

## Paper 4 Appendix C

## Extracts from the frameworks found in practice relating to common terms used in the context of service performance

Source	Accountability
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , Appendix A)	“Accountability is the requirement for one party to account to another party for its performance over a given period.”
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Accountability is a broad concept that requires the entity to answer to elected officials and the public they represent to justify the raising of public resources and to explain the purposes for which they are used. It includes providing useful information for assessing the performance of an entity.”
NZ <i>Framework</i>	<p>“NZ 14.2. An entity may demonstrate its accountability in relation to its obligations in its financial statements or in non-financial statements and other supplementary information. Accountability requires that an entity reflect the nature and dimensions of performance that are relevant to the entity by:</p> <p>(a) identifying the objectives and targets (financial or non-financial) normally established by formal process; and</p> <p>(b) recognising, measuring and disclosing actual achievements in relation to those objectives and targets.”</p>

Source	Goals
Western Australia Government ( <i>Treasurer’s Instructions</i> , 904 Key Performance Indicators)	“‘Government Goal’ means an expression of high level policies and/or priorities that support the government’s vision. Government desired outcomes contribute to these goals.”
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , 30 June 2009, page 4, paragraph 10)	“... goals are statements of what a program is striving to achieve in the long term... .”
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Goals are broad statements that set out a clear long-term and high-level direction indicating what the entity is trying to achieve through its activities.”

Source	Objectives
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997)	<p>“The Government’s high level, intended Outcomes for the community.” (Glossary, page 57)</p> <p>“...the actual intentions... for the delivery of the service.” (Glossary, page 53)</p>
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , Appendix A)	“Significant objectives... another term for outcomes.”
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , 30 June 2009, page 4, paragraph 10)	“... objectives are statements of what a program expects to achieve within a defined, shorter period.”
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Objectives are concise, realistic, results-oriented statements of what will be achieved in the short term toward accomplishing goals.”

Source	Inputs
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 55)	“Items such as labour, materials, office space and other non capital or non-balance sheet items purchased by the agency for use in producing an Output.”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , paragraph 4.8 or Appendix A)	“Inputs are the resources used to produce the goods and services which are the outputs of the reporting entity. Examples include: labour, capital assets such as land, buildings and vehicles, cash and other financial assets, and intangible assets such as intellectual property.”
NZ Controller and Auditor-General (OAG) (AG-4 <i>The Audit of Service Performance Reports</i> , paragraph 18, 2009)	“Inputs are the resources used by the entity to produce its outputs.”
NZ IAS 1 <i>Presentation of Financial Statements</i>	“Inputs are the resources used to produce the goods and services which are the outputs of the entity.”
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , June 2009)	<ul style="list-style-type: none"> <li>• Inputs are referred as service efforts. (page 6, paragraph 17)</li> <li>• In the context of ‘input measures’, “Input measures measure the amount of financial and nonfinancial resources applied to a service.” (page 7, Figure 2)</li> </ul>
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Inputs are the financial and non-financial resources and authorities given to the entity to carry out activities, produce outputs and accomplish results. Inputs include items such as tax dollars, user fees, transfers, human resources, capital and information.”
Productivity Commissions ( <i>Draft Research Report - Contribution of the Not-for-Profit Sector</i> , 14 October 2009, Glossary)	“Any resource used by a not-for-profit organisation to achieve its objectives.”

Source	Outputs
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 55)	“Goods and services provided by an agency for clients outside the agency”
Northern Territory Government ( <i>Treasurer’s Directions – Framework: Working for Outcomes</i> , 31 March 2006, paragraph F2.1.2)	“Outputs are the services provided or the goods produced by an Agency for users external to the Agency. ... ”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , paragraph 4.3 or Appendix A))	“Outputs are final goods and services of the entity”
NZ Controller and Auditor-General (OAG) ( <i>AG-4 The Audit of Service Performance Reports</i> , paragraph 18, 2009)	“Outputs are the goods and services produced by the reporting entity. The term refers only to the goods and services produced for third parties; it excludes goods and services consumed within the reporting entity (such as services provided by legal, research, HR, and IT functions to other functional areas within the same entity, which are often referred to as “internal outputs”).”
NZ IAS 1 <i>Presentation of Financial Statements</i>	“Outputs are the goods and services produced by the entity.”
UK Charities Commission ( <i>Accounting And Reporting By Charities: Statement of Recommended Practice</i> , 2005, page 5, paragraph 35)	“Outputs is referred to as what the charity has done.”
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , June 2009)	<ul style="list-style-type: none"> <li>• “... the service being provided...” (page 5, paragraph 11)</li> <li>• Outputs and outcomes are referred as service accomplishments. (page 6, paragraph 17)</li> <li>• In the context of ‘output measures’, “output measures measure the quantity of services provided a quality requirement may be included.” (page 7, figure 2)</li> </ul>
Canada Public Sector Accounting Board (PSAB) ( <i>SORP-2 Public Performance Reporting</i> , Glossary)	“Outputs are the direct products and services produced by the activities of the entity. An example of an output is the posting of road signs indicating dangerous zones.”
Institute of Chartered Accountants Australia (ICAA) ( <i>Enhancing not-for-profit annual and financial reporting</i> , March 2009, page 8)	“Outputs is portrayed as what the not-for-profit entity has done.”
Productivity Commissions (Draft Research Report - Contribution of the Not-for-Profit Sector, 14 October 2009, Glossary)	“The product of a not-for-profit activity (for example, the number of people trained in a program or the number of performances of a community orchestra). Outputs lead to outcomes.”

Source	Outcomes
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 55)	"1. High level and long term policy objectives of the Government derived from the Government's perception of community expectations. ... 2. The short to medium term results desired by Government that are expected to be achieved largely through the resourcing of Government agencies to produce specified Outputs. ... 3. Intended impact or effort on the community of the activities and policies of Government."
Western Australia Government ( <i>Treasurer's Instructions</i> , page 1, 904 Key Performance Indicators)	"... means the effect, impact, result on or consequence for the community, environment or target clients of government services."
Northern Territory Government ( <i>Treasurer's Directions – Framework: Working for Outcomes</i> , 31 March 2006, paragraph F2.1.2(iii))	"Outcomes represent the objectives that the Government is seeking to achieve on behalf of the community through the delivery of outputs. Thus outcomes reflect the Government's policy direction and describe the reason why particular outputs are delivered."
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , paragraph 4.10 or Appendix A))	"Outcomes are the impacts on, or consequences for, the community resulting from the existence and operations of the reporting entity"
NZ IAS 1 <i>Presentation of Financial Statements</i>	"Outcomes are the impacts on, or consequences for, the community resulting from the existence and operations of the entity."
NZ Controller and Auditor-General (OAG) ( <i>AG-4 The Audit of Service Performance Reports</i> , paragraph 18, 2009)	"Outcomes refer to the state, condition, impacts on, or consequences for the community, society, economy, or environment resulting from the existence and operations of the reporting entity. (The outcomes sought provide the rationale for the range of outputs delivered by the entity.)"
New Zealand Public Finance Act 1989	"Outcome means a state or condition of society, the economy, or the environment; and includes a change in that state or condition."
UK Charities Commission ( <i>Accounting And Reporting By Charities: Statement of Recommended Practice</i> , 2005, page 5, paragraph 35)	"Outcomes is referred to as what the charity has achieved."
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , June 2009)	<ul style="list-style-type: none"> <li>• Outputs and outcomes are referred as service accomplishments. (page 6, paragraph 17)</li> <li>• In the context of 'outcome measures', "outcome measures measure the results associated with the provision of services; may include measures of public perceptions of results." (page 7, Figure 2)</li> </ul>
Canada Public Sector Accounting Board (PSAB) ( <i>SORP-2 Public Performance Reporting</i> , Glossary)	<p>"Outcomes are the consequences of those outputs that can be plausibly attributed to them. Outcomes can be distinguished in three ways:</p> <ul style="list-style-type: none"> <li>• Immediate outcomes are the first level of outcome of the entity's activities. These outcomes are in large part directly attributable to the outputs over the short term. They may include an increase in awareness among a target population. An example of an immediate outcome is reduced speeding on the highway due to sign postage indicating dangerous zones.</li> <li>• Intermediate outcomes are usually achieved in the medium term and are expected to logically occur once immediate outcomes have been achieved. This level of outcome often refers to a change in behaviour in a target population. An example of an intermediate outcome is a reduction in the number of accidents on highways.</li> <li>• Ultimate outcomes (end or final outcomes) are the highest level of outcomes that can be reasonably attributed to activities. They are generally long-term in nature and changes at this level are normally attributable to a variety of factors, some outside the control of the entity. This level of outcome often refers to a change of state of the target population or the whole population for which the entity is responsible. An example of an ultimate outcome is safer highway systems."</li> </ul>
Institute of Chartered Accountants Australia (ICAA) ( <i>Enhancing not-for-profit annual and financial reporting</i> , March 2009, page 25, section 4.4)	"Outcomes are the impacts on or the consequences for the community resulting from the NFP's activities."
Productivity Commissions (Draft Research Report - Contribution of the Not-for-Profit Sector, 14 October 2009, Glossary)	"The effects on a participant during or after their involvement in a not-for-profit activity. Outcomes can relate to knowledge, skills, attitudes, values, behaviour, condition or status. Outcomes can be positive (deliver a benefit) or negative (impose a cost) on individuals."

Source	Activities
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 53)	“What an agency does to convert inputs to Outputs.”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , Appendix A)	“Significant activities... another term for outputs/output classes.”
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Activities are what the entity does to produce the outputs that contribute to the outcomes. Activities include the processes and initiatives used by the entity to produce its outputs.”
Institute of Chartered Accountants Australia (ICAA) ( <i>Enhancing not-for-profit annual and financial reporting</i> , March 2009, page 11)	“Activities are portrayed as the programs ran, projects undertook, services provided, and grants made.”

Source	Service
Western Australia Government ( <i>Treasurer’s Instructions</i> , page 1, 904 Key Performance Indicators)	“... means the supply of an activity or good to a user external to the agency providing the service. Services comprise programs and outputs.”

Source	Performance [this table is a mixture of terms. are you trying to define performance generally or performance measures/indicators?]
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 55)	“Performance... achievement in relation to objectives, plans or intentions.”
Western Australia Government ( <i>Treasurer’s Instructions</i> , 904 Key Performance Indicators)	“‘Key Performance Indicator’ provides an overview of the critical or material aspects of outcome achievement or service provision.”
Northern Territory Government ( <i>Treasurer’s Directions – Framework: Working for Outcomes</i> , 31 March 2006, paragraph F2.1.3-2.1.3(v))	<ul style="list-style-type: none"> <li>• “Agency performance in the delivery of outputs is to be measured in relation to the quantity, quality, timeliness and cost of outputs.”</li> <li>• In the context of what is performance measures, “... Performance measures assist decision makers, both within and outside the Agency, in determining whether Territory resources are being applied in an efficient and effective manner to achieve Government outcomes. Performance measures are grouped into four categories: quantity, quality, timeliness and cost.”</li> </ul>
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , Appendix A, page 47)	“Performance measures are the characteristics of outputs that are important to the purchaser and establish how an entity’s delivery of its outputs will be assessed. ...”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , page 15, Table 1)	Not in TPA-9. No Table 1 in TPA-9.
NZ <i>Framework</i>	“NZ 20.5. Service performance is the term used to describe an entity’s performance in meeting its objectives of supplying goods and services. An entity’s service performance is assessed by comparing the entity’s service performance results with its service performance objectives. Service performance objectives and results are reported in non-financial terms, such as quantities of goods and services provided”
NZ Controller and Auditor-General (OAG) ( <i>AG-4 The Audit of Service Performance Reports</i> , paragraph 18, 2009)	<p>“(1) Performance – Performance refers to how well an entity performs against its objectives. It is a comprehensive concept, as performance can relate to a wide range of elements, such as outcomes (including impacts or other intermediate-level outcomes), outputs, inputs, and capability. Performance may also be expressed in relational terms, such as efficiency (i.e. relationship of inputs to outputs) or effectiveness (i.e. relationship of outputs to outcomes).</p> <p>The term “service performance” relates specifically to outputs.”</p>
UK Charities Commission ( <i>Accounting And Reporting By Charities: Statement of Recommended Practice</i> , 2005, page 1, paragraph 10)	<p>In the context of ‘service efforts and accomplishments (SEA) performance measures’,</p> <p>“SEA performance measures provide indicators of the level of accomplishment of those goals and objectives</p>
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Performance refers to what the entity did with its resources to achieve its results and the assessment of those results against what the entity intended to achieve. Performance is often described in terms of effort, capacity and intent.”

Source	Results
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , 30 June 2009, page 8, paragraph 23)	“... results need to present a balanced view, including both positive and negative aspects of a government’s performance.”
Canada Public Sector Accounting Board (PSAB) (SORP-2 <i>Public Performance Reporting</i> , Glossary)	“Results are both the outputs produced and outcomes achieved by the entity. Results reflect the purpose for which an activity is performed as set by the goals and objectives. Results can be either actual results or planned/expected results.”

Source	Efficiency
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 54)	“... is about producing more services or better quality services with the same or fewer resources. ... is determined mainly by the internal structure and operations of an organisation. Efficiency indicators relate resource inputs to resulting outputs. They indicate how well an activity or operation is being performed. Measures of efficiency can focus on either operational or outcome efficiency.”
Western Australia Government ( <i>Treasurer’s Instructions</i> , page 1, 904 Key Performance Indicators)	“Key efficiency indicator relates to a service to the level of resource input required to deliver it. ... Physical efficiency (i.e. productivity) indicators that relate physical inputs to physical outputs may also be used, for example, units of output per machine hour.”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , page 41, paragraph 6.12(a))	“... efficiencies... (in general, delivering the same level of outputs with fewer resources)...”
US Governmental Accounting Standards Board (GASB) ( <i>Proposed Suggested Guidelines for Voluntary Reporting – SEA Performance Information</i> , June 2009, page 7)	In the context of ‘efficiency measures’, “Efficiency measures measure the resources used per unit of output, or the cost per unit of output”
Productivity Commissions (Draft Research Report - Contribution of the Not-for-Profit Sector, 14 October 2009, Glossary and page 2.17)	“Production or technical efficiency is achieving the greatest output for a given level of inputs—how well inputs are turned into outputs. Allocative efficiency is achieving the outputs that give the greatest benefits for a given level of inputs available—which is putting resources to the uses that deliver the best outcomes for the community.”
NZ Controller and Auditor-General (OAG) (AG-4 <i>The Audit of Service Performance Reports</i> , paragraph 18, 2009)	In the context of the definition of performance: “Performance may also be expressed in relational terms, such as efficiency (i.e. relationship of inputs to outputs) or effectiveness (i.e. relationship of outputs to outcomes).”

Source	Effectiveness
Tasmanian Department of Treasury and Finance ( <i>Performance Information for Management and Accountability Purposes</i> , October 1997, Glossary, page 54)	“The extent to which objectives are being achieved. It is determined by the relationship between an organisation and its external environment. Effectiveness indicators relate outputs to impacts and to outcomes. They can measure the steps along the way to achieving an overall objective or outcomes, and test whether outputs have the characteristics required for achieving a desired objective or a government outcome.”
Western Australia Government ( <i>Treasurer’s Instructions</i> , page 1, 904 Key Performance Indicators)	“Key effectiveness indicator provides information on the extent of, or progress in a reporting period towards achievement of an agency level government desired outcome through the delivery of a service or services”
NZ Financial Reporting Standards Board (FRSB) (Technical Practice Aid No. 9 <i>Service performance reporting</i> , page 41, paragraph 6.12(b))	“... effectiveness (that is, the outcomes that are achieved through output delivery)...”
Productivity Commissions (Draft Research Report - Contribution of the Not-for-Profit Sector, 14 October 2009, Glossary)	In the context of ‘effectiveness measures’, “Effectiveness... extent of achievement of the stated objectives.”
NZ Controller and Auditor-General (OAG) (AG-4 <i>The Audit of Service Performance Reports</i> , paragraph 18, 2009)	In the context of the definition of performance:  “Performance may also be expressed in relational terms, such as efficiency (i.e. relationship of inputs to outputs) or effectiveness (i.e. relationship of outputs to outcomes).”

Source	Service Performance Reporting
NZ Controller and Auditor-General (OAG) (AG-4 <i>The Audit of Service Performance Reports</i> , paragraph 18, 2009)	“(o) <i>Service performance reports</i> – Service performance reports are reports to users that provide primarily non-financial information that records the output delivery performance of an entity against specified measures and targets. This information is usually shown in statements of service performance (or equivalent reports) and is compared with information contained in forecast non-financial performance reports (e.g. Information Supporting the Estimates of Appropriation, Statements of Intent, Statements of Corporate Intent, LTCCPs, and annual plans). Service performance is concerned not only with how well services are delivered (output delivery performance) but also with how effective the services are at achieving the entity’s objectives (achievement of impacts and outcomes). Service performance reports should therefore provide some link to impact and outcome information.”
NZ Controller and Auditor-General (OAG) (AG-4 <i>The Audit of Service Performance Reports</i> , paragraph 18, 2009)	“(h) <i>Non-financial performance reports</i> – Non-financial performance reports are reports to users that provide primarily non-financial information that records the performance of an entity against specified objectives. They can encompass a comprehensive range of performance elements (incl. outcomes, impacts, outputs, inputs, and capability), and the information can be presented in various statements (e.g. Information Supporting the Estimates of Appropriation, Statements of Intent, Statements of Corporate Intent, LTCCPs, annual plans, statements of service performance, and other statements within annual reports). “Service performance reports” are non-financial reports concerned primarily with the reporting of output performance information.”