3.2: Contributing to IASB Projects

The NZASB will look for opportunities to contribute to IASB projects to illustrate its ability to contribute to the work of the IASB in a constructive and high quality way.

The Action will comprise identifying appropriate, mutually-beneficial IASB projects and contributing as appropriate in support of the projects.

NZASB Action 3.3: Contributing Actively to AOSSG Working Groups

The NZASB will contribute to the work of the AOSSG in supporting the work of the IASB.

The Action will comprise:

- a. More actively contributing to the activities of AOSSG Working Groups; and
- b. Offering to lead an AOSSG Working Group on a topic of particular relevance to New Zealand.

Public Sector Accounting Standard Setters: IFAC/IPSASB

XRB Action 3.2: Building Relationships at the IPSASB Governance Level

The XRB Board will seek to build relationships with the following governance or strategy influencing bodies associated with the International Public Sector Accounting Standards Board (IPSASB):

- any proposed new monitoring and oversight bodies for the International Public Sector Accounting Standards Board (IPSASB)¹³; and
- International Federation of Accountants (IFAC).

¹³ The governance structure of IPSASB is currently under consultation.

The Action will comprise:

- a. taking opportunities to meet with these bodies and their members;
- b. attending relevant meetings and events;
- c. hosting representatives of the bodies in visits to New Zealand; and
- d. fostering relationships with New Zealand and Australian representatives on these bodies; and
- e. inviting New Zealand and Australian representatives to attend XRB Board meetings periodically to exchange information of common interest.

NZASB Action 3.4: Building Relationships with the IPSASB

The NZASB will seek to build relationships with IPSASB members and staff.

The Action will comprise:

- a. Taking opportunities to meet or liaise with IPSASB members and staff;
- b. Attending relevant meetings and events;
- c. Hosting IPSASB members and staff that visit New Zealand;
- d. Fostering relationships with any New Zealand and Australian IPSASB members; and
- e. Inviting any New Zealand and Australian IPSASB members to attend NZASB meetings periodically to exchange information of common interest.

XRB Action 3.3: Nominating a New Zealand Member on IPSASB¹⁴

The XRB Board will continue to work to ensure that there is a New Zealand member on the IPSASB.

The Action will comprise:

- a. proactively nominating an appropriate New Zealand standard setter to be a member of IPSASB; and
- b. ensuring adequate and appropriate technical, administrative and financial support is provided to the member during his/her term.

XRB Action 3.4: Promoting New Zealand Membership of any IPSASB Consultative Advisory Group

The XRB Board will promote a New Zealander/New Zealand organisation to be member of the proposed new Consultative Advisory Group (CAG) to the IPSASB.¹⁵

¹⁴ Given the current membership of IFRS Foundation Boards and staff, pursuing representation on the IASB is not considered to be a priority at this time.

¹⁵ The governance structure of IPSASB, including the possible establishment of a CAG, is currently under consultation. The objective of a CAG is to provide a forum in which the IPSASB can consult with representatives of different groups of constituents to obtain input and feedback on its work program, project priorities, major technical issues, due process and activities in general.

The Action will comprise proactively nominating a New Zealand representative and supporting the nominee's application when the CAG is established.

XRB Action 3.5: Promoting the Establishment of a Regional Public Sector Policy and Standard Setters Grouping

The XRB Board will promote the establishment of a Regional Public Sector Policy and Standard Setters Grouping.

The Action will involve actively canvassing other jurisdictions with an interest in high quality public sector reporting on the desirability of forming such a grouping within the Asia-Oceania Region.

NZASB Action 3.6: Promoting the Establishment of a Public Sector National Standard Setters Group

The NZASB will promote the establishment of an international public sector national standard setters group.

The Action will comprise:

- a. Discussing with other jurisdictions that have an interest in adopting IPSASs their interest in establishing an international public sector national standard setters group; and
- b. Working with those jurisdictions and appropriate international institutions to facilitate the establishment of such a group.

NZASB Action 3.5: Contributing to an IPSASB Project

The NZASB will actively contribute to an IPSASB project to illustrate its ability to contribute to the work of the IPSASB in a constructive and high quality way and its ongoing commitment to assisting the IPSASB enhance the quality of its standards.

The Action will comprise identifying an appropriate, mutually-beneficial IPSASB project and contributing technical resources in support of that project.

Auditing & Assurance Standard Setters: IFAC/IAASB/IESBA

Action 3.7: Building Relationships at the IAASB/IESBA Governance Level

The XRB Board will seek to build relationships with the following governance or strategy influencing bodies associated with the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA):

- International Federation of Accountants (IFAC);
- Monitoring Group; and
- Public Interest Oversight Board (PIOB).

The Action will comprise:

- a. taking opportunities to meet with these bodies and their members;

- b. attending relevant meetings and events;
- c. hosting representatives of the bodies in visits to New Zealand; and
- d. fostering relationships with New Zealand and Australian representatives on these bodies; and
- e. inviting New Zealand and Australian representatives to attend XRB Board meetings periodically to exchange information of common interest.

NZAuASB Action 3.1: Building Relationships with the IAASB

The NZAuASB will seek to build and maintain relationships with IAASB members and staff.

The Action will comprise:

- a. Attending relevant meetings and events (including National Standard Setters meetings);
- b. Taking opportunities to meet with IAASB members and staff;
- c. Fostering relationships with Australian representatives on the IAASB and those who are involved in relevant working groups;
- d. Hosting IAASB members and staff in visits to New Zealand.

NZAuASB Action 3.3: Building Relationships with the IESBA

The NZAuASB will seek to build relationships with IESBA members and staff.

The Action will comprise:

- a. Attending relevant meetings and events (including NSS meetings);
- b. Taking opportunities to meet with IESBA members and staff; and
- c. Fostering relationships with Australian representatives on the IESBA.

NZAuASB Action 3.2: Increasing the International Visibility of the NZAuASB

The NZAuASB will take advantage of opportunities to increase its visibility in the international arena so as to illustrate its ability to contribute to the work of the IAASB in a constructive and high quality way.

The Action will comprise:

- a. Volunteering to present at the NSS meetings on New Zealand projects or with the AUASB on joint projects; and
- b. Identifying an appropriate, mutually beneficial IAASB project and contributing technical resources in support of that project.

Not-For-Profit Accounting Standard Setters

XRB Action 3.6: Promoting an International Grouping of Not-For-Profit Standard Setters

The XRB Board will promote the establishment of an international not-for-profit standard setters group.

The Action will involve canvassing other jurisdictions with an interest in setting high quality not-for-profit accounting standards on the establishment of such an international not-for-profit standard setters group.

Specific Strategy 4: Enhance Constituency Engagement and Support

Another key aspect of the XRB standard setting strategy is to ensure that it develops standards in collaboration with the constituency. This is reflected in Specific Strategy 4 which has three elements: constituency engagement, educational activities, and sector facilitation.

Constituency Engagement

Purpose of Strategy

The purpose of this strategy is to establish approaches to further enhance the level and quality of constituency engagement undertaken by the XRB Organisation.

Specific Strategic Actions

Due Process Engagement

NZASB Action 4.1: Enhancing Accounting Standards Due Process Consultation

The NZASB will seek to enhance consultation with major preparer and user constituent groups across all sectors on specific issues relating to standards, especially consultation relating to due process documents.

The Action will comprise:

- a. Identifying and implementing innovative, targeted consultation methods that are high value-added but relatively low-effort from the constituents' point of view; and
- b. Proactively engaging with relevant constituent groups about specific technical issues or matters being considered domestically or internationally.

NZAuASB Action 4.1: Enhancing Auditing and Assurance Standards Due Process Consultation

The NZAuASB will seek to enhance consultation with major assurance practitioners and user constituent groups on specific issues relating to the auditing and assurance standards, especially consultation relating to due process documents.

The Action will comprise:

- a. Identifying and implementing innovative, targeted consultation methods that are high value-added but relatively low-effort from the constituents' point of view; and

- b. Proactively engaging with relevant constituent groups about specific technical issues or matters being considered domestically or internationally.

NZAuASB Action 4.3: Improving Engagement Relating to Other Assurance Reports

The NZAuASB will seek to improve its engagement with assurance practitioners and (particularly) users of Other Assurance Reports (i.e. assurance engagements other than audits and reviews of historical financial statements).

The Action will comprise:

- a. Developing a constituency database identifying these users and assurance practitioners;
- b. Specifically targeting this group when consulting about relevant standards using customised communication approaches.

NZAuASB Action 4.4: Improving Engagement with Small Assurance Practitioners

The NZAuASB will seek to improve its engagement with assurance practitioners that are small firms and sole practitioners.

The Action will comprise:

- a. Developing a constituency database identifying these assurance practitioners;
- b. Specifically targeting this group when consulting about relevant standards using customised communication approaches.

General Engagement

XRB Action 4.1: Undertaking General Discussions with Major Constituent Groups

The XRB Board will undertake semi-formal discussions with major constituent groups across all sectors on a regular basis. These discussions will involve “taking the pulse” and will cover general matters relating to the financial reporting framework, and current and emerging issues of interest to the constituent groups.

The Action will comprise:

- a. meeting with major constituent groups on a rolling basis as part of the XRB Board’s regular meetings;
- b. taking opportunities to meet with major constituent groups in other fora, including at events hosted by those groups; and
- c. organising thought leadership sessions to interact with the constituency, including presentation of relevant research findings and the occasional lecture series.

XRB Action 4.2: Undertaking One-On-One Discussions

The XRB Board will engage with individuals and groups in the constituency on a one-to-one basis about general matters relating to the current financial reporting framework, international developments, and emerging trends and pressures.

The Action will comprise ad-hoc meetings and discussions undertaken by individual XRB Board members.

NZASB Action 4.2: Undertaking On-Going Dialogue with Accounting Standards Constituents Groups

The NZASB will undertake an on-going dialogue with relevant constituent groups across all sectors on general matters relating to accounting standards.

The Action will comprise:

- a. Meeting with major constituent groups on a rolling basis as part of the NZASB's regular meetings;
- b. Taking opportunities to meet with major constituent groups in other fora, including at events hosted by those groups; and
- c. Maintaining strong working relationships at the operational level with key constituent groups.

NZAuASB Action 4.2: Undertaking On-Going Dialogue with Auditing and Assurance Standards Constituent Groups

The NZAuASB will undertake an on-going dialogue with relevant constituent groups across all sectors on general matters relating to auditing & assurance standards, including changes resulting from the evolving nature of the audit market.

The Action will comprise:

- a. Meeting with major constituent groups on a rolling basis as part of the NZAuASB's regular meetings;
- b. Taking opportunities to meet with major constituent groups in other fora, including at events hosted by those groups; and
- c. Maintaining strong working relationships at the operational level with key constituent groups.

Educational Activities

Purpose of Strategy

The purpose of this strategy is to increase the organisation's involvement in education activities to help the constituency better understand the role, purpose and requirements of XRB standards.

Specific Strategic Actions

XRB Action 4.3: Promoting Understanding of the New Financial Reporting Framework

The XRB Board will promote increased understanding of the new financial reporting framework (both legislative and Standards elements) across the wider constituency.

The Action will comprise:

- a. working with umbrella groups to help them ensure their members understand the Framework and its requirements;
- b. seminars, presentations and speaking engagements targeted at both the general constituency and the specific sectors; and
- c. customised communication approaches, such as media initiatives and publication of articles, aimed at specific constituency groups.

This Action will include initiatives specifically targeted at NFP Funders.

XRB Action 4.4: Promoting the Importance of Convergence with IASB and IAASB Standards

The XRB Board will promote increased understanding amongst the for-profit constituency of the importance of New Zealand accounting standards being converged with IASB standards and New Zealand auditing and assurance standards being converged with IAASB Standards.

The Action will comprise creating, and taking advantage of, opportunities to communicate the benefits of applying internationally converged standards in New Zealand, and the costs of not doing so.

NZASB Action 4.3: Promoting Understanding of Accounting Standards

The NZASB will promote an increased understanding of accounting standards by constituents.

The Action will comprise:

- a. Working with umbrella groups to help them ensure their members understand the accounting standards; and
- b. Supporting umbrella groups, particularly those in the NFP sector, to deliver seminars, and other educational activities that inform constituents about the accounting standards.

NZASB Action 4.4: Preparing Guidance on Accounting Standards

Where appropriate the NZASB will prepare guidance on accounting standards, particularly for entities in the NFP sector, as a way of helping non-technical constituent groups (both preparers and users) understand accounting standards.

The Action will comprise the development of appropriate guidance.

NZASB Action 4.5: Liaising with Relevant Organisations about Professional Development Relating to Accounting Standards

Where appropriate, the NZASB will work with relevant umbrella organisations that provide professional development training for their members to help them ensure the content reflects current accounting standards requirements.

This Action will comprise:

- a. Periodically meeting with relevant organisations to update them on accounting standards developments; and
- b. Encouraging those organisations to include relevant accounting standards related content in their professional development programmes.

NZAuASB Action 4.5: Promoting Understanding of Other Assurance Engagements

The NZAuASB will undertake activities to promote an increased understanding of the requirements of Other Assurance Standards and the engagements they apply to.

The Action will comprise: conducting seminars, presentations, speaking engagements and other educational activities as appropriate that inform assurance practitioners and users about what comprises Other Assurance engagements and the standards that apply to those engagements.

NZAuASB Action 4.6: Promoting Greater Understanding of the Purpose of Audits and Reviews

The NZAuASB will undertake activities to promote an increased understanding by assurance users of the purpose of audit and review engagements.

The Action will comprise:

- a. Working with umbrella groups to help them educate their members on the purpose of audit and review engagements;
- b. Conducting seminars, presentations, speaking engagements and other educational activities as appropriate to help educate assurance users and those charged with governance in the general constituency about the purpose of audit and review engagements, with a particular emphasis on the NFP sector.

NZAuASB Action 4.7: Promoting Understanding of the New Auditor Reporting Requirements

The NZAuASB will undertake activities to promote an understanding of the IAASB's new auditor reporting requirements as they apply to New Zealand reporting entities.

The Action will comprise:

- a. Working with umbrella groups where appropriate to help them ensure their members understand the new auditor reporting requirements; and

- b. Conducting seminars, presentations, speaking engagements and other educational activities as appropriate that inform assurance users and those charged with governance about the new auditor reporting requirements.

NZAuASB Action 4.8: Promoting Understanding of the Factors that Affect Audit Quality

The Action will comprise:

- a. Working with umbrella groups where appropriate to help them ensure their members understand the factors that affect audit quality; and
- b. Conducting seminars, presentations, speaking engagements and other educational activities as appropriate that inform assurance users and those charged with governance about the factors that affect audit quality.

Sectoral Facilitation

Purpose of Strategy

The purpose of this strategy is two-fold:

- to actively facilitate other relevant organisations to provide appropriate training and professional development activities relating to financial reporting; and
- to actively work with other agencies to ensure the linkages between the work of relevant agencies in the financial reporting area are identified and gaps addressed.

Specific Strategic Actions

XRB Action 4.5: Supporting the Functioning of the Financial Reporting Structure

The XRB Board will support the general functioning of the financial reporting structure by working with other organisations in the sector to help ensure the various aspects of the 'financial reporting system' are appropriately linked, the respective roles of the various organisations are clearly understood, the linkages between the work of the various organisations are identified and any gaps are addressed.

The Action will comprise:

- a. in the for-profit sector, working with MBIE, Financial Markets Authority (FMA), Reserve Bank of New Zealand (RBNZ), the Institute of Directors (IoD), and other relevant organisations;
- b. in the public sector, working with MBIE, Office of the Auditor-General (OAG), Treasury, Local Government Association, the New Zealand Society of Local Government Managers (SOLGM) and the Department of Internal Affairs (DIA), and other relevant organisations; and
- c. in the not-for-profit sector, working with MBIE, DIA Charities Services, Philanthropy New Zealand and other funders, Association of Non-Governmental Organisations of Aotearoa (ANGOA) and other major umbrella groups, and other relevant organisations.

NZASB Action 4.6: Liaising with Accounting Educators

The NZASB will liaise with tertiary institutions and professional accountancy bodies (that set professional entrance requirements) to ensure courses reflect current accounting standards.

This Action will comprise:

- a. Periodically meeting with tertiary institutions and professional accounting bodies to update them on accounting standards developments so that they can consider the implications for course syllabi; and
- b. Taking opportunities to engage with tertiary educators about accounting standards requirements and trends, including at relevant events and academic fora.

NZAuASB Action 4.9: Facilitating the Enhancement of Audit Quality

The NZAuASB will encourage other key organisations involved in financial reporting to work together to enhance audit quality in New Zealand through the application of the IAASB's Framework for Audit Quality.

The Action will comprise actively engaging with relevant groups within the financial reporting chain to:

- a. Identify potential gaps in audit quality in New Zealand market by analysing current arrangements against the IAASB framework; and
- b. Identify areas for enhancing current practice, approaches or standards by key stakeholders.

4. Ownership Strategic Actions

This section outlines the strategic actions that the XRB Organisation will undertake from an ownership perspective. These activities relate to the financial stewardship and capability maintenance of the XRB Organisation.

Specific Strategy 5: Maintain Capability within a Financially Prudent Organisation

Purpose of Strategy

In addition to the strategic initiatives related to output delivery (as outlined in sections 2 and 3), it is important that the XRB operates in a sustainable manner both financially and in terms of its capability. Specific Strategy 5 recognises the importance of this objective.

Specific Strategic Actions

The XRB's specific strategic actions in this area reflect the key ownership performance drivers in the organisation: fiscal prudence, maintaining capability and continuous improvement.

XRB Action 5.1: Operating in a Financially Prudent Manner While Maintaining Capability

The XRB Board will ensure that the XRB Organisation operates in a financially prudent manner including within the fiscal parameters established by appropriation while also maintaining the level of capability needed to deliver the outputs required and the strategic priorities established for the organisation.

The Action will comprise:

- a. ensuring that XRB expenditure is no greater than XRB funding, that being its annual appropriation plus any retained earnings;
- b. continuing to promote a value for money culture within the XRB Organisation;
- c. maintaining full operational capability, including retaining a near full complement of suitably qualified Board members and staff.

XRB Action 5.2: Promoting Continuous Improvement

The XRB Board will actively work to maintain a high performance culture commensurate with achieving the XRB's outcome goals, and which promotes continuous performance improvement.

The Action will comprise:

- a. identifying opportunities for cost saving and ensuring improved value for money;
- b. undertaking a Performance Improvement Framework self-review.

5. XRB Strategic Action Plan Summary

This Strategic Action Plan contains the actions the XRB Organisation is planning to undertake in the 2014/15 financial year and subsequent financial years to give effect to the XRB Strategic Plan “*Giving Life to the User-Needs Framework*” for the five year period 2014-2019. The XRB Organisation’s planned strategic actions are summarised in the table below.

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 1: Maintain and Enhance Existing Standards – Part A: Maintain Existing Suites of Standards (Business as Usual)</i>			
<i>Monitoring</i>	XRB Action 1A.1: Monitoring Appropriateness of Reporting Framework	NZASB Action 1A.3: Monitoring Accounting Standards Implementation Issues	NZAuASB Action 1A.3: Monitoring the Assurance Environment
	XRB Action A1.2: Monitoring International Developments		
<i>Policy Support</i>	XRB Action A1.3: Supporting Financial Reporting Policy Work		
<i>International Due Process</i>	XRB Action A1.4: Commenting on Governance and Strategy Proposals	NZASB Action 1A.1: Contributing to International Accounting Standards Due Process	NZAuASB Action 1A.1: Contributing to International Auditing and Assurance Standards Due Process
<i>Maintenance</i>		NZASB Action 1A.2: Maintaining New Zealand Accounting Standards	NZAuASB Action 1A.2: Maintaining New Zealand Auditing and Assurance Standards

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 1: Maintain and Enhance Existing Standards – Part B: Address Critical Issues</i>			
<i>For-Profit Entities</i>		NZASB Action 1B.1: Contributing to the IASB’s Disclosure Initiative Project	NZAuASB Action 1B.1: Developing Guidance on Assurance on Non-Financial Information
		NZASB Action 1B.2: Developing a RDR Policy for For-Profit Accounting Standards	
<i>PBE Entities</i>	XRB Action 1B.1: Considering the Appropriateness of the Accounting Standards Framework for Incorporated Societies	NZASB Action 1B.3: Developing a RDR Policy for PBE Standards	
		NZASB Action 1B.4: Improving the PBE Standard on Non-Exchange Revenue	
		NZASB Action 1B.5: Developing a Standard on Reporting Service Performance Information	NZAuASB Action 1B.3: Developing an Auditing Standard on Auditing of Service Performance Information
<i>General</i>			NZAuASB Action 1B.2: Developing an Assurance Standard on the Examination of Prospective Information

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 2: Undertake User-Needs Research</i>			
<i>For-Profit Users</i>	Research Project 1		
	XRB Action 2.1: Researching Information Needs of Users of New Zealand Capital Market Entity Reports		
	Research Project 2		
	XRB Action 2.2: Researching Information Needs of Users of For-Profit Tier 2 Entity Reports	NZASB Action 2.1: Researching Information Needs of Users of Tier 2 For-Profit Entity Financial Reports	NZAuASB Action 2.1: Researching Assurance Needs of Users of Non-Public Interest Entities Reports
	XRB Action 2.3: Researching Non-Financial Information Needs of Users in the For-Profit Sector		
<i>Public Sector Users</i>	Research Project 3		
	XRB Action 2.4: Researching Information Needs of Rating Agencies of Public Sector Entities	NZASB Action 2.2: Researching Information Needs of Users of Tier 1 Public Sector PBE Financial Reports	
	Research Project 4		
		NZASB Action 2.3: Researching Information Needs of Users of Tier 2 Public Sector PBE Financial Reports	
<i>NFP Users</i>	Research Project 5		
	XRB Action 2.5: Researching Information Needs of Key NFP Users	NZASB Action 2.4: Analysing NFP Tier Populations	
	Research Project 6		
			NZAuASB Action 2.2: Researching the Demand for Simple Assurance for Small NFPs

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
Specific Strategy 2: Undertake User-Needs Research (continued)			
<i>Specific Issues</i>	Research Project 7		
	XRB Action 2.6: Researching the Extent of Assurance Provided by Audits and Agreed Upon Procedures		
	Research Project 8		
			NZAuASB Action 2.3: Researching the Scope of Other Assurance Required by Law
	Research Project 9		
			NZAuASB Action 2.4: Researching the Extent of Multiple Reporting Assurance Engagements
	Research Project 10		
		NZAuASB Action 2.5: Researching the Extent of Direct Assurance Engagements	
<i>Future Needs</i>	Research Project 11		
	XRB Action 2.7: Considering What Future Financial Reporting Might Look Like		

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 3: Influence the International Boards</i>			
<i>IASB</i>	XRB Action 3.1: Building Relationships at the IFRS Governance Level	NZASB Action 3.1: Building Relationships with the IASB	
		NZASB Action 3.2: Contributing to IASB Projects	
		NZASB Action 3.3: Contributing Actively to AOSSG Working Groups	
<i>IPSASB</i>	XRB Action 3.2: Building Relationships at the IPSASB Governance Level	NZASB Action 3.4: Building Relationships with the IPSASB	
	XRB Action 3.3: Nominating a New Zealand Member on IPSASB	NZASB Action 3.5: Contributing to an IPSASB Project	
	XRB Action 3.4: Promoting New Zealand Membership of any IPSASB Consultative Advisory Group		
	XRB Action 3.5: Promoting the Establishment of a Regional Public Sector Policy and Standard Setters Grouping	NZASB Action 3.6: Promoting the Establishment of a Public Sector National Standard Setters Group	
<i>IAASB & IESBA</i>	XRB Action 3.7: Building Relationships at the IAASB/IESBA Governance Level		NZAuASB Action 3.1: Building Relationships with the IAASB
			NZAuASB Action 3.3: Building Relationships with the IESBA
			NZAuASB Action 3.2: Increasing the International Visibility of the NZAuASB
<i>NFP Standard Setters</i>	XRB Action 3.6: Promoting an International Grouping of Not-For-Profit Standard Setters		

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 4: Enhance Constituency Engagement and Support</i>			
<i>Due Process Engagement</i>		NZASB Action 4.1: Enhancing Accounting Standards Due Process Consultation	NZAuASB Action 4.1: Enhancing Auditing and Assurance Standards Due Process Consultation
			NZAuASB Action 4.3: Improving Engagement Relating to Other Assurance Reports
			NZAuASB Action 4.4: Improving Engagement with Small Assurance Practitioners
<i>General Engagement</i>	XRB Action 4.1: Undertaking General Discussions with Major Constituent Groups	NZASB Action 4.2: Undertaking On-Going Dialogue with Accounting Standards Constituent Groups	NZAuASB Action 4.2: Undertaking On-Going Dialogue with Auditing and Assurance Standards Constituent Groups
	XRB Action 4.2: Undertaking One-on-One Discussions		
<i>Constituency Education</i>	XRB Action 4.3: Promoting Understanding of the New Financial Reporting Framework	NZASB Action 4.3: Promoting Understanding of Accounting Standards	NZAuASB Action 4.5: Promoting Understanding of Other Assurance Engagements
	XRB Action 4.4: Promoting the Importance of Convergence with IASB and IAASB Standards	NZASB Action 4.4: Preparing Guidance on Accounting Standards	NZAuASB Action 4.6: Promoting Greater Understanding of the Purpose of Audits and Reviews
		NZASB Action 4.5: Liaising with Relevant Organisations about Professional Development Relating to Accounting Standards	NZAuASB Action 4.7: Promoting Understanding of the New Auditor Reporting Requirements
		NZAuASB Action 4.8: Promoting Understanding of the Factors that Affect Audit Quality	
<i>Sectoral Facilitation</i>	XRB Action 4.5: Supporting the Functioning of the Financial Reporting Structure	NZASB Action 4.6: Liaising with Accounting Educators	NZAuASB Action 4.9: Facilitating the Enhancement of Audit Quality

Strategic Plan Strategy	XRB Board Actions	NZASB Actions	NZAuASB Actions
<i>Specific Strategy 5: Maintain Capability within a Financially Prudent Organisation</i>			
<i>Ownership Performance</i>	XRB Action 5.1: Operating in a Financially Prudent Manner While Maintaining Capability		
	XRB Action 5.2: Promoting Continuous Improvement		