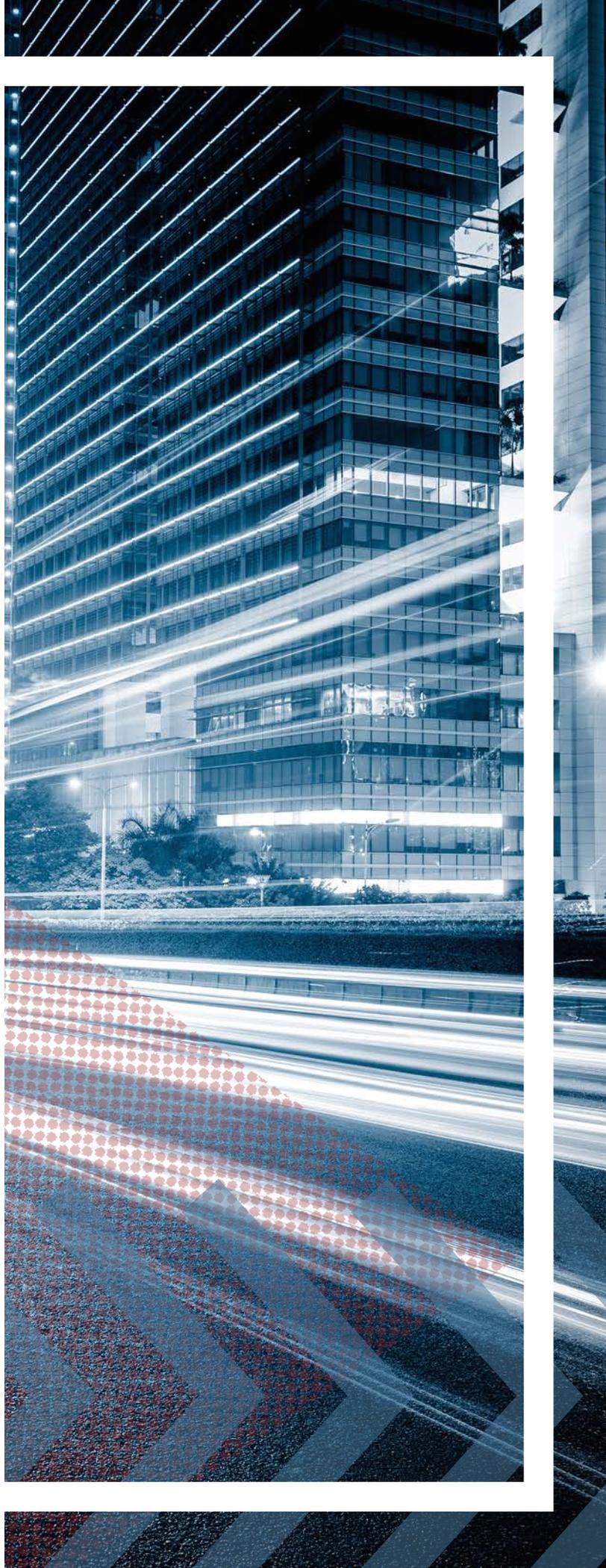




OUR JOURNEY FORWARD

2017-2020 Strategic Plan

(effective April 1, 2017)



OUR MISSION

The Public Sector Accounting Board (PSAB) serves the public interest by establishing standards and other guidance for financial reporting by all Canadian entities in the public sector and by contributing to the development of internationally accepted public sector financial reporting standards. The mission of PSAB shall be to contribute to supporting informed decision making and accountability by maintaining a framework that provides a basis for high-quality information about organizational performance reported by Canadian public sector entities.



ABOUT THE PUBLIC SECTOR ACCOUNTING BOARD

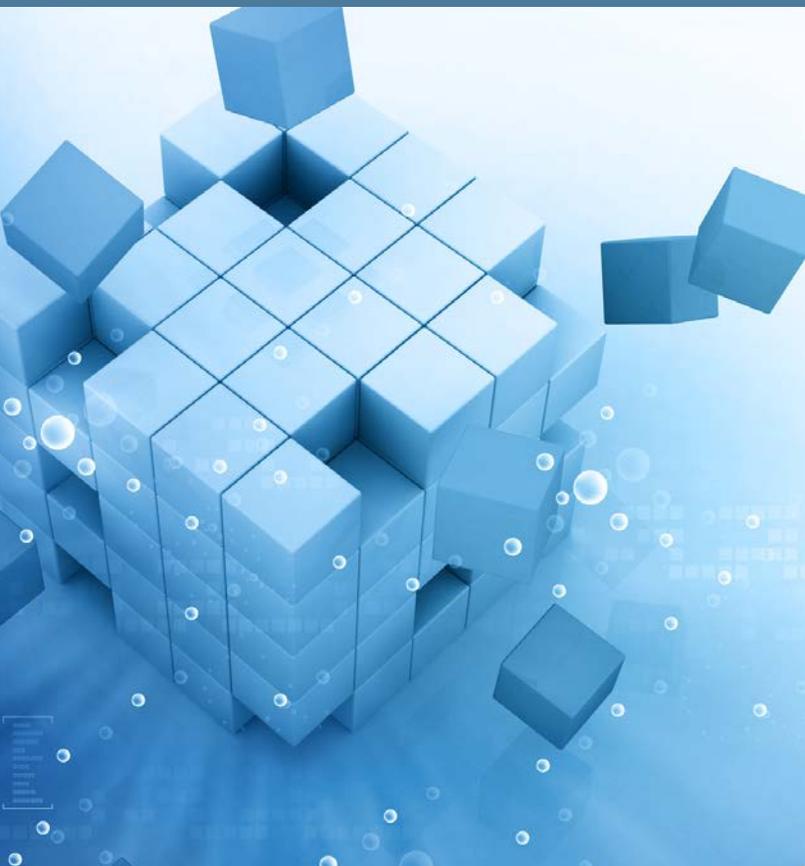
What We Do

PSAB strives to produce the highest-quality accounting standards for Canada's public sector. We support accountability over public resources through accounting standards that produce decision-useful financial information. By having common accounting standards across the public sector, financial reports are delivered with consistency, comparability and promote accountability.

Who We Are

PSAB is an independent body created to serve the public interest by establishing accounting standards for the public sector.

Our volunteer board members are from across Canada and have diverse professional backgrounds. Members voice their personal views, independent of the organizations with which they are associated.

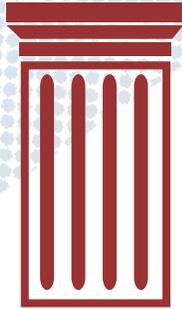


Who We Serve

Financial statements of public sector entities are used by a wide range of people and organizations. Our stakeholders vary — from taxpayers who want to hold the government financially accountable, to public sector financial experts that are making long term decisions.

ACHIEVING OUR GOALS

Oversight



The Accounting Standards Oversight Council (AcSOC) oversees our activities and ensures we follow our rigorous due process.

AcSOC also assess and report to the public on our performance.

AcSOC appoints PSAB members and provides input on strategy and priorities.

Accountability to Our Stakeholders

- The public
- Legislature and council
- Investors, creditors and bond raters
- Financial statement preparers
- Public sector auditors
- Budget officers
- Public sector management
- Media and analysts
- CPA's provincial bodies
- The accounting profession at large



Due Process

- 1 Agenda setting
- 2 Project planning
- 3 Task forces
- 4 Development and publication of a statement of principles
- 5 Review of responses and publication of an exposure draft
- 6 Development and publication of a final standard
- 7 Post-implementation review

KEY STRATEGIES

Strategy 1 — Develop standards in accordance with due process and the public interest

PSAB serves the public interest by:

- establishing high-quality accounting standards that promote stakeholder confidence in the information reported by Canadian public sector entities;
- being accountable to stakeholders by facilitating their input into the development of the standards that affect them; and
- considering the costs and benefits to preparers and users of financial statements, along with changes in the economic and reporting environment.

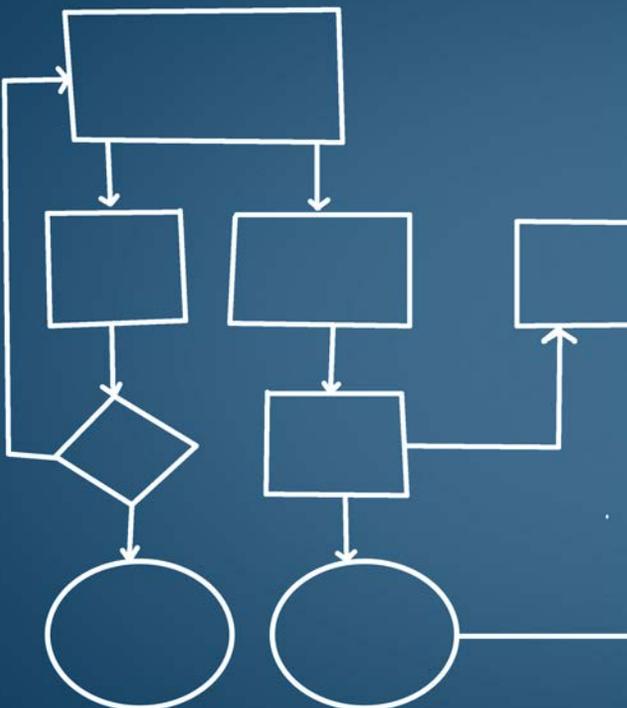
Stakeholder Focus

Stakeholder participation in the standard-setting process is an essential component of our due process. To increase awareness and transparency of our process, we will look for ways to continuously enhance stakeholder participation.

Research

Effective standard setters conduct research on a timely basis. Research helps to identify the key issues to be addressed during the development of a standard on a particular topic, allowing for more focused discussions. Research also supports evidence-based decision making — a goal shared by standard setters around the globe.

Between 2017 and 2020, we will begin research on a number of key strategies outlined in this strategic plan. This includes reviewing our international strategy and understanding user needs among public sector not-for-profit entities.





Strategy 2 — Finalize the conceptual framework

A conceptual framework is the foundation upon which accounting standards are set. It establishes the concepts used in developing the public sector accounting standards.

We are considering the frameworks of the International Accounting Standards Board and the International Public Sector Accounting Standards Board as part of our deliberations.

This is a significant project that will guide our standards for years to come.



Strategy 3 – Review our approach to International Public Sector Accounting Standards

Our current approach is to influence International Public Sector Accounting Standards (IPSAS). Globally, more countries are changing their approach towards IPSAS.

Over this strategic planning period, we intend to conduct research on the differences between our standards and IPSAS and learn about the experiences of other jurisdictions that choose to follow IPSAS. We will publish a consultation paper to get the opinion of stakeholders' and develop options for our international strategy.

It is our objective to develop and communicate these options by 2020.





Strategy 4 – Encourage stakeholders to support and accept our standards

It is important that we work with our stakeholders closely. We want to understand their views, respond to them, and seek their continued support and acceptance of the standards.

We must ensure that we continue to serve the public interest by producing quality accounting standards. Ultimately, we establish standards in the public interest that will improve information for accountability and decision making across the entire public sector.



Key Strategies

Strategy 5 – Implement a public sector not-for-profit organization strategy that meets the public interest

Since 2012, government not-for-profit organizations have adopted our standards. To make the transition easier, we incorporated specific not-for-profit accounting standards into the *CPA Canada Public Sector Accounting Handbook*. Some organizations have utilized these specific accounting standards while others have not. This has created reporting differences between comparable not-for-profit organizations.

We are aware that a “one-size-fits-all” approach may not be appropriate for all our stakeholders. We plan to assess the specific needs of public sector not-for-profit stakeholders. Above all, we want to understand if some of our standards should apply differently to this group.



MONITORING AND MANAGING FOR SUCCESS

We will monitor our progress on an ongoing basis as we carry out this strategic plan, comparing results against desired outcomes.

As well, we established a risk management process that includes monitoring changes in the environment to identify when to adjust our standard-setting approach.

Managing Risk

To ensure we achieve our mandate, we manage the following risks:

- the strength of our reputation and acceptance of our standards;
- how effectively we consult and communicate with stakeholders; and
- changes in the accounting and assurance environment in general.

In developing our annual plans, we review the controls we have in place to lessen these risks and determine if there are other risks to manage or actions to take.

For this reason, the actions we take to carry out this plan will be adjusted as necessary to see that our planned initiatives continue to meet the needs of our stakeholders.

To ensure we fulfill our public interest mandate, the Accounting Standards Oversight Council (AcSOC) will evaluate our performance against the objectives set out in this strategic plan and our annual plans.



Front (L-R): Margaret MacDonald, Michael Puskaric, Andrew Newman (Vice Chair), Rod Monette (Chair), Stephenie Fox, Nola Buhr

Back (L-R): Russ Jones, Bill Matthews, Mike Ruta, Jean-Guy Gourdreau, Bill Cox, Guylaine Leclerc (Absent: Mike Ferguson, Ann Marie Miller)

Public Sector Accounting Board

277 Wellington Street West
Toronto, Ontario
M5V 3H2
Canada

Email: fras-nifc-canada@cpacanada.ca
www.frascanada.ca