



*Te Kāwai Ārahi Pūrongo Mōwaho*  
**EXTERNAL REPORTING BOARD**

NZ SRE 1

# Review of Service Performance Information

## Deep Dive

27 March 2025



# Presentation Overview

- Introduction
- Why a new standard
- Key benefits
- Stages of the engagement
- Time to prepare - next steps

## Your presenters

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Project Manager,  
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# Service Performance Information



Information about an entity's objectives and activities during the period

1

**Why** the entity exists

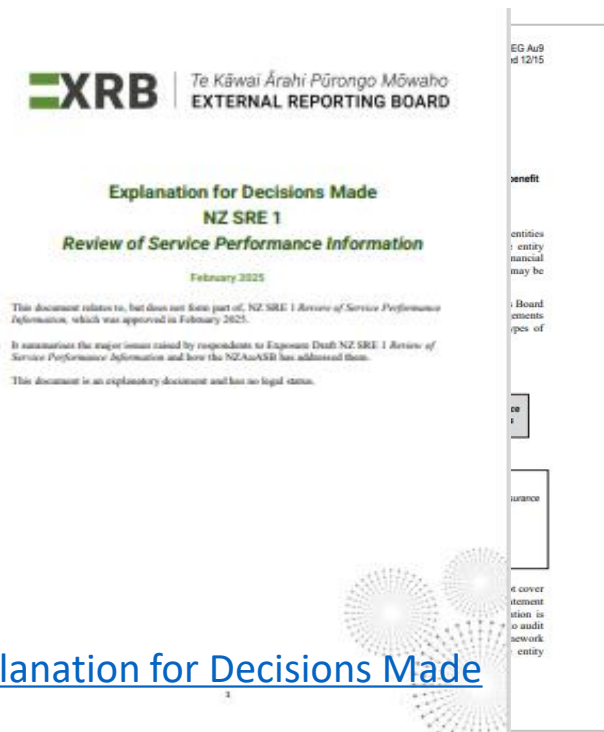
2

**What** it hopes to achieve and **how** it goes about it

3

**What** it has done during the period

# What is the new standard replacing?



Applicable for accounting periods beginning on or after 1 January 2026

# Why a New Standard?



Statutory requirement for some tier 3 charities



No review standard specifically for service performance information

## Key Benefits



Integrated Approach



Specific to service  
performance information



Aligns language and  
concepts

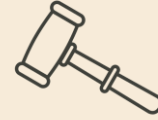
## Reasonable v Limited Assurance

Engagement stages	Comparison to audit
Understanding	SIMILAR
Planning	SIMILAR
Assessment of appropriate and meaningful	DIFFERENT !
Materiality	SIMILAR
Designing and performing procedures	DIFFERENT !
Reporting	DIFFERENT !

# Understanding the Entity



The Entity (Para 16)



Laws and Regulations  
(Para 17)



Service Performance  
Information Reported  
(Para 18)



Internal Control (Para 19)





# Planning

## Paragraph 20

Review plan to concurrently cover the service performance information and financial information



## Two step approach

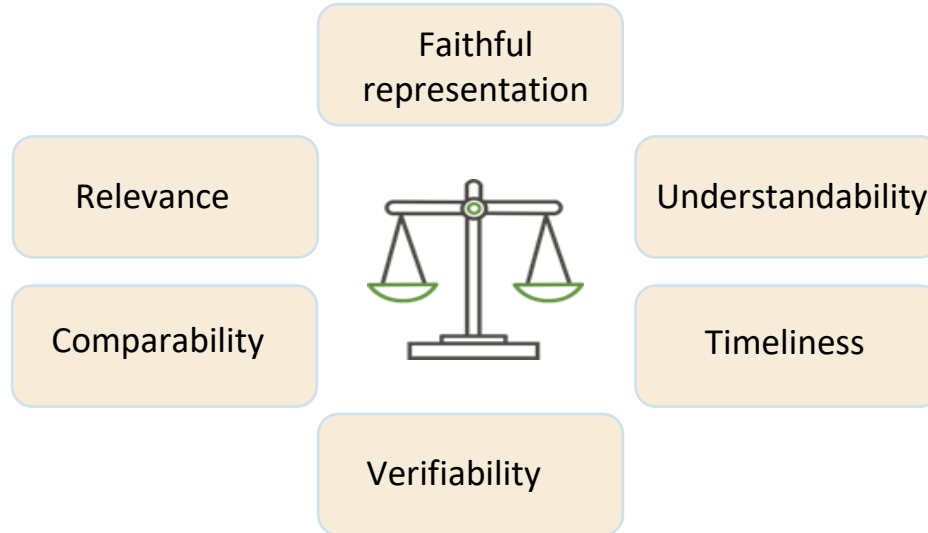
1.

Is the information appropriate and meaningful?

2.

Prepared in accordance with the entity's measurement bases or evaluation method, in accordance with applicable financial reporting framework

# Appropriate and meaningful – accounting framework



## Two step approach – Step 1

1.

Is the information appropriate and meaningful?

- Think about the “what”
- Reporting requirements less prescribed
- Benefit from early engagement
- Deep understanding of entity



- Consider rather than evaluate

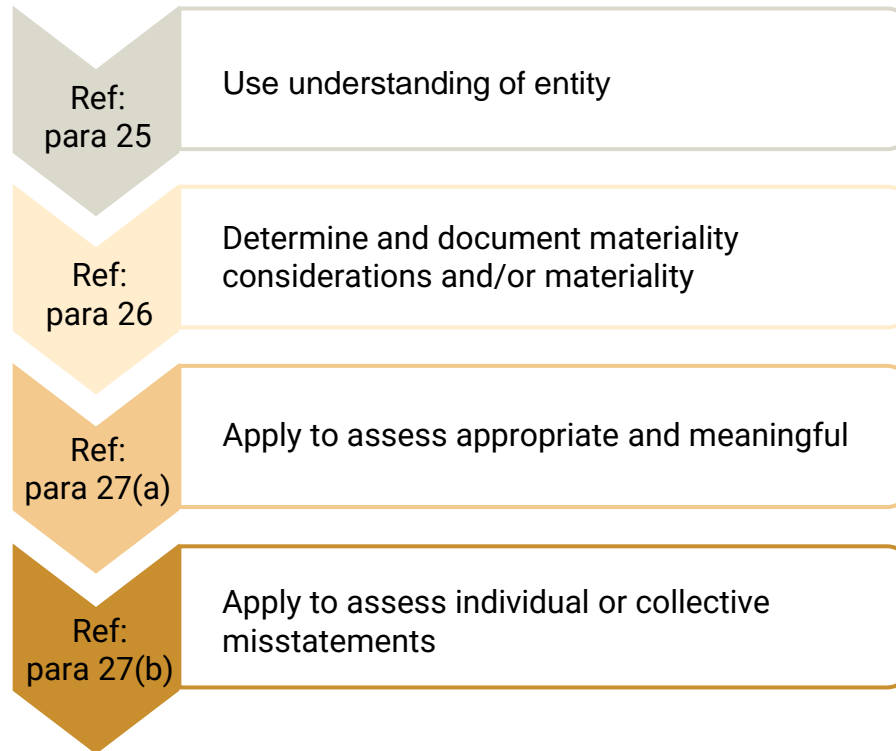
## Two step approach – Step 2

2.

Does the information fairly reflect the actual performance and is not materially misstated?

- In accordance with measurement bases or evaluation method and applicable financial reporting framework
- ! • Obtaining sufficient appropriate evidence: different to financial reviews

# Materiality



# Materiality



**Proximity to purpose**



**Presentation**



**Extent of interest**



**Economic, social,  
political and  
environmental effects**



**Number of persons  
affected**



**Relates to a target**

# Materiality

1.

Which elements/aspects  
are important to users

2.

What are the material  
performance measures  
and/or descriptions in  
those significant  
elements

3.

Tolerance for  
misstatement for those  
material performance  
measures and/or  
descriptions



# Designing and performing procedures

## Paragraph 30



Assurance practitioner to use their understanding of the entity to identify areas where material misstatements are likely to arise



## Paragraph 31

- Enquiry and analytical procedures
- Other procedures



# Reporting

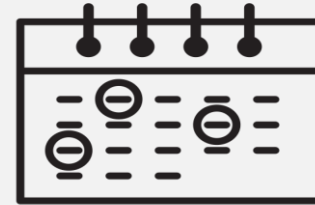
Based on our review, nothing has come to our attention that causes us to believe that the accompanying [*financial report/performance report*] does not present fairly in all material respects:

- The financial position of the entity as at 31 December, 20X3, and its financial performance, and its cash flows for the year then ended; and
- [The entity information as at 31 December, 2023; and]
- The service performance for the year ended 31 December 20X3 in that the service performance information is **appropriate and meaningful** and **prepared in accordance** with the entity's **measurement bases or evaluation methods**

in accordance with the [***applicable financial reporting framework***] issued by the New Zealand Accounting Standards Board.

## Next steps

- Early adoption is permitted
- Update resources



Applicable for  
accounting periods  
beginning on or after  
1 January 2026

# Questions

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