

Reporting Service Performance Information

Comments from ACCA to the International Public Sector Accounting Standards Board

29 May 2014

Our ref: TECH-CDR-1266

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Further information about ACCA's comments on this matter can be obtained from:

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ACCA welcomes the opportunity to comment on the Exposure Draft 54, Reporting Service Performance Information. We believe our professional accountancy expertise; experience and international reach across the public sector will allow us to make an informed contribution to the proposed recommended practice guidance. The views expressed in this response reflect the opinions of our Global Public Sector Forum, which includes senior finance professionals, academics and advisors from around the world.

SUMMARY

ACCA agrees with the principle of public entities reporting service performance information and the proposals set out in the Exposure Draft. In March 2012 we shared with the IPSASB our publications on the topic of 'making outcomes count' and we are pleased to see that there is consistency with what is being proposed in ED54.

We would like to make two overarching points. Firstly, the exposure draft may benefit from setting out the specific performance measures in a diagrammatical form to illustrate the links between the different measures. For example, the relationships between economy, efficiency and effectiveness and inputs, outputs and outcomes. Secondly, the exposure draft is light on referencing to new reporting developments, such as integrated reporting and its potential impact on reporting service performance in the future. In order to future proof the document the IPSASB should consider acknowledging these new reporting developments.

We are in broad agreement with the proposals in ED54 and have nothing to add in relation to specific comments 6 to 9.

SPECIFIC COMMENTS

Specific Comment 1

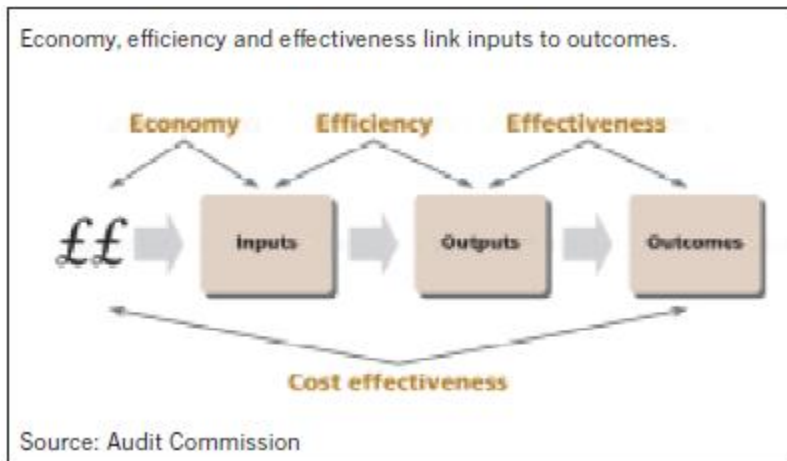
Do you generally agree with the proposals in the ED? If not, provide reasons.

ACCA generally agrees with the principle of public entities reporting service performance information and the proposals set out in the Exposure Draft. In March 2012 we shared with the IPSASB our publications on the topic of ‘making outcomes count’ and we are pleased to see that there is consistency with what is being proposed in ED54.

Specific comment 2

Do you agree with paragraph 8? If not how would you modify them?

We agree with the definitions set out in paragraph 8. However, the ED may benefit from setting out the specific performance measures in a diagrammatical form to illustrate the linkage between the measures. A suggested model published by the Audit Commission (UK) is outlined below.



Specific Comment 3

Do you agree that the ED adequately addresses reporting of service performance information by entities at different levels within government, including situations where a controlling entity reports service performance information that encompasses that provided by controlled entities? If not, how would you modify the ED's coverage of this?

We agree that the ED adequately addresses reporting of service performance information.

Specific Comment 4

Do you agree that service performance information should:

- Be reported annually, and
- Use the same reporting period as that for the financial statements

If not how would you modify the ED's provisions on these two matters?

We agree that service performance information should be reported on an annual basis to coincide with the production of the financial statements. However, this should not preclude public entities from reporting more frequently, if they choose to do so.

Specific Comment 5

Do you agree with the ED's proposed principles for presentation of service performance information (see paragraphs 31 to 39)? If not how would you modify them?

We agree with the principles set out for presentation of service performance. However, as stated in our March 2012 response, comparing service performance is not as straightforward as the ED makes out. In many cases a public sector entity cannot draw conclusions about its services when compared to another without having regard to the context, service priorities, resources and the way services are delivered. Therefore it is important to stress in the ED that performance indicators can only be used as starting point for understanding differences and drawing conclusions.