



# Consultation Paper

## Draft Strategic Plan

# Accounting Standards in Canada: Enhancing the Relevance

**Draft Strategic Plan for 2022-2027**

**May 2021**

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**COMMENTS TO THE ACSB MUST BE RECEIVED BY  
OCTOBER 15, 2021**

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## DRAFT STRATEGIC PLAN

The Accounting Standards Board (AcSB) is proposing a five-year strategic plan for the operating period 2022-2027. This Draft Strategic Plan outlines the proposed strategies that will guide the AcSB in carrying out its vision and mission.

### AcSB's planning process

The AcSB will obtain input on its proposed strategies through consultations with interested parties, various forms of outreach and comment letters. After analyzing the input, the AcSB will develop any necessary modifications and discuss a revised Strategic Plan with the Accounting Standards Oversight Council.

The AcSB expects to finalize the plan in March 2022 and begin implementing it on April 1, 2022.

### Comments requested

The AcSB's Draft Strategic Plan is focused on our overall objective of enhancing the relevance of financial and non-financial information reported. Our objective is to enable users to make well-informed economic decisions, allow preparers to explain their results in a cost-effective way and provide auditors with the necessary information to perform an effective audit. The AcSB recognizes that the needs of decision makers and the reporting landscape have evolved, which creates an opportunity to enhance the relevance of information being relied upon. This overall objective guides the strategies proposed in this Draft Strategic Plan and the AcSB is particularly interested in obtaining comments on the suitability of this overall objective.

The AcSB welcomes comments on all aspects of its Draft Strategic Plan. In addition, the Draft Strategic Plan poses questions in areas for which the AcSB seeks stakeholder input on the proposed strategies.

Comments are most helpful when they indicate the specific strategy to which they relate, clearly explain the concern, and why they disagree with the strategic direction.

We value your input and look forward to your feedback. You can contribute your thoughts and perspective by taking part in the [Connect.FRASCanada.ca project](https://connect.frascanada.ca) or by submitting a [comment letter](#) addressed to:

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Please submit your written feedback by October 15, 2021.

## CHAIR'S MESSAGE

Approximately 10 years ago a fundamental shift in direction occurred. We established four parts of the CPA Canada Handbook – Accounting (the Handbook), separating accounting standards for publicly accountable entities, private enterprises, not-for-profit organizations (NFPOs), and pension plans. Since then, the financial reporting landscape has evolved, demanding a closer look at the AcSB's strategies moving forward.

Currently, there are approximately 8,000 publicly accountable entities in Canada<sup>1</sup>. This includes some large publicly accountable entities; however, many of Canada's publicly accountable entities are small to mid-sized. Publicly accountable entities applying IFRS® Standards in Canada include publicly listed entities, as well as entities not listed on a public stock exchange, such as mutual funds, investment banks, and credit unions. As such, the size and complexity of entities applying IFRS® Standards can vary significantly.

There currently are over 1.2 million private employer enterprises in Canada, with more than 80% of these enterprises having less than 10 employees and most of the remaining having less than 100 employees<sup>2</sup>. Additionally, there are over 156,000 not-for-profits in Canada, with the majority having less than 10 employees<sup>3</sup>. Finally, there are over 16,000 pension plans in Canada<sup>4</sup>. Our understanding is that private enterprises applying an accounting framework generally do so only when required by capital providers. NFPOs applying an accounting framework generally do so when required to obtain an audit or a review engagement in accordance with provincial legislation. In addition, our research suggests that some users are making decisions with financial information that is not prepared in accordance with an accounting framework.

We also know that the information needs of stakeholders have expanded and they are increasingly relying on information reported outside of the traditional financial statements to make decisions. This may include performance measures reported outside of the financial statements, or other types of non-financial information such as environmental, social and governance (ESG) reporting. Given the interconnection which exists between financial reporting and non-financial reporting it is imperative that it is not done in silos.

The increased focus on information reported outside of financial statements is a trend globally as well. In March 2021, the [Trustees of the IFRS Foundation](#) announced their intention to establish a separate International Sustainability Standards Board (ISSB) within the existing governance structure of the IFRS Foundation. Similarly, in March 2021, the European Financial Reporting Advisory Group (EFRAG) published [two reports](#) proposing the development of possible European Union sustainability reporting standards and possible changes to EFRAG's governance and funding structure. In the U.K., the Financial Reporting Council issued a [Discussion Paper](#) on the future of corporate reporting, which considers the development of a principles-based framework for corporate reporting, including reporting beyond financial statements. In Canada, over the next year, an [independent review of standard setting](#) will also be undertaken. This review will consider the current governance structure and the structure for establishing Canadian accounting and assurance standards and the implications for Canada of the likely establishment of the ISSB. While the review remains in progress, we look forward to the feedback we will receive in helping to shape the path forward.

1 This includes approximately 3,600 entities listed on a Canadian stock exchange, approximately 300 credit unions as per the Canadian Credit Union Association, and approximately 4,000 investment funds as per the OSC, Investment Funds and Structured Products Branch.

2 Source: Statistics Canada, Business Register, June 2019

3 Source: CharityCan (2016 T3010 Data)

4 Source: Statistics Canada, Business Register, June 2019

At the time of writing this Draft Strategic Plan, Canada and the rest of the world continue to be affected by the COVID-19 pandemic. This unprecedented time provides the AcSB with a unique opportunity to reflect upon and revisit our strategic objectives under a much different lens than in the past. Decisions about our future strategies need careful consideration and with an eye to the future to ensure we are proactively meeting emerging needs and priorities of our stakeholders.

While we continue to think that one size does not fit all for the range of reporting entities in Canada, there is an opportunity to look at our strategic objectives for each category of reporting entity to enhance the relevance of accounting standards. We are also thinking more broadly about our role and the ways in which we can support Canadian stakeholders beyond traditional financial statements. We have developed strong relationships with other standards setters in Canada and globally, and we intend to continue to use our voice to contribute to the advancement of global and domestic initiatives on topics that are important to Canadians.

We are proposing a five-year strategic plan, but we understand how quickly things can change and are committed to continuously evaluating the environment to ensure our strategies remain appropriate.

Thank you for participating in this consultation. Throughout the sections that follow in this Draft Strategic Plan, questions are posed to obtain your feedback on our proposed strategies and to gather additional information to help us carry out those strategies. Hearing from stakeholders ensures that we align our objectives and priorities with what matters most to you. We look forward to receiving your input and advice.

A handwritten signature in black ink, appearing to read "Linda Mezon-Hutter". The signature is fluid and cursive, with a large loop at the end.

**Linda Mezon-Hutter, FCPA, FCA, CPA (MI), CGMA  
AcSB Chair**

## PURPOSE

The purpose of this Draft Strategic Plan is to:

- inform stakeholders of the environmental factors affecting financial reporting in Canada and internationally;
- communicate the AcSB's proposed strategies;
- seek stakeholder input on the proposed strategies; and
- gather additional information from stakeholders related to the proposed strategies as we finalize our 2022-2027 Strategic Plan.

## VISION AND MISSION

Our current Mission Statement focuses on our mandate to maintain separate frameworks for Canadian publicly accountable enterprises, private enterprises, NFPOs and pension plans in the private sector. The AcSB has reflected on the current environment as the Board thinks more broadly about its role beyond setting accounting standards applied in the preparation of financial statements. The AcSB is proposing to use its voice, working collaboratively with other standard setters within Canada and internationally, in enhancing the relevance of financial and non-financial information to meet the evolving needs of stakeholders. While doing so, the AcSB intends to continue serving the public interest through the development of accounting standards and other related reporting guidance.

As such, the AcSB proposes a Vision Statement and a Mission Statement as follows:

### Vision

To be a global leader in enhancing the relevance of financial and non-financial information reported to stakeholders.

### Mission

To serve the public interest by developing accounting standards and other related reporting guidance that support informed economic decision making.

#### Question 1:

Do you agree with the proposed vision and mission statements?  
If not, why not?

# STRATEGIES

## Introduction

To achieve our vision and mission, the AcSB has developed the strategies outlined below.



### Deliver relevant and high-quality accounting standards

- Evaluate the Preface to the Handbook
- Explore Scaling the Standards
- Continue to establish high-quality accounting standards for publicly accountable enterprises, private enterprises, not-for-profit organizations and pension plans



### Demonstrate leadership in reporting beyond traditional financial statements

- Use our voice to ensure the views of Canadian stakeholders are heard
- Consider the interconnection between financial and non-financial reporting
- Consider the impact of developments on all categories of reporting entities
- Continue to respond to the needs of stakeholders by developing guidance as needed



### Raise the AcSB's international influence

- Continue to share the views of Canadian stakeholders globally
- Continue to engage with other standard setting boards in Canada and globally to assess whether there are relevant learnings for Canadian domestic standards
- Continue to participate, monitor and influence the development of IFRS® Standards

**Enhance the relevance of financial and non-financial information reported**

## DELIVER RELEVANT AND HIGH-QUALITY ACCOUNTING STANDARDS

The AcSB serves the public interest by establishing high-quality accounting standards that promote stakeholder confidence in the information reported by Canadian publicly accountable enterprises, private enterprises, not-for-profit enterprises, and pension plans. The Board is proposing to continue to establish high-quality accounting standards with a focus on enhancing the relevance of the accounting standards for each category of reporting entity through the strategies described in this Section. Specifically, the Board is proposing to revisit the Preface to assess whether the applicability of each framework to each category of reporting entity meets stakeholders' needs. The Board is also proposing to explore whether there are opportunities to scale the standards to better meet the needs of stakeholders.

### Preface

The Preface to the Handbook sets out which accounting framework is applicable to each type of reporting entity. Earlier outreach with stakeholders indicates that there is a need to reconsider aspects of the Preface that require certain types of entities to apply a given part of the Handbook. The Board is proposing to evaluate whether to continue or change the framework required to be used by certain entities to best serve stakeholders' needs. Three examples where such evaluations are likely warranted follow.

First, it is currently a requirement that all publicly accountable enterprises apply IFRS<sup>®</sup> Standards (Part I of the Handbook). In addition to publicly listed entities, this includes entities holding assets in a fiduciary capacity, such as mutual funds, investment banks, and credit unions.

Second, co-operative enterprises currently apply Accounting Standards for Private Enterprises (ASPE) (Part II of the Handbook). However, co-operative enterprises share many of the same characteristics as member benefit organizations, which apply Accounting Standards for NFPOs (Part III of the Handbook).

Third, the AcSB, in conjunction with the Public Sector Accounting Board (PSAB), is proposing to explore which frameworks certain types of public sector reporting entities may apply. For example, some public sector entities, such as certain government business organizations that meet the definition of a government business entity, which currently apply IFRS<sup>®</sup> Standards, may share many of the same characteristics as private enterprises or NFPOs.

#### Question 2:

Do you agree with the AcSB's proposed strategy to reconsider the Preface? Why or why not?

If you agree,

- (a) what factors should the AcSB consider as it looks at the Preface for certain non-listed enterprises required to apply IFRS<sup>®</sup> Standards?
- (b) what other factors should the AcSB consider as it looks at the Preface for entities that apply ASPE or Accounting Standards for NFPOs?

## Scalability of the standards

The AcSB continues to believe that “one size does not fit all” for all categories of reporting entities. The AcSB is proposing to examine how the frameworks work together and explore scaling the standards to better meet the range of needs of Canadian entities and the users of their financial statements.

As outlined in the Chair’s Message, we know that private enterprises and NFPOs in Canada can vary widely in terms of size and complexity, and therefore the information needs of users may also be varied. In reflecting on this reporting landscape, the Board is aware of potential gaps between the standards. For example, we have heard in some circumstances, such as with crowd funding and offering memorandums, IFRS® Standards may be too complex or onerous, but that ASPE does not sufficiently meet users’ needs. On the other hand, we are aware of smaller, private enterprises and NFPOs that consider ASPE and Accounting Standards for NFPOs too complex. Scaling the standards may include allowing additional accounting policy choices and/or looking at the extent of disclosure requirements for certain frameworks.

The AcSB also notes that ASPE and IFRS® Standards continue to diverge over time. For example, the International Accounting Standards Board (IASB) has issued standards on revenue and leases, but the Board did not make similar changes in ASPE. This may present financial reporting challenges for private enterprises that wish to access funding in the capital markets in the future but do not want to prepare their financial statements using full IFRS® Standards due to the disclosure requirements. Therefore, the Board is also seeking views on whether it should provide more flexibility within the frameworks to allow for an easier transition to IFRS® Standards; for example, for private enterprises looking to go public in the future.



**Question 3:**

Do you agree with the AcSB's proposed strategy to explore scaling the standards to better meet the needs of different categories of reporting entities? Why or why not?

In addition,

- (a) is there a need for more flexibility within the standards to allow for an easier transition from ASPE to IFRS® Standards (for example, for private enterprises looking to go public in the future)? What options should the Board consider to better meet the needs of stakeholders?
- (b) would additional flexibility within the standards be helpful for other types of entities as well? If so, which ones?
- (c) do you have any concerns with ASPE continuing to diverge from IFRS® Standards? Does divergence impact the understanding and/or relevance of financial statements? Should the AcSB maintain convergence on certain principles? If so, which ones and why? If not, why not?
- (d) when a private enterprise or NFPO chooses not to apply an accounting framework, what are the reasons for doing so? Is it because the standards and/or disclosure requirements are too complex or onerous?
- (e) what factors do you think the Board should consider in determining whether one size fits all for private enterprises and NFPOs? For example, should the AcSB consider factors such as the revenue, assets, or number of employees of the private enterprise or NFPO, the users of the financial statements, the complexity of the entity's transactions, or the life cycle of the entity?
- (f) do you think there is a need to explore scaling ASPE and Accounting Standards for NFPOs? What options should the Board consider to better meet the needs of stakeholders?
- (g) if you think scaling is not needed for ASPE or Accounting Standards for NFPOs, do you think these frameworks can be simplified while still meeting the needs of users? If so, how do you think the frameworks can be simplified?
- (h) are there types of transactions (for example, types of financing arrangements) that are not adequately addressed in ASPE or Accounting Standards for NFPOs? If so, what types of transactions?

## IFRS® Standards

The AcSB will continue to support the application in Canada of IFRS® Standards as issued by the IASB given the continuing relevance of global standards to assist in raising capital.

More specifically, we propose focusing on the following areas:

### Adoption of new or amended IFRS® Standards

Certain jurisdictions other than Canada have, in some circumstances, permitted the adoption of a new or amended IFRS® Standards after the effective date set by the IASB. Canada is often among the first to adopt and interpret a new or amended standard as the result of adopting IFRS® Standards as issued by the IASB (including effective dates) and our quarterly reporting regime. The AcSB has worked with the IASB and other standard setters to encourage a global effective date. As an example, the IASB deferred the effective date of IFRS 17 *Insurance contracts* as part of considering the need to achieve a common global adoption date. To assist stakeholders with the associated challenges, risks, and costs or prevent their incurrence, the AcSB proposes to continue to:

- impress upon the IASB, standard setters in other jurisdictions, and securities regulators the benefits of a single date for the global adoption of new IFRS® Standards; and
- explore ways to better support the implementation of new IFRS® Standards through the identification and discussion of issues in Canada and other jurisdictions.

### Guidance

The AcSB supports a single set of high-quality global accounting standards and so will generally not issue authoritative guidance on IFRS® Standards. We are proposing to continue to monitor the need to exercise our ability to issue such guidance if that is warranted for a specific topic. We are also proposing to continue our efforts to identify application issues with IFRS® Standards, through research and consultation with the Board's IFRS® Discussion Group and encourage the IASB to address such issues.

#### Question 4:

Can the AcSB improve its proposed strategy on supporting the application of IFRS® Standards in Canada? If yes, how?

In addition,

- (a) Part I of the Handbook currently does not include certain documents issued by the IASB including some Basis for Conclusion documents, some illustrative examples and IFRIC Agenda Decisions. Are these documents used often and should the AcSB consider incorporating them into the Handbook?

## Accounting Standards for Private Enterprises and Accounting Standards for Not-for-Profit Organizations

The AcSB will retain a separate set of standards for private enterprises and NFPOs while working to enhance their relevance to meet the needs of users. We are proposing to implement this strategy by:

- considering the need to amend the Preface of the Handbook and for scaling within the standards; and
- retaining and improving a set of standards that address emerging issues on a timely basis, are principles-based, and support the use of professional judgment.

### Guidance

The AcSB recognizes that in today's continuously evolving environment, tools are needed to respond to the needs of stakeholders in a timely manner and to support the consistent application of ASPE and NFPO standards. Tools may include resources, which could highlight existing guidance to address an issue or leveraging existing advisory committees to discuss financial reporting challenges in practice and provide advice to the Board. In the past year, to help answer application issues related to COVID-19, the Board developed [resources](#), hosted webinars, and directed stakeholders to other existing guidance. The Board is interested in hearing from stakeholders as to whether additional support would be useful and whether the AcSB should provide this support.

#### Question 5:

Do you agree with the AcSB's proposed strategy to retain a separate set of standards for private enterprises and NFPOs, while working to enhance their relevance to meet user needs? Why or why not?

In addition,

- (a) what are your views on the current level of resources to support stakeholders in applying ASPE or Accounting Standards for NFPOs? What, if any, areas do you think need additional resources?

## Accounting Standards for Pension Plans

Pension plans apply a separate set of standards developed by the AcSB for this sector. The current economic environment has highlighted information gaps that prevent stakeholders from understanding the overall impact of Accounting Standards for Pension Plans to the pension plan sponsors and the pension plan itself.

Together with input from the AcSB's Pension Plan Working Group, we are proposing to complete an assessment of what's needed to improve Accounting Standards for Pension Plans and make the identified changes.

We propose focusing specifically on:

### Guidance

Our outreach with stakeholders indicates there are several areas for improvement in Part IV of the Handbook. Examples of these areas include considering:

- the effects of changes to standards in other parts of the Handbook (e.g., IFRS 9 *Financial Instruments*) and whether, for example, implementation guidance applicable to pension plans is needed; and
- the determination of fair value of the investment.

The AcSB proposes to also:

- complete stakeholder outreach and other research activities; and
- determine what, if any, improvements are needed related to the accounting by pension plans.

#### Question 6:

Do you agree with the AcSB's proposed strategy to identify issues raised by stakeholders of pension plans and determine the need for improvements? Why or why not?

In addition,

- (a) what, if any, are your concerns with applying Part IV of the Handbook?

## DEMONSTRATE LEADERSHIP IN REPORTING BEYOND TRADITIONAL FINANCIAL STATEMENTS

The AcSB and our international counterparts understand that in today's global economy the accounting of transactions is becoming increasingly complex for entities to apply and for decision makers to understand. CPA Canada's Foresight report, "[The Way Forward](#)" stresses that users of financial statements are increasingly relying on real-time information to make decisions, which means that traditional financial statements and GAAP measures are becoming less relevant<sup>5</sup>.

There is also a growing push for more information about ESG commitments, impacts, and performance that affect a company's value today and its ability to create value in the future—information that is largely unavailable to users to evaluate business performance or required under today's financial reporting requirements.

The increase in the use of financial and non-financial information creates a need and an opportunity to enhance the relevance of this information for economic decision making. The AcSB has already taken steps in this regard in developing its [Framework for Reporting Performance Measures](#), issued in December 2018, to encourage conversations and actions to improve the quality of financial and non-financial performance measures when entities report them outside financial statements.

The IASB is also working to maintain and strengthen the relevance of financial reporting with its Primary Financial Statements and Management Commentary projects. The Primary Financial Statements project seeks to improve the comparability of the primary financial statements by defining commonly used subtotals and increasing transparency by requiring the disclosure of management-defined performance measures. The IASB's Management Commentary project will revise the [Management Commentary Practice Statement](#) to better meet the information needs of users of financial statements. The revised Practice Statement expects to address current gaps in financial reporting including ESG matters. As such, the IASB's Management Commentary project may overlap with the IFRS Foundation's sustainability project. The Trustees of the IFRS Foundation continue to work on establishing a separate International Sustainability Standards Board to address the urgent demand for global sustainability reporting standards.

While the push continues for global sustainability standards, the AcSB is committed to using our voice to ensure the views of Canadian stakeholders are heard in this increasingly relevant area of reporting. In addition, we understand that while the demand for climate-related information is significant, there is also a strong demand for other information outside financial statements.

As a standard setter, the AcSB recognizes the importance of these developments and the interconnection between non-financial reporting and financial reporting. It is imperative that financial and non-financial reporting are not done in silos. For example, financial reporting considerations on topics such as performance measures would also be beneficial to ESG reporting. Another example of the interconnection between financial reporting and climate-related matters could be fair value measurement, as an entity may need to disclose how it factors climate-related risk into the calculations.

The AcSB also recognizes that developments in these areas may not only impact publicly accountable entities but could have broader implications for other types of Canadian entities given the growing demand for reporting beyond what is currently provided in financial statements.

5 [https://www.cpacanada.ca/foresight-report/en/index.html?sc\\_campaign=0634B51FD23E4B69A83478F09B7FB5D1#page=1](https://www.cpacanada.ca/foresight-report/en/index.html?sc_campaign=0634B51FD23E4B69A83478F09B7FB5D1#page=1)

**Question 7:**

Do you agree with the AcSB's proposed strategy to demonstrate leadership in the advancement of standards and guidance that improve the relevance of information reported outside of the financial statements? Why or why not?

In addition,

- (a) do you find the financial and non-financial information found outside traditional financial statements to have greater relevance compared to information found within traditional financial statements? If yes, what financial and non-financial information in particular?
- (b) given the increased demand for information outside the financial statements, how would you like to see the AcSB use its role and prioritize its time in this area?

## RAISING THE ACSB'S INTERNATIONAL INFLUENCE

The AcSB has earned respect as a strong national standard setter and wields influence internationally as a result. We are proposing to continue to build on our reputation globally as a strong national standard setter and be at the international table when issues important to Canadians are discussed, to ensure these issues are heard and that the Canadian perspective is considered.

- For publicly accountable enterprises, the AcSB is proposing to continue to:
  - maintain an active role in the work carried out to ensure that IFRS® Standards remains relevant and adapts as the information needs of the market and the way users consume the information of financial statements evolve;
  - participate, monitor and influence the development of IFRS® Standards to ensure that the views of Canadians are given due consideration;
  - have a high level of interaction with other international standard setters, working with them to minimize differences in the various sets of standards applied internationally; and
  - encourage the IASB and the Financial Accounting Standards Board (FASB) to narrow unnecessary differences between their respective sets of standards, liaise with the FASB on matters of mutual interest, and help identify qualified Canadians to serve on FASB advisory groups.
- For private enterprises, we are proposing to continue to speak with other standard setters including the FASB about issues affecting private enterprises. In addition, the Board will continue to monitor international projects, including the IASB's [Second Comprehensive Review of the IFRS for SMEs Standard](#) to assess whether there are any relevant learnings for Canadian private enterprises.
- For NFPOs, we are proposing to continue to speak with others involved in not-for-profit standard setting (i.e., PSAB, as well as standard setters in other jurisdictions). In addition, we will continue to provide staff support to the [International Financial Reporting for Not-for-Profits \(IFR4NPO\)](#) initiative, which is a five-year project coordinated to develop non-authoritative NFPO guidance. The objective of this guidance is to address a need in jurisdictions where accounting standards for NFPOs do not currently exist. The AcSB will consider any relevant learnings from this project as we make improvements to Accounting Standards for NFPOs.
- For pension plans, we held consultations with Canadian actuaries and practitioners who specialize in this area to understand their issues with applying Part IV of the Handbook to today's pension plans. In addition to continuing discussions with these stakeholders, the AcSB proposes to also liaise with the AcSB's Pension Plan Working Group, PSAB, and the IASB, as appropriate, to support the work they may undertake in this topic area.

### Question 8:

Do you agree with the AcSB's proposed strategies to raise the AcSB's international influence? Why or why not?

## CARRYING OUT THE PLAN

### Due process

The AcSB's due process, as documented in the [AcSB Due Process Manual](#), is based on the principles of transparency, consultation, and accountability, and is comparable to that of other global standard setters, including the IASB and the FASB.

### Communication

The AcSB communicates extensively with stakeholders through our outreach activities, social media, and our website ([www.FRASCanada.ca](http://www.FRASCanada.ca)). We also host roundtables and events related to developing IFRS® and domestic standards and provide input to the IASB on behalf of Canadian stakeholders.

We will continue to look for ways to leverage technology to increase our accessibility, enhance communication, and seek input from stakeholders.

### Stakeholder engagement

As part of its due process, an effective standard setter consults with its constituents about its project priorities. The AcSB regularly meets with our advisory committees, publishes documents for comment, and seeks input from stakeholders through outreach activities.

In addition, standard setters often liaise with other authorities (including securities regulators, governments, auditing regulators, prudential regulators, and professional accounting bodies) in working toward a shared goal of high-quality financial reporting. The AcSB will continue to prioritize liaison activities.

### Research

To best inform standard-setting decisions, research needs to be relevant to the issues the Board is considering and timely. The AcSB's 2016-2022 Strategic Plan identified building a formal research program to support evidence-informed decision making.

Going forward, we will consider:

- undertaking research to inform decisions relating to future project work; and
- working with academics to conduct research on a specific topic as part of a standard-setting project or other initiative.



## Implementation of Strategies

These strategies require the development of more detailed implementation plans, including operating plans. This document does not include such plans, but these plans will be prepared annually following the adoption of the strategies.

The AcSB faces several risks in the current environment in fulfilling its mandate. These risks may be categorized as follows:

- **Strategic risks** – the risk that the AcSB selects strategies that do not allow it to achieve its objectives;
- **Operational risks** – the risk that the AcSB poorly executes its strategies; and
- **Stakeholder-related risks** – the risk of non-acceptance of the standards or that the AcSB has a poor reputation.

The strategies proposed above have been developed keeping in mind the key risks in each category, and the controls in place to mitigate those risks.

The AcSB will need to obtain feedback from its stakeholders over the term of the proposed plan to assess whether, in fact, its activities are producing the intended outcomes and whether those outcomes are bringing the AcSB and its stakeholders closer to the AcSB's vision and mission. The AcSB will seek continual feedback through communication activities. Each annual operating plan will contain specific performance measures to assess progress in achieving annual targets for each of the strategies (as has been the AcSB's practice in past years). Publication of this Draft Strategic Plan provides stakeholders with an opportunity to comment on whether the proposed strategies will contribute to achieving the AcSB's vision and mission.

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