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**Service Performance Reporting for Private Sector Not-for-Profits:
A Literature Review**

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Executive Summary

About the Report

This report presents a systematic review of the academic literature on service performance reporting as a means to inform the development of a nationally consistent service performance reporting standard for Australia's not-for-profit (NFP) sector. Covering research published between 2019 and 2024, the review builds on *Research Report 14*, synthesising recent insights to support a practical, scalable, and meaningful service performance reporting approach tailored to the Australian context.

The review identifies key themes, international practices, and implementation challenges, offering evidence-based guidance on framework design, assurance, and sector relevance¹.

Key Insights from the Literature

1. International models demonstrate feasibility

New Zealand and the UK show that principles-based, narrative reporting can balance flexibility with accountability. Removing rigid output–outcome terminology has enabled more meaningful, mission-aligned disclosures.

2. Narrative reporting enhances relevance

Principles-based frameworks support clearer disclosures by combining outputs, outcomes,

¹ This report focuses on private NFPs and excludes public sector entities such as government departments, local councils, and statutory bodies. The analysis is intended to inform the development of a service performance reporting framework tailored to private NFPs. However, the findings may also offer insights relevant to the public sector, particularly if a sector-neutral service performance reporting standard is to be developed.

and contextual information. These formats are more accessible to users such as donors and beneficiaries.

3. Fragmentation undermines comparability

Inconsistent practices, regulatory complexity, and variable capacity (especially among small NFPs) limit comparability and undermine the usefulness of current reporting.

4. Regulation shapes practice

Prescriptive, one-size-fits-all models risk superficial compliance. Participatory, proportionate regulation, supported by co-design, encourages meaningful reporting and sector engagement.

5. Information quality drives usefulness

Service performance information must be relevant, complete, and contextualised. Narrative formats aligned with mission and purpose are better suited to reflect outcomes and impact.

6. Assurance builds trust but remains limited

Assurance enhances credibility but is constrained by high costs, limited guidance, and low uptake. New Zealand's phased model suggests that piloting scalable approaches can build sector readiness.

7. Towards adaptive, participatory regulation

Australia's approach is evolving towards New Governance, favouring stakeholder input and iterative refinement. This model is well-suited to service performance reporting, where mission-driven and qualitative reporting is central.

Recommendations

Based on a systematic review of the literature, the following evidence-based recommendations are proposed to guide the design and phased implementation of a service performance reporting framework for the Australian NFP sector. These recommendations are sector-wide and not tailored to specific industries.

1. Adopt a mission-centric, principles-based framework

Encourage narrative, flexible reporting aligned with organisational purpose. Avoid rigid metrics (e.g., "outputs" and "outcomes") by adopting a principles-based approach supported by high-level guidance and illustrative examples.

2. Mandate service performance reporting through a phased rollout

Start with mandatory reporting for larger NFPs, allowing smaller organisations to adopt voluntarily with support. This staged approach promotes sector readiness and mirrors successful international rollouts, such as in New Zealand.

3. Embed co-design through a stakeholder-led process

Engage preparers, users, auditors, and regulators in the design and implementation of the framework. A participatory approach will increase legitimacy, reduce resistance, and ensure relevance across the sector.

4. Support integration of financial and non-financial information

Provide tools and guidance to help NFPs connect financial inputs to outputs, outcomes and impacts². Program logic models or theory of change frameworks can enhance the usefulness and coherence of reports.

5. Defer mandatory assurance and pilot scalable models

Postpone assurance requirements until reporting practices mature. Pilot scalable, cost-effective assurance approaches with larger NFPs to build evidence, assess auditor readiness, and develop appropriate guidance.

6. Provide tailored guidance and promote reporting accessibility

Develop plain-language templates, sub-sector-specific examples, and online resources to support consistent, user-friendly reporting. Peer-learning networks can foster capacity-building, especially among smaller NFPs.

7. Invest in sector capability and infrastructure

Should a pronouncement be introduced, sustained investment will be needed to build capacity. Standard setters and regulators can support this through training, toolkits, and iterative engagement to encourage meaningful, rather than compliance-driven, reporting.

² Given that the connectivity between non-financial and financial information remains fragmented within the NFP sector, as addressed in the research report titled *Connectivity of Non-Financial and Financial Information*, this issue warrants continued attention in the development of any potential future service performance reporting pronouncement.

1. Introduction

The private not-for-profit (NFP) sector relies heavily on public trust to secure resource inflows (Ghoorah et al., 2021). In this context, regulations play a pivotal role in fostering public trust and confidence (Cordery et al., 2017). Historically, standard setters have concentrated primarily on financial reporting, with a particular emphasis on resources used to deliver programs, such as funding, staff time, volunteer hours, equipment, and materials. In contrast, less attention has been paid to outputs, including service delivery, social impact achieved and overall service performance (Harris et al., 2022).

In recent years, however, there has been an ‘expanding gaze’³ among accounting standard setters, supported by resource providers who increasingly advocate for the inclusion of non-financial performance information in reporting frameworks – especially regarding, in addition to outputs, outcomes and social impact (Gilchrist & Simnett, 2019; Adams et al., 2021). These developments reflect a growing consensus that financial reporting alone is insufficient to capture the full scope of value creation and accountability in the NFP sector.

In parallel, broader policy developments have reinforced the importance of effective reporting. The [2024 Productivity Commission report, *Future Foundations for Giving*](#), calls for reforms to the regulatory and tax frameworks governing the NFP and philanthropic sectors. The report found a need for greater transparency, improved access to performance data, and mechanisms that allow donors to assess and compare charitable effectiveness. These developments underscore the growing policy momentum toward robust, credible, and decision-useful service performance reporting as a foundation for public trust and philanthropic confidence.

Against this backdrop, this review contributes timely insights to inform standard setters and regulators of any potential future service performance reporting pronouncement. By synthesising findings from international research and drawing lessons from other jurisdictions, this report provides practical guidance on addressing stakeholder engagement, developing performance measures, refining regulatory approaches, and strengthening assurance practices. The goal is to help establish a reporting standard that enhances accountability, supports informed giving, and strengthens the overall sustainability and effectiveness of the NFP sector in Australia.

This report aims to support the development of a practical, evidence-informed service performance reporting framework tailored to the diverse operations and stakeholder expectations of Australia’s private NFP sector, while also informing standard setters and regulators considering future, sector-neutral pronouncements. It provides a comprehensive synthesis of key themes, emerging trends, and implementation challenges identified in the academic and grey literature. In addition, it draws on international practices to offer comparative insights and highlight critical success factors for enhancing transparency, decision-usefulness, and public trust through improved reporting.

³ Term has been adopted from Adams *et al.* (2021).

This report is organised into six sections. Following this introduction, Section 2 outlines the economic and social significance of the Australian NFP sector and the imperative for enhanced reporting. Section 3 explores regulatory developments and service performance reporting practices in selected international jurisdictions. Section 4 details the methodology of the systematic literature review. Section 5 presents thematic findings across six key areas: performance reporting, performance measures, regulatory approaches, implementation challenges, stakeholder information needs, and the role of assurance. Section 6 synthesises key insights and provides recommendations for standard development, and implementation strategies.

This review provides a robust evidence base to guide the design of a fit-for-purpose service performance reporting standard - one that is theoretically grounded, internationally informed, and practically applicable to Australian NFPs of varying sizes and missions. It is intended to assist standard setters and regulators considering future pronouncements in this area.

2. The Economic & Social Significance of the NFP Sector

This section provides a general description of the Australian NFP sector, emphasising its significant economic and social contributions and highlighting the growing need for enhanced transparency and accountability through improved reporting practices.

The private NFP sector plays a vital role in Australian society, delivering essential services, building social capital, and addressing complex social and economic challenges. The sector's importance has been especially evident in recent years, as NFPs mobilised resources and support to respond to the COVID-19 pandemic, natural disasters, and the rising cost of living. Central to the effectiveness, sustainability and accountability of these organisations is the ability to demonstrate their impact through meaningful service performance reporting.

Charities are a significant sub-sector of Australia's private NFP sector, comprising approximately 10% of NFPs by number. They are also the only sub-sector for which we have accessible comprehensive data relating to their purpose, employment numbers and volunteering as well as their financial data amongst other things. Therefore, it is the sub-sector subjected to most research related to accounting, reporting, governance and accountability.

Philanthropic giving underpins much of the work of the charities sector with Australians donating over \$13 billion in 2021 and 6 million people volunteering in 2022 (ACNC 2023). However, despite this generosity, current reporting practices in the sector remain inconsistent, often lacking comparability, transparency, and relevance to stakeholders' information needs. These shortcomings limit the usefulness of performance information for decision-making by a diverse range of stakeholders, including donors, members, volunteers, beneficiaries, philanthropists, funders, regulators, and the general public.

Key obstacles to effective financial and performance reporting by charities include poor financial literacy, limited resources that constrain the allocation of staff time and capacity to the reporting process, complex reporting requirements and perceived pressures from funders who often impose their own

templates or expectations. These conditions can lead to fragmented and duplicative reporting, and may incentivise practices such as earnings management or the cherry-picking of favourable results by some reporting entities (Gilchrist et al., 2023).

In relation to charities specifically, further challenges are created by the adoption of tiered reporting requirements based on income levels that group charities by size, but which are otherwise not necessarily compatible with respect to their reporting requirements. The three tiers of government in Australia creates further difficulty as the jurisdictional governance of NFPs lies with both the sub-national governments and the national government. The study by Wen et al. (2025) identifies widespread dissatisfaction with the current three-tier system, particularly among small and medium-sized charities. These thresholds are often perceived as arbitrary, outdated, and disconnected from actual organisational complexity or stakeholder needs. As per Wen et al. (2025), many preparers report that the existing regime does not adequately support accountability or transparency and fails to reflect the information stakeholders genuinely value, such as narrative performance or comparative metrics.

Additionally, the Australian federal constitutional settlement creates further difficulty as the jurisdictional governance of NFPs lies with both the sub-national governments and the national government. This fragmented regulatory landscape increases the compliance burden and creates uncertainty around consistent reporting standards (Wen et al., 2025).

3. Regulatory Frameworks – Domestic & International

The current section reviews the evolution of regulatory frameworks for service performance reporting across key international jurisdictions (i.e., Australia, New Zealand, the United Kingdom, and other country contexts including the United States of America, South Africa, and Canada), offering comparative insights to inform future standard-setting in Australia.

3.1 Australia

Currently, in Australia, there are no specific regulatory requirements for service performance reporting that apply uniformly across the NFP sector. However, some elements of service performance reporting are already covered by existing frameworks. For example, registered charities in the private NFP sector must comply not only with annual reporting requirements set by the Australian Charities and Not-for-profits Commission (ACNC) and its tiered annual reporting requirements, but also with a range of other regulatory obligations, including state-based fundraising laws and incorporation requirements under legislation such as the Corporations Act 2001 or relevant state associations acts. Although these frameworks relate to service performance, they are not explicitly defined as service performance reporting standards. Furthermore, there is no single body responsible for regulating the entire NFP sector.

Furthermore, there is no single body responsible for regulating the entire NFP sector. The ACNC, set up in 2012, serves solely as the national regulator of charities, covering only about 10% of the NFP sector. To maintain their charitable status and eligibility for tax exemptions, Australian charities are required to file annual financial information and some basic performance information in an Annual

Information Statement (AIS) with the national charity regulator. The AIS includes basic details about programs, activities, locations, main beneficiaries (from a prepopulated list), and a short narrative⁴ about how the organisation's activities contribute to its social mission and primary objectives. None of this performance information is subject to review or audit by the ACNC (Adams et al., 2021) and it is often very general.

The Australian Accounting Standards Board (AASB) has demonstrated a growing interest in expanding the scope of NFP reporting to include service performance information. In 2015, the AASB issued Exposure Draft (ED) 270 Reporting Service Performance Information, indicating an intent to formalise an accounting standard around the service performance of NFPs. ED270 proposed that NFPs should report their service performance information, including service performance objectives, success in achieving these objectives (Adams et al., 2020), as well as the efficiency and effectiveness of their activities in achieving their objectives. This ED aimed at requiring NFPs to report on “the delivery of goods and/or services with the intention of having a positive impact on society or segments of society” (AASB, 2015, p. 29). The ED proposed disclosures that include: (a) an entity’s service performance objectives, (b) performance indicators related to (i) inputs, (ii) outputs, (iii) the outcomes (if any) that an entity is seeking to influence, (iv) the link between inputs and outputs and/or outcomes (efficiency), and (v) the link between outputs and/or outcomes and service performance objectives (effectiveness), (c) the total costs of goods and/or services, and (d) the assumptions and methodologies adopted in compiling the service performance information (AASB, 2015). ED270 was drawn significantly from Recommended Practice Guideline (RPG) 3: Reporting Service Performance Information by the International Public Sector Accounting Standards Board (IPSASB, 2015). These proposals reflect an intention to formally broaden reporting obligations beyond traditional financial data to include information about what NFPs aim to achieve and whether they are achieving it (Adams et al., 2021).

The AASB received 29 submissions in response to ED270 in 2016, and the consultation feedback was largely unfavourable due to its perceived lack of understanding and sensitivity to the challenges faced by NFPs (Adams et al., 2021). Concerns about the ED were mainly around its emphasis on efficiency and effectiveness, the prescriptive nature of the requirements, blurriness between financial and non-financial information, and the mandatory nature of the proposed reporting. These concerns underscore the difficulties in developing a reporting framework in the NFP sector. As highlighted by Gilchrist and Simnett (2019), the Australian NFP regulatory landscape is complex, given varying reporting obligations, multiple jurisdictional requirements, and stakeholders’ competing expectations. As a result, implementing reporting requirements, such as Service Performance Reporting, is likely to be a complicated exercise.

⁴ This narrative is on the charity register rather than within the annual information statement (AIS).

3.2 New Zealand

New Zealand offers a distinctive and valuable example for developing service performance reporting standards for NFPs for three key reasons: (1) all registered charities, irrespective of size, are required to report service performance information; (2) the standard-setting process was initiated with small charities before expanding to larger ones; and (3) many charities (primarily larger ones) are required to have their service performance information assured. These points are further discussed below.

Prior to the establishment of the NZ charity regulator in 2007 (i.e., Charities Services – a government agency⁵), NZ NFPs were encouraged to report on performance in a Statement of Service Performance (SSP) (which was mandatory for public sector organisations). No accounting standards were developed by either the Charities Commission or the accounting standard setters of the time (the Accounting Standards Review Board and the Financial Reporting Standards Board) (McConville & Cordery, 2020). A major restructuring of New Zealand's financial reporting framework, shifting accounting standard setting authority from the accounting profession, led to the establishment of the External Reporting Board (XRB)⁶ in 2011. Following the establishment of both the XRB and Charities Services, a key focus was to promote charity performance reporting to better meet the needs of public benefit entities' (PBEs') stakeholders. As PBEs (including charities) aim to serve the community and society, performance information can improve accountability, transparency and public trust. The NZ Accounting Standards Board (NZASB), the XRB's accounting standards sub-committee, undertook significant efforts in developing the Public Benefit Entity Simple Format Reporting (PBE SFR) standards.

From 1 April 2015, the *PBE FRS*⁷ mandated service performance reporting for charities in Tier 3 (with expenditures between NZ\$125,000 and NZ \$2 million) and Tier 4 (with operating payments less than NZ \$125,000). The standard requires two key disclosures⁸: 'Entity Information' and 'Statement of Service Performance'. The Entity Information provides contextual information about the charity, including its mission, organisation structure, main sources of income, main methods to raise funds and the reliance on volunteers and donated goods or services. The Statement of Service Performance reports on two specific reporting items - *outcomes* (what it is seeking to achieve in terms of its impact on society) and significant *outputs* (the goods or services it delivered during the year). The XRB emphasised that the purpose of service performance reporting is to improve accountability and address the information needs of users who are unable to seek and/or request information from charities (XRB, 2013).

Albeit the costs and challenges of additional disclosure requirements of *PBE FRS*, the post-implementation review (in 2021) highlighted several positive impacts. For example, funders and donors found service performance reporting highly relevant and appreciated its understandability, particularly

⁵ Charities Services was established under the Charities Act 2005 in 2012.

⁶ XRB has two sub-boards: one for accounting and the other for auditing standards setting.

⁷ A separate standard was issued for Tier 3 charities using accrual accounting and Tier 4 charities using cash accounting but the service performance requirements in both standards are similar.

⁸ These statements must be audited as per audit standard released in 2019.

for non-accountants (XRB, 2022). However, submitters found the terms 'outputs' and 'outcomes' to be too prescriptive and difficult to apply. As a result, *PBE SFR* was revised in 2023⁹, with changes taking effect from 1 April 2024. The terms 'outputs' and 'outcomes' were removed to align the principles-based requirements with *PBE FRS48*, which is introduced next. As a result, *PBE SFR* was revised in 2023, with changes taking effect from 1 April 2024. The terms 'outputs' and 'outcomes' were removed to align the principles-based requirements with *PBE FRS 48*, which is introduced next.

Tier 1 (with expenditure over NZ\$30 million) and Tier 2 (with expenditure under NZ \$30 million and over NZ \$2 million) charities¹⁰ did not have mandatory standards for service performance reporting until 2022. From 1 January 2022, Tiers 1 and 2 charities are required to follow the *PBE FRS48 Service Performance Reporting* standard. Under this standard, larger charities had to disclose, alongside their financial statements, the purpose of their existence ('why they exist') and their achievements ('what they actually did') (New Zealand Accounting Standards Board, 2017). *PBE FRS48* sets out principles-based requirements, providing flexibility in how charities present their service performance information. This approach enables charities to communicate their story in a 'meaningful' and comparative way. Tiers 1 and 2 charities must disclose (1) service performance information, which explains what they have done during the reporting period in working towards broader aims and objectives and (2) contextual information to explain why they exist, what they intend to achieve in broad terms over the medium to long term, and how they go about it. As such, from 2022, all NZ charities have to report on their non-financial activities.

Reflecting on the challenges emerging from the initial years of implementation, the XRB released a [consultation paper](#) in June 2025. The paper explores barriers encountered by Tier 1 and 2 NFPs and assurance practitioners in applying *PBE FRS 48* and related assurance standards. It suggests targeted amendments to the standard, sector-specific guidance, and enhanced support for assurance engagements, aiming at improving clarity, proportionality, and uptake across the sector (XRB, 2025).

Service performance assurance followed a similarly staged introduction: first in 2015 for some Tier 3 charities¹¹ and followed by Tier 1 and 2 charities¹² in 2023. The applicable assurance standards for service performance information include the *International Standard on Assurance Engagements (ISAE) (NZ) 3000*, which was applied to some Tier 3 charities since 2015 and the newly developed *New Zealand Accounting Standard (NZ AS) 1¹³, the Audit of Service Performance Information* from 2023

⁹ *PBE SFR* is now revised as 'Tier 3 (NFP) Standard' and 'Tier 4 (NFP) Standard'.

¹⁰ In New Zealand, registered charities are part of public benefit entities (PBEs) (along with public sector organisations) with the aim of serving the community or society.

¹¹ Tier 3 charities (with expenditure greater than NZD550,000 and less than NZD1.1 million) can be either audited or reviewed and Tier 3 charities (with expenditure greater than NZD 1.1 million) must be audited. Small Tier 3 (with expenditure less than NZD 550,000) and all Tier 4 are not subject to the assurance requirements.

¹² All charities in Tier 1 and 2 must be audited.

¹³ the revised standard effects from 2024. Charities subject to audit (Tier 1, 2 and some Tier 3) must now comply with *NZ AS1*, and a new standard for reviewing service performance information (for some Tier 3) is under development.

(XRB, 2023), which came into effect in 2023. While the standards apply solely to service performance assurance, assurance is required for the entire performance report, including financial statements and service performance reporting. However, challenges arise when applying overall materiality across both financial and non-financial information (Xu & Yang, 2023). Materiality, as traditionally understood in financial audits, does not easily translate to the qualitative and narrative nature of service performance reporting. While ISAE (NZ) 3000 takes a traditional risk-based approach to the calculation of materiality, focusing on the reliability of information and assurance risk, it only provides general guidance. It acknowledges the importance of professional judgement, noting materiality should be assessed using both quantitative and qualitative factors (paragraphs A95–97). NZ AS 1 offers further clarity in the specific context of service performance. It directs auditors to assess materiality in relation to the suitability of service performance criteria and to consider whether any misstatements or omissions could significantly influence the decisions of intended users (paragraphs 31 and 50).

Despite this, practical implementation remains complex and future research is warranted to explore this space. Notably, the requirement for small charities to report service performance information, along with the mandate for assurance over such information, is unprecedented internationally. As a result, the New Zealand XRB is recognised as a global leader in broadening the scope of reporting beyond financial disclosure by introducing accounting standards that mandate service performance information (Hooks & Stent, 2020).

3.3 United Kingdom

The United Kingdom (UK) consists of three jurisdictions: England and Wales, Scotland, and Northern Ireland, each with its own charity regulator¹⁴ but with similar service performance reporting requirements. Service performance information is included in the Trustees' Annual Report, a narrative component required by the Charities Statement of Recommended Practice (SORP) FRS 102¹⁵. It requires charities to report on three key information, being: (1) objectives and activities (SORP para 1.17-1.19); (2) achievements and performance (SORP para 1.20); and (3) structure, governance and management (SORP para 1.25). For larger charities, additional disclosures are required under SORP paras 1.40–1.45, which expand on the 'achievements and performance' section by encouraging more detailed commentary on the effect of activities, factors affecting performance, and measures used to assess success.

The SORP recommendations evolved via multiple iterations: 1995 and 2000 SORPs recommended reporting of achievements and examples, SORP 2005 promoted increased narrative disclosures on charitable activities, performance against objectives, and broader achievements, while SORP 2015 encouraged larger charities to report on the impact of their activities (McConville & Cordery, 2020).

¹⁴ Charity Commission for England and Wales, OSCR Scottish Charity Regulator and the Charity Commission for Northern Ireland.

¹⁵ Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

Despite the fact that performance reporting by UK charities increased over time, the SORP takes a more principles-based approach than the traditional prescriptive financial reporting style – it does not require reporting of specific measures but rather encourages charities to ‘tell their stories’ (McConville & Cordery, 2020, p. 10). Amongst the ‘flexible’ performance disclosure requirements, larger charities (with income over £ 500,000) are expected to provide more detailed information due to their higher level of public accountability and stewardship than smaller charities. For example, larger charities’ reports should include a balanced picture of progress against objectives, a summary of the measures or indicators used to assess performance, and comments on the significant positive and negative factors that affected the achievements related to the objectives.

While the UK’s SORP requirements existed and evolved over two decades, assurance of service performance information remains underdeveloped: there is currently no audit or attestation of compliance with SORP recommendations. For instance, charitable organisations’ failure to report on their performance is neither monitored nor censured, and the Trustees’ Annual Report is subject to be reviewed for inconsistencies with the financial statements, not audited.

3.4 Other country contexts

Other jurisdictions vary in their service performance requirements. For example, in the United States of America (USA), charities categorised as tax-exempt organisations must file an annual information return with the Internal Revenue Service (IRS) using Form 990. Organisations with receipts over USD 200,000 or assets over USD 500,000 must disclose their mission or most significant activities, as well as the program service accomplishments for their three largest program services, measured by expenses. Organisations with receipts less than USD 200,000 or assets less than USD 500,000 can file a short form 990-EZ, which only requires a brief description of each largest program accomplishment in the Statement of Program Service Accomplishments. The instructions for Form 990 (IRS, 2024) further explain information on the accomplishments, including specific measurements such as clients served, days of care provided, number of sessions or events held, or publications issued, the activity’s objective, and reasonable estimates for statistical information. Yet, Form 990 mainly focuses on financial disclosures and provides limited insights into service performance reporting (Harris et al., 2022).

Similarly, in Canada, registered charities must submit Form T3010, Registered Charity Information Return, annually within six months of the end of its fiscal period. However, service performance reporting is minimal, with the only related requirement being in Section C of the form, ‘Programs and General Information’, where charities provide a brief description of ongoing and new programs.

Unlike the USA and Canada, where service performance reporting is limited and largely descriptive, South Africa imposes strict requirements on registered nonprofit organisations. They must comply with sections 16-23 of the Nonprofit Organisations Act and submit a written report to the Directorate within nine months after the end of their financial year. This report must include a narrative of its activities in the prescribed form, their financial statements, and the accounting officer’s report (Department of Social Development, 2025). A public document from the Department of Welfare (2000) provides further details

on the narrative report. Section B, 'Your organisation's history and aims', requires reporting on the organisation's vision, mission statement and objectives. Section C, 'Your organisation's achievements', mandates information on (1) key accomplishments, including the chairperson's report on main achievements, challenges face, and future plans, (2) objectives met, activities undertaken to achieve these objectives, (3) beneficiaries as well as nature and extent of benefits received.

It is noteworthy that while several countries have formal regulators for their charitable and nonprofit sectors (including Japan, Australia and Singapore¹⁶), only New Zealand and the UK currently require service performance reporting. As previously discussed, New Zealand has implemented a distinct mandatory regime that applies to all charities. This regime was originally grounded in International Public Sector Accounting Standards (IPSAS), with the exposure draft serving as the precursor the current standard, PBE FRS 48. Reflecting on the practical challenges that have emerged since implementation, the External Reporting Board (XRB) released a consultation paper in June 2025. In contrast, the UK recommends service performance reporting under the SORP requirements, which are based on the International Financial Reporting Standards (IFRS). Canada and the USA have a regulatory model in which tax authorities drive compliance and annual filing that are not necessarily related to GAAP (Breen et al., 2023). South Africa, while not adopting international accounting standards for nonprofits, enforces mandatory reporting requirements through its Nonprofit Organisations Act. These include narrative reporting on program achievements, objectives met, and benefits delivered to beneficiaries, reflecting a strong regulatory focus on both financial and service performance information.

The increased focus on service performance reporting information in different jurisdictions indicates efforts by traditional accounting standard setters to formally extend traditional financial reporting to non-financial considerations (Gilchrist and Simnett, 2019) and formalise outcome-based information to measure and manage organisational service performance (Adams et al., 2020).

4. Research Method

This section outlines the research methodology used to conduct a systematic literature review of service performance reporting published between 2019 and 2024¹⁷. The review draws primarily on peer-reviewed sources identified through Google Scholar.

¹⁶ Japan and Singapore are cited as examples of jurisdictions with regulatory frameworks for their charity and NFP sectors, rather than as contexts directly relevant to or discussed in relation to service performance reporting.

¹⁷ While the systematic literature review focuses on studies published between 2019 and 2024, a small number of earlier works are included where relevant. These studies do not specifically examine service performance reporting but are cited to support broader conceptual or contextual discussions.

4.1 Data collection

This report presents a systemic literature review on service performance reporting in the NFP sector for a five-year period (2019–2024). The primary data source for this search was Google Scholar, which provided access to peer-reviewed journal articles, conference papers, reports, and other scholarly publications relevant to NFP service performance reporting. A qualitative thematic analysis approach was employed to identify, interpret, and synthesise key themes and patterns across the selected literature. Studies (such as those cited in broader philanthropy and giving literature, including those in the [Productivity Commission's Inquiry Report](#)) were excluded where they did not directly address service performance reporting. While such studies offer valuable insights into philanthropy, donor behaviour, or public accountability, they were not considered sufficiently relevant to the specific focus of this review.

The keyword search was conducted in two stages, with all searches filtered to publications from 2019 to 2024. In Stage 1, we aimed to identify studies that would best inform the development of a service performance reporting standard in Australia and support the update of Research Report 14, providing a foundation for any future pronouncements by standard setters and regulators. This stage focused on capturing a broad range of studies and leading practices in NFP service performance reporting. Search terms included: "nonprofit social performance report," "nonprofit service performance report," "nonprofit service impact report," "nonprofit service quality report," and "nonprofit non-financial performance report," as well as variants such as "practices" and "case study" to identify examples of reporting approaches. Stage 2 focused on locating literature related to the assurance of NFP service performance reporting, using search terms such as "Audit AND Service Performance Reporting," "Service Performance Reporting and Assurance," and "AUDIT AND Service Performance Reporting."¹⁸

The report also applied specific inclusion and exclusion criteria to ensure the relevance and reliability of the identified studies. The inclusion criteria required studies to be peer-reviewed journal articles, conference proceedings, or industry reports, focus on NFPs, and discuss service performance reporting frameworks, methodologies, or case studies. Studies were excluded if they were published outside the specified time frame, did not focus on NFP organisations, examined only financial performance without reference to service performance, or were not published in English.

Following this process, a final sample of 18 documents was identified (as summarised in Table 1). While this number may appear limited for a six-year review, several important factors justify the outcome. First, the academic literature on service performance reporting remains underdeveloped, with the field still dominated by studies on financial reporting. Second, service performance reporting is an emerging area of interest, and only recently has it begun to attract scholarly attention. Third, there has been limited recent academic focus on the UK context, despite its significance as a regulatory environment. Fourth, some research exists in the New Zealand context, where service performance reporting has gained traction through targeted reforms, and they have been considered in this report. Fifth, much of

¹⁸ For a comprehensive list of search terms, see Appendix 2.

the literature focuses on regulatory frameworks rather than practical reporting or assurance mechanisms. Lastly, in the absence of mandated regulation, service performance information is often inconsistently disclosed, limiting the availability of analysable data for researchers. This constrained evidence base highlights the need for further empirical and conceptual exploration, particularly in relation to assurance and regulatory design.

Table 1. Summary of documents explored in this report

		Country context	Australia	United Kingdom	New Zealand	Others	Multiple country contexts	None
Sources	Peer-reviewed papers		2		4	1	3	4
	Conference Proceedings							
	Industry reports			1	1			
	Others						1	1
Total			2	1	5	1	4	5

Note: An annotated bibliography of these 18 documents is available in the appendix 2. Additional studies and reports were also reviewed to inform the analysis; however, they are not included in the annotated bibliography due to their peripheral relevance, lack of direct applicability, or to maintain focus on the core documents central to the study.

The review includes both peer-reviewed academic publications and selected grey literature where relevant to the scope of service performance reporting. For the purposes of this review, grey literature refers to materials and research produced outside of traditional commercial or academic publishing channels. This includes reports, policy documents, consultation papers, working papers, government publications, white papers, and materials published by standard setters, professional bodies, and NFPs. Four items were classified as grey literature: (1) [XRB \(2024\), Intern Report – Service Performance Reporting in Public and NFP Sectors](#), (2) [Chaidali et al. \(2024a\), Impact Reporting: Informing the Forthcoming SORP](#), (3) [Lord \(2019\), Charities Services Reporting \(Conference paper\)](#), and (4) [Yang and Cordery \(2024\), Charity Performance Reporting and Accountability: Zooming into the Work of Regulators and Standard Setters \(non-peer-reviewed, SSRN paper\)](#). These sources were included due to their relevance to current regulatory debates, conceptual frameworks, and sector practices, despite not being subject to peer review.

4.2 Data analysis

The data were analysed using thematic analysis, following the six-phase framework outlined by Braun and Clarke (2006). This method enabled a systematic, rigorous, and transparent approach to identifying, organising, and interpreting key patterns across the reviewed literature. Rather than analysing primary empirical data, this review applied thematic analysis to a corpus of academic and grey literature published between 2019 and 2024, allowing for a nuanced understanding of conceptual, regulatory, and practical dimensions of service performance reporting in the NFP sector. Grey literature was included to capture practice-relevant insights and reporting frameworks that may not be reflected in peer-reviewed academic sources but are widely adopted by practitioners and standard setters. As noted by Roos et al. (2021), grey literature can offer practical relevance and reflect the tools and frameworks actually used by organisations, particularly in emerging fields where academic consensus is still evolving.

The process began with repeated reading and familiarisation with the selected publications to gain a holistic sense of recurring topics and underlying arguments. Preliminary notes and memos were used to document early observations and reflections on salient ideas. During the initial coding phase, open coding was employed to systematically label core concepts, practices, and discourses evident across the literature. This process was inductive and interpretive, aiming to capture the richness and diversity of perspectives without imposing predefined categories.

Codes were then collated and organised into broader candidate themes that captured shared concerns and tensions in the literature. These thematic groupings were refined iteratively, drawing connections between concepts and ensuring coherence both within and across themes. Through this process, a set of six overarching themes emerged: (1) performance reporting, outputs, outcomes and impact, (2) performance measures in the NFP sector, (3) regulatory approaches, (4) challenges in implementing reporting standards, (5) information needs and public benefits, and (6) service performance reporting frameworks, and assurance.

Each theme was further analysed and defined to ensure conceptual clarity and relevance to the research objectives. This approach facilitated a comprehensive and critical assessment of the evolving discourse on service performance reporting, highlighting gaps, tensions, and future directions for research and practice in the NFP sector.¹⁹

¹⁹ Readers with an interest or queries related to methodology should contact the primary author directly.

4.3 Justification for thematic structure and relationship to RR14

This research report builds on and extends the earlier [*AASB Research Report 14: Literature Review of Service Performance Reporting*](#) (RR14), which provided a foundational synthesis of academic literature relevant to service performance reporting. RR14 was structured around four thematic areas: (1) the information needs of users, (2) current reporting practices, (3) benefits and costs of service performance reporting information, and (4) the impact of regulation. These themes were instrumental in mapping early conceptual and policy discussions and remain an important reference point for service performance reporting research in Australia.

It is important to note, however, that RR14 encompassed both the public and private NFP sectors, whereas the scope of the present report is limited to the private NFP sector. In contrast, the scope of this report is limited to the private NFP sector. This narrower focus reflects the intended audience and objective of the research: to inform the development of a service performance reporting framework specifically tailored to the needs, capacities, and operating contexts of private NFP entities. Nonetheless, the findings may also offer relevant insights for the public sector, particularly in the context of developing a sector-neutral reporting standard.

Since the release of RR14, the scope of service performance reporting literature has expanded significantly in analytical depth and thematic focus. The more recent body of work reflects developments in jurisdictions that have introduced or revised service performance reporting requirements (notably New Zealand), as well as new empirical research, case studies, and sector-specific evaluations. In addition to academic literature, a wider range of grey literature (such as regulatory consultations, standard-setting materials, and field reports) has become available, providing practical insight into implementation and stakeholder experiences.

To reflect this broader and more practice-oriented evidence base, the present review adopts an inductive thematic structure. Rather than aligning the structure of this review with the four themes used in RR14, the analysis is organised around six emergent themes identified through the inductive process described in the preceding sub-section. This ensures the review remains grounded in the most current and practice-relevant developments in service performance reporting.

Furthermore, this approach was chosen to ensure the review remained responsive to the evolving nature of service performance reporting discourse and regulatory experimentation. It allowed for the inclusion of cross-cutting topics such as the integration of financial and non-financial information, the challenges of impact reporting, and assurance feasibility: issues that have grown in prominence since RR14.

This thematic structure differs from RR14 in both orientation and purpose. While RR14 provided an initial overview of the service performance reporting landscape (covering user needs, current practices, cost–benefit issues, and regulatory impacts), this review takes a more evaluative approach. It focuses on the operational challenges, stakeholder implications, and international policy lessons that have emerged from jurisdictions where service performance reporting has been adopted or trialled. In doing

so, it provides a granular and implementation-focused perspective to inform any potential future policy considerations.

Nonetheless, the present review complements RR14 by extending its foundations. Both reports share a focus on the role and value of service performance reporting for enhancing transparency, accountability, and stakeholder trust in the NFP sector. While RR14 helped define the case for exploring a service performance reporting framework, this report offers updated empirical insights to support the potential development of any future pronouncement. It contributes a more contemporary and practice-informed evidence base for standard setters and regulators seeking to understand how service performance reporting might be meaningfully introduced and supported within the Australian context. To clarify the relationship between this review and RR14, Table 2 maps the current report's six themes against RR14's original four and provides justification for their refinement and expansion.

To clarify the relationship between this review and RR14, Table 2 maps the current report's six themes against RR14's original four and provides justification for their refinement and expansion. In addition, Appendix 1 presents a summary of key studies cited in this report, analysed against the four original RR14 themes. The structure of these tables reflects RR14's classification to assist readers in identifying continuity, developments, and gaps across the literature.

Table 2. Reconciliation of literature review themes: Current report vs. RR14

<i>Themes in Current Report</i>	RR14 Themes	Justification for Current Theme
<i>1. Performance reporting, outputs, outcomes and impact</i>	1. Information needs of users	Reflects a maturing focus in the literature on distinguishing outputs, outcomes, and impact; highlights definitional ambiguity and the evolving emphasis on outcome-oriented reporting.
	2. Current reporting practices	
<i>2. Performance measures in the NFP sector</i>	2. Current reporting practices	Focuses on practical implementation and sector-specific practices; expands on RR14's observations by analysing diverse metrics, comparability challenges, and influence of organisational factors.
<i>3. Regulatory approaches</i>	4. Impact of regulation	Responds to growing interest in international regulatory models (e.g., New Governance) and explores how different approaches affect uptake, compliance, and reporting quality.

<i>Themes in Current Report</i>	RR14 Themes	Justification for Current Theme
<i>4. Challenges in implementing reporting standards in the NFP sector</i>	3. Benefits and costs of service performance reporting information	Synthesises regulatory and practical barriers; examines resource constraints, sector diversity, stakeholder resistance, and the limitations of one-size-fits-all regulation.
	4. Impact of regulation	
<i>5. Information needs and public benefit</i>	1. Information needs of users	Deepens analysis of decision-usefulness, stakeholder diversity, and public interest considerations, aligning reporting with accountability and transparency goals.
<i>6. Assurance of service performance information</i>	3. Benefits and costs of service performance reporting information	Reflects the growing emphasis in literature on the feasibility, cost, and value of assurance; introduces a theme that was underdeveloped in RR14 but is increasingly central to implementation debates.

5. Systematic Literature Review

This section presents the findings of the systematic literature review, organised around six interrelated themes that collectively offer a comprehensive understanding of service performance reporting, particularly within the NFP sector. It begins with an exploration of performance reporting concepts, particularly the distinctions between outputs, outcomes, and impact, and their alignment with organisational purpose. The subsequent sections examine key factors shaping NFP performance reporting, including the sector's unique reporting challenges, the evolving role of regulators and standards, the information needs of diverse stakeholders, and the broader public interest. The review also considers emerging frameworks for service performance reporting and approaches to assurance. Collectively, these themes offer critical insights into current practices and inform evidence-based recommendations to support the development of a robust and context-sensitive service performance reporting framework for Australia.

5.1 Performance Reporting, Outputs, Outcomes and Impact

This theme contributes to our understanding of the evolving emphasis in performance reporting within the NFP sector – from a traditional focus on outputs to increased attention on outcomes, and more recently, impact. It explores how NFPs conceptualise and measure their performance and furthermore highlights the implications of inconsistent definitions, limited guidance, and overlapping terminology.

Performance reporting refers to the structured communication of an organisation's activities, achievements, and change outcomes, typically organised under outputs, outcomes, and, where

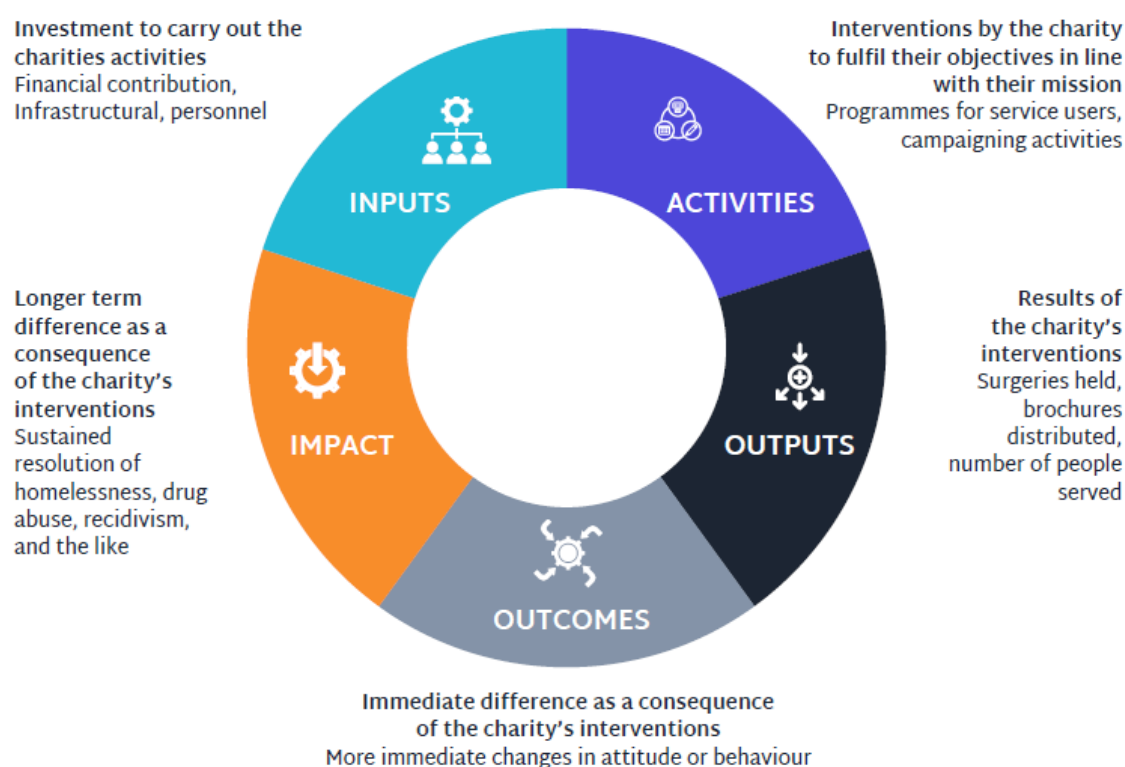
possible, impact (Pollitt, 2006). While often used interchangeably, these terms are conceptually distinct in the literature. Outputs are the tangible goods or services delivered by an organisation (e.g., meals served, or training sessions delivered). Outcomes refer to the short- to medium-term effects on beneficiaries resulting from these outputs, such as increased knowledge or improved health (Connolly & Hyndman, 1994; Adams et al., 2020). Impact denotes the longer-term, systemic difference an organisation's interventions make to individuals or broader society, such as sustained improvements in wellbeing or community-level change (Chaidali et al., 2022a).

In the context of service performance reporting, these distinctions are critical. Users (whether funders, beneficiaries, or the wider public) require more than descriptive activity data. They seek information that supports decision-making (e.g., whether to fund or engage with a program), enables accountability (e.g., assessing whether the organisation is delivering on its stated purpose), and upholds stewardship (e.g., evaluating whether resources have been used effectively to generate social value). As such, while measuring long-term impact is methodologically challenging, it is increasingly seen as an essential element of responsible and transparent reporting. If NFPs claim to deliver impact, it is reasonable to expect them to account for it.

Despite this framing, inconsistencies persist. As shown in both academic literature and the ICAS Phase Two report (Chaidali et al., 2022a), some charities either conflate outcomes and impact or mislabel narrative content as “impact” when it may reflect only immediate outputs or anecdotal feedback. Chaidali et al. (2022a) found that only 63% of UK charities reported any impact in their trustees' annual reports (TARs), and in many cases, the disclosures were incidental: embedded within case studies or testimonials rather than presented as structured, evidenced outcomes. Furthermore, less than 6% of physical space in TARs was devoted to impact disclosures, highlighting both the nascent nature of this practice and the operational challenge of conveying long-term effects within standard reporting formats.

The input–impact framework from Chaidali et al. (2022a) is shown in Figure 1 below. It outlines the progression from organisational investments and activities to long-term societal change. This framework visually distinguishes outputs (what is done), outcomes (what changes as a result), and impact (what lasts and matters most over time). It reinforces the view that impact reporting requires a deeper understanding of the sustained effects of an organisation's activities.

Figure 1. Input–impact framework of non-profit performance



Source: Chaidali et al. (2022a), p. 13.

Qualitative disclosures, such as individual testimonials, dominated impact narratives (60%), compared to 40% quantitative data, suggesting that charities often prioritise storytelling over structured evaluation. This reliance on qualitative accounts, while emotionally compelling, raises persistent concerns around impression management, cherry-picking, and lack of representativeness in service performance disclosures (Connolly & Dhanani, 2009; Chaidali et al., 2022a). Increasingly, NFPs are seen to selectively report favourable outputs or outcomes to construct a positive public image, often as a strategic response to competitive funding pressures. In such contexts, performance disclosures may function less as tools of accountability and more as marketing instruments used to attract funding and demonstrate legitimacy (Connolly & Dhanani, 2009; Yang & Northcott, 2018; Gibbon & Dey, 2011). This dynamic is particularly evident where upward accountability to funders takes precedence over broader stakeholder engagement, resulting in selective and sometimes overly positive narratives (Chaidali et al., 2022a; Ebrahim, 2005). Rather than presenting a balanced view of service delivery, some disclosures are shaped by reputational concerns and resource dependency, with charities tailoring their reporting to appeal to funders' expectations.

Such strategic framing can give rise to "impact washing," where organisations adopt the language of social impact without substantiating their claims through reliable, systematic data (Yang et al., 2021). Metrics may be selected for ease or appeal rather than relevance or rigour, masking operational complexities, risks or underperformance. This undermines the credibility of service performance reporting and risks reducing it to a performative exercise, rather than a vehicle for genuine transparency.

In this context, service performance reporting can shift from a tool of accountability and stewardship to one of marketing and legitimisation.

The use of bespoke metrics and narrative formats, often without standardised definitions or external validation, further compounds these challenges. In the absence of independent assurance or sector-wide benchmark, disclosures can become self-serving accounts and strategically curated - prioritising reputational gain over stakeholder insight. As Chaidali et al. (2022a) warn, even frameworks designed to improve accountability can be subverted to control the narrative and avoid scrutiny.

These tendencies are amplified by power asymmetries in the NFP sector, where reporting practices are frequently shaped by funder expectations rather than beneficiary needs. As Yang et al. (2021) argue, performance systems may reflect the priorities of dominant stakeholders, transforming service performance reporting into a public relations tool rather than a mechanism for organisational learning or stakeholder engagement. In such cases, service performance reporting may do little to enhance accountability.

Without clear regulatory guidance, independent assurance, and meaningful stakeholder participation, service performance reporting risks becoming a legitimising device rather than a platform for authentic accountability. Strengthening reporting practices requires a co-designed, principles-based framework that promotes comparability, reliability, and user relevance.

The ICAS report (Chaidali et al., 2022a) further insight into funder perspectives. While demand for impact information is increasing, expectations remain diverse: public sector funders often prioritise outcome metrics linked to contract deliverables, whereas philanthropic funders may favour narrative-based, mission-oriented reporting. Chaidali et al. (2022a) note that although nearly two-thirds of their sampled charities report some form of impact, many lack a clear understanding of what impact reporting entails. Even among those engaging in such practices, reporting is often unsystematic, inconsistent, or skewed towards overly positive representations.

To address these challenges, some funders have begun investing in capacity-building initiatives to help charities embed more meaningful and methodologically sound reporting practices. Nevertheless, without a unified framework, efforts remain fragmented. The sector is clearly transitioning from output-based reporting toward outcome and impact-oriented practices; but significant variation remains in application and quality.

Improving the credibility and usefulness of service performance reporting will require clearer definitional guidance, expectations that are proportional to organisational capacity, and better support for implementation. Most importantly, it requires a shared commitment to reporting not simply for compliance or reputation, but as a tool for informed decision-making, authentic accountability, and responsible stewardship of mission and resources.

In summary, outcomes reflect observable, mission-aligned change, while impact denotes long-term, systemic transformation. Preserving and applying this distinction effectively is essential for building a credible, decision-useful, and trusted service performance reporting landscape.

5.2 Performance measures in the NFP sector

This theme examines current reporting practices in the NFP sector, with a particular focus on the continued reliance on financial performance metrics. It identifies key challenges related to data collection, stakeholder expectations, and the inherently complex and multifaceted objectives of NFP organisations. It also explores how organisational characteristics (such as size, accreditation, and internal drivers) influence disclosure practices.

NFPs have traditionally used financial performance measures as a legitimising tool to demonstrate accountability and resource stewardship. Common metrics such as the program ratio and non-program spending ratios (e.g., administrative or fundraising costs) are disclosed to indicate the proportion of resources dedicated to mission-related activities. However, these measures are problematic in several ways. First, there is no common definition for many key financial statement items (such as program costs, fundraising expenses, or even revenue) leading to inconsistent classifications and the potential manipulation of program ratios (Ghoorah, 2017). Second, these ratios are poor proxies for efficiency, as they focus on inputs rather than meaningful outputs or outcomes. Third, empirical evidence shows a weak correlation between overhead ratios and organisational effectiveness or outcomes (Coupet & Berrett, 2019). Fourth, such metrics encourage short-termism and impression management, sometimes disincentivising investment in essential infrastructure such as IT or staff training, in order to avoid high overheads (Pallotta, 2008). Similarly, organisations may curtail fundraising efforts to improve program ratios, potentially jeopardising long-term financial sustainability.

Beyond financial ratios, performance output disclosures also vary widely. Some NFPs report outputs quantitatively (e.g., number of events or publications), while others provide narrative descriptions of individual activities. For instance, charitable PBEs in New Zealand often list governance reviews or data strategy initiatives in narrative form but fail to provide standardised metrics, limiting cross-organisational or sector-level comparability (XRB, 2024). Notably, while public sector PBEs frequently disclose target values for their Statement of Service Performance (SSP) measures (enabling performance to be assessed against expectations) charitable PBEs rarely do so, further constraining the decision-usefulness of performance disclosures (XRB, 2024).

Although there is growing interest in impact reporting, most NFP performance measurement remains focused on outputs and outcomes, with limited engagement in capturing long-term, systemic impact. As Chu and Luke (2021) note, performance assessment tends to occur at the program level, rather than encompassing organisational or community-wide change, a pattern also evident in Chaidali et al.'s (2022b) findings, which describe impact reporting as incidental, fragmented, and inconsistently defined. Moreover, many NFP reports lack comparative and contextual information, which hinders stakeholder ability to interpret performance relative to expectations, sector norms, or organisational purpose (XRB, 2024).

While Section 5.1 highlighted the conceptual distinction between outputs, outcomes, and impact, the actual practice of impact measurement remains inconsistent and underdeveloped. Rather than a strictly quantitative exercise, impact measurement encompasses both statistical indicators and narrative

evidence. Chaidali et al. (2022b) found that 60% of recorded impact disclosures in their sample were qualitative, such as user testimonials or case studies, compared to 40% quantitative. However, many organisations provided such disclosures incidentally and without the use of validated tools or consistent methodologies, raising concerns about the authenticity, credibility, and verifiability of impact claims. Organisations also frequently conflate outcomes with impact, or use anecdotal outputs to signal success, reflecting a lack of shared understanding and definitional clarity across the sector.

While stakeholders reasonably expect NFPs to report on their impact (especially when such claims are central to funding, advocacy, or public legitimacy), it is important to recognise that attributing impact directly to a single organisation's activities is inherently complex. Impact often emerges from interdependent systems involving multiple actors, policies, and social conditions.

Accordingly, while NFPs should be accountable for the outcomes they target and the contributions they make, this accountability must be interpreted with a clear understanding of the limitations of attribution. Impact claims should be accompanied by appropriate caveats, proportional expectations, and transparent discussion of assumptions and contributing factors. This approach safeguards the integrity of impact reporting and ensures that it supports informed decision-making without encouraging overstatement or undue simplification.

Although many NFPs acknowledge the importance of impact measurement, they face several practical and strategic challenges. These include the difficulty and cost of collecting meaningful long-term data (Chaidali et al., 2022b), the risk of overwhelming users with excessive detail, and the need to balance the diverse expectations of multiple stakeholder groups, including donors, beneficiaries, funders, members, and the general public (McConville & Cordery, 2018). Further complicating matters, NFPs often pursue multiple, overlapping missions, making it difficult to present a coherent and standardised account of impact (van der Heijden, 2013). Without recognition of attribution limitations, the credibility and utility of impact reporting may be undermined. This variability undermines the comparability of information and limits its value for stakeholder decision-making (Dougherty, 2019).

A range of organisational factors also shape NFP disclosure practices. Organisational size is a major determinant: larger NFPs tend to have greater resources and reporting capacity (Dougherty, 2019), whereas smaller organisations may lack the time, expertise, or infrastructure to engage in comprehensive performance assessment (Chaidali et al., 2022b; XRB, 2024). Accreditation is another influential factor. For example, organisations participating in programs like Imagine Canada's Standards Program often demonstrate stronger performance reporting practices than their non-accredited peers (Dougherty, 2019). In addition, internal drivers (such as organisational culture, leadership commitment, and perceived stakeholder expectations) play a significant role in determining what and how organisations report (Dougherty, 2019). These internal motivators may also vary by size, further reinforcing the case for differentiated reporting requirements. As Gilchrist and Simnett (2019) observe, many private NFPs support tailored approaches that align with their primary resource providers and operational realities.

5.3 Regulatory Approaches

This theme explores how regulatory frameworks and standard-setting influence service performance reporting in the NFP sector. It considers the effectiveness of different regulatory approaches in improving the quality and consistency of disclosures, and highlights the challenges involved in implementation across jurisdictions.

A consistent thread through the literature is the connection between regulation and reporting/disclosure in the NFP sector. Regulation plays a pivotal role in shaping not only the extent but also the nature and quality of NFP reporting (McConville & Cordery, 2022). As such, it is fundamental that standard-setting is approached with care and clarity. Regulatory environments with clear and structured guidelines on performance reporting result in better-quality disclosures (Connolly et al., 2018; McConville & Cordery, 2018). In contrast, poorly designed regulatory interventions can lead to unintended consequences, such as excessive compliance burdens and standardised reporting that lacks substantive insights (Hyndman & McConville, 2018). This highlights the critical role of regulatory approaches in shaping not only what information is disclosed but also how effectively it conveys organisational performance and accountability.

Internationally, regulatory approaches vary significantly across jurisdictions. Australia typically adopts a command-and-control approach, characterised by mandatory requirements enforced by regulators through accounting standards, registration, and compliance audits, with penalties imposed for non-compliance (Breen, 2009). While this model ensures compliance, it often results in standardised and less informative reporting. In contrast, the market-based approach in the US favours voluntary disclosure and organisational discretion. While this offers flexibility, it frequently leads to inconsistency and selective reporting that hinder comparability and transparency. A third model, known as New Governance, is adopted in countries such as NZ and the UK (McConville & Cordery, 2020)²⁰. New Governance approaches favour a more dialectical process, where formal structures, routine processes, and informal dialogues facilitate ongoing interactions, indicating a preference for 'soft' rather than 'hard' regulatory responses. McConville and Cordery (2020) identified three key dialectic mechanisms of New Governance that shape the relationship between regulators and regulatees: (1) formal organisations - in both UK and NZ, formal organisations oversee the development of regulation and facilitate interactions between stakeholders; (2) routine processes – in both jurisdictions, these include public consultations used to inform and shape performance reporting regulations; and (3) informal dialogues - ongoing informal dialogues occur between regulators and specific stakeholders in both contexts, albeit for differing purposes. Such a partnered process (as opposed to a more adversarial one) enables greater engagement in regulatory development and potentially facilitates acceptance and compliance with mandated regulation (McConville & Cordery, 2020).

²⁰ The study explores how New Governance regulation on charity performance reporting in UK and NZ has developed overtime – it focuses on how regulations were developed rather than what was developed.

New Governance, also known as New Public Management, Public Value Governance, amongst others, advocates for the co-creation of standards through inclusive and democratic processes. This regulatory approach combines the benefits of market-based regulation (such as flexibility and cost-effectiveness) with the enforcement strength of command-and-control regulation, where coercive compliance remains a viable fallback option. The mandatory yet flexible nature of New Governance can foster more comprehensive and transparent impact reporting. By making certain reporting requirements compulsory, New Governance ensures that organisations are accountable and consistently measure and report on their impacts. This contrasts with voluntary systems, where organisations may selectively disclose information in ways that highlight their successes and reinforce legitimacy rather than enhance transparency (McConville & Cordery, 2022). However, despite its aims to balance inclusivity and adaptability, New Governance is not without limitations. It can reinforce existing power imbalances and its reliance on interactive processes and stakeholder multiplicity does not always lead to tangible outcomes (Young *et al.*, 2020). In practice, it also presents logistical challenges, including ensuring meaningful stakeholder participation, managing conflicting interests, mitigating regulatory capture, building legitimacy, and addressing the time and cost constraints involved (Baldwin, 2019).

Regulatory approaches to performance reporting are shifting globally from rigid, compliance-driven models to more collaborative, principle-based frameworks. Australia's command-and-control system has supported consistency and accountability through enforceable standards (Breen, 2009). However, prescriptive models may offer limited flexibility and can result in reporting that is less tailored to diverse stakeholder needs (Hyndman & McConville, 2018). The US's voluntary, market-based model offers flexibility but results in inconsistent and selective disclosures (Connolly *et al.*, 2018). In contrast, the UK and New Zealand have adopted mandatory, yet flexible frameworks grounded in New Governance, which encourage transparent, mission-aligned reporting through stakeholder engagement and iterative refinement (McConville & Cordery, 2020, 2022). These international developments highlight the importance of designing regulatory frameworks that uphold compliance while also supporting meaningful, transparent, and context-sensitive performance reporting in the NFP sector.

5.4 Challenges in implementing reporting standards in the NFP sector

This theme highlights the practical challenges faced by standard setters and regulators in implementing performance reporting standards. It also examines how these challenges can guide the development of feasible, context-sensitive frameworks that support meaningful and transparent disclosures in the Australian NFP sector.

Even after successfully introducing a standard, standard setters continue to face challenges in implementation. These often stem from organisations having inadequate performance measurement and reporting systems, a lack of motivation to report, and a reluctance to disclose poor performance (Gilchrist, 2020). Such challenges have been observed in contexts like the UK (Connolly & Hyndman, 2013) and NZ, where performance reporting is mandatory. Early insights into performance reporting in NZ suggest that small charities encounter challenges and may perceive performance reporting primarily as a compliance exercise (Hooks & Stent, 2019; Xu & Yang, 2023) rather than as a means of developing

robust performance accountability. While increased regulatory requirements may lead to increased reporting, they do not necessarily guarantee higher-quality disclosures (McConville & Cordery, 2022). Regulatory mandates may also encourage compliance-oriented reporting, where organisations provide only the minimum required information rather than meaningful insights into their effectiveness (McConville & Cordery, 2022).

Regulatory effectiveness, therefore, depends not only on formal oversight but also on meaningful sector participation. Continuous regulatory refinement, better engagement with diverse stakeholders, and enhanced transparency are essential for strengthening service performance reporting (McConville & Cordery, 2020). For instance, the SORP Committee (UK) and the XRB (NZ) collaborate with charities and standard setters to develop reporting guidelines. While this collaborative approach promotes greater acceptance and compliance, it also presents challenges, including power imbalances in decision-making, difficulties in stakeholder engagement, and the risk of superficial compliance (McConville & Cordery, 2020).

Standardisation through collaboration between standard setters, reporting entities, and users of the information has the potential to improve the quality of performance reporting and measurement. However, developing a set of measures and indicators to monitor co-produced performance is challenging in practice due to competing stakeholder priorities and fears of being judged as under-performers (Yang, 2021). Despite growing advocacy for comprehensive reporting models, the actual adoption of integrated reporting within the nonprofit sector remains limited. Capacity and resourcing constraints continue to hinder practice. XRB (2024), for example, found that only 5.9% of charitable PBEs reported even a single environmental sustainability measure, signalling significant gaps in capturing and disclosing environmental impacts. This suggests the need not only for standard-setting but also for greater institutional support to translate reporting ideals into practice.

Regulators themselves also face challenges. Many are required to adopt a relational, 'soft' approach to engage effectively with charities (Yang & Cordery, 2024). Small charities, often lacking resources and reliant on part-time volunteers, may struggle to meet reporting requirements and need ongoing support. Consequently, regulators are less inclined to adopt a strict enforcement approach and often undertake additional and repetitive work to support these organisations (Yang & Cordery, 2024). Despite these efforts, confusion remains, particularly around unfamiliar reporting terminologies and concepts related to performance reporting. In many cases, newly established regulators also face difficulties due to low visibility and a limited presence in the sector (Yang & Cordery, 2024).

The scale and diversity of the NFP sector further complicate implementation (McConville & Cordery, 2020). For instance, the Australian NFP sector is highly fragmented, encompassing a wide range of organisations – from small organisations delivering local and specialised services to large organisations operating in health, education and social services and having annual turnovers in millions of dollars (ACNC 2023). This diversity poses a challenge to standard setters seeking to develop reporting frameworks that are relevant across the sector.

Organisational responses to mandatory reporting also vary. Hooks and Stent (2020) identify three broad themes: manageability, scepticism, and effects. From a manageability perspective, many organisations

view reporting requirements as burdensome, time-consuming and confusing. As a result, there is support for standardisation to improve comparability, readability and assist in overcoming challenges with reporting on service performance. From a scepticism perspective, some preparers question whether service performance information is used by external stakeholders. The effects theme recognises that new requirements may impose significant obligations on organisations and/or their employees or volunteers, potentially driving them out of the sector, but at the same time encourage organisations to place greater emphasis on their outcomes and outputs (Hooks & Stent, 2020).

Although many NFPs welcome sector-wide guidance, they are often hesitant about reporting standards that fail to reflect their individual performance journey (Chaidali et al., 2022b). NFPs are motivated to present a positive image focusing on successes while omitting challenges or failures (McConville & Cordery, 2022). For example, NFPs may engage in incomplete and skewed reporting to manage perceptions among funders and other stakeholders. This legitimacy-seeking behaviour reflects that reporting is used as a means to build public trust rather than to provide a full and balanced account of their activities and performances (Dhanani & Connolly, 2012; Rocha Valencia et al., 2015). This emphasis on trust is well-founded, aligning with Ghoorah et al. (2025)'s findings of positive associations between perceptions of transparency, trust in an NFP and perceptions of its performance. One potential solution to improve impact measurement is shared measurement, an emerging practice in which organisations with similar programs collaborate by sharing metrics, common tools, and in some cases, pooling their findings. This approach has the potential to enhance participation in impact measurement by reducing the administrative burden on individual entities while simultaneously enhancing disclosure practices and promoting transparency within networks (Dougherty, 2019).

5.5 Information needs and public benefit

This theme examines how reporting practices align with stakeholder information needs, emphasising the importance of decision-useful information, the integration of financial and non-financial data, and the extent to which reporting frameworks serve the public interest.

Traditional financial reporting has evolved largely on the assumption that capital providers (or more broadly, resource providers) are the primary users of such information. Accordingly, the main objective of financial reports is to deliver information that is decision-useful to these stakeholders (Adams et al., 2020). By extension, service performance reporting should likewise be grounded in the principle of decision-usefulness, ensuring that the information meets the needs of those who provide resources to NFPs.

For performance information to be decision-useful, it must primarily be relevant, complete, and reliable. To be relevant, the performance information should clearly identify the beneficiaries, explain how they benefit from the NFP's activities, and provide sufficient detail to inform stakeholders about achievements against objectives. Complete performance information should offer a balanced and comprehensive overview of organisational performance. Reliable performance information is free from bias, typically ensured through independent assurance, and includes baseline information to facilitate performance assessment and measurement (ANAO, 2020).

The connection between financial and non-financial performance information is essential for effective measurement, reporting, and assessment of organisational performance²¹ (ANAO, 2024). Integrating performance and financial results enables more comprehensive reporting and assessment, enhances the meaningfulness of published information, reinforces transparency (ANAO, 2017), and establishes a clear line of sight between an organisation's strategies, performance and financial outcomes (ANAO, 2024). For example, the use of targets, contextualised by historical and benchmark data, improves the interpretability of reported performance results (ANAO, 2024). As such, connectivity between financial and non-financial reporting strengthens transparency and improves the decision-usefulness of service performance disclosures.

In addition, performance information must also be accessible. Accessible performance information should be concise, logically structured, and supplemented by clear performance summaries or snapshots, visual elements (e.g., tables, graphs, and appropriate signposting). It should also provide sufficient context to aid users in understanding and interpreting the results, using clear and plain language throughout. Concise statements must avoid unnecessary detail that obscures core message, yet still offer a balanced perspective by reporting both favourable and unfavourable performance outcomes, alongside a comprehensive analysis of the underlying factors (ANAO, 2024). This requires reporting entities to strike a balance between brevity and clarity, ensuring the narrative remains coherent and informative. In some cases, visual aids may be necessary to enhance both comprehension and accessibility (ANAO, 2024).

Identifying decision-useful performance measures in the NFP sector requires a clear understanding of stakeholders' information needs, including the types of information they value and can access as well as the inherent challenges in determining these needs. However, standard setters face several obstacles in implementing relevant frameworks. A key challenge lies in identifying users and their prioritised information needs, especially in this sector that serves a diverse range of stakeholders, such as donors, members, volunteers, beneficiaries, philanthropists, funders, and the general public. These stakeholders often have diversified and sometimes conflicting expectations about an NFP's performance relative to its mission and objectives (Hooks & Stent, 2020). Consequently, NFPs typically prioritise the information needs of their most salient stakeholders. For example, many NFP annual reports are structured primarily for funders and regulators, rather than beneficiaries (Lord, 2019) or even individual donors. These reports often show limited integration between performance narratives and financial statements, focusing on efficiency-related disclosures at the expense of performance-related information (Lord, 2019; Hsiao et al., 2024).

Despite broad recognition of the need for sector-wide guidance on performance reporting, debates persist regarding the suitability of standardised approaches. There are concerns that uniform reporting requirements may not reflect the diverse operational contexts of NFPs and could introduce additional

²¹ This is addressed in the research report titled *Connectivity of Non-Financial and Financial Information*.

administrative burdens. As a result, there is increasing support for more flexible, sub-sector-specific reporting frameworks that ensure both relevance and practicality (Gilchrist and Simnett, 2019).

Another persistent challenge lies in limited engagement during the development of standards. This has been evident in both the UK and New Zealand (McConville & Cordery, 2020), where regulators have struggled to obtain diverse stakeholder feedback. In response, standard setters are employing more proactive strategies to solicit broader feedback and strengthen the relevance and legitimacy of the standard(s) (Yang & Cordery, 2024). Nevertheless, the challenge of how to effectively design, mandate and enforce performance reporting standards is an ongoing dilemma (McConville & Cordery, 2020).

An important consideration is whether, and to what extent, service performance reporting serves the public interest. Adams et al. (2021) explore this question by using three conceptual perspectives on public interest: (1) aggregative (linked to welfare economics), (2) processual, and (3) common good.²² They found that, from the *aggregative view*, standardised metrics facilitate comparisons, enhance resource allocations, and improve efficiency. Adams et al. (2021) further note that social media disclosures address the information needs about the activities and performance of charitable organisations, and standardisation could facilitate this additional disclosure regime by shifting reporting on activities to performance outcomes. Standardisation of the outcome disclosures will mean consistent and comparable disclosures across similar organisations. Standardisation also streamlines the process, which in turn would be more cost-efficient and easier for organisations to use than customised reporting.

From the *processual perspective*, Adams et al. (2021) explain public interest is achieved by balancing the diverse and sometimes conflicting interests, expectations and information needs of different stakeholder groups, including the powerful stakeholders (e.g., large resource providers) and those who may not have the power to request information (e.g., small individual donors). Involving NFPs in the standard-setting process is crucial to managing these dynamics.

From the *common good perspective*, Adams et al. (2021) emphasises the importance of reporting diversity in social impact reporting and sensitivity of the local context. According to this view, transparency and public trust are enhanced when standardisation allows room for contextualised and meaningful performance reporting.

While many factors influencing disclosure practices are beyond the control of regulators and standard setters, one promising strategy is to highlight the internal value of performance reporting to NFPs themselves. Benefits such as strategic alignment, organisational learning, and enhanced program effectiveness can motivate NFPs to engage more actively in impact measurement and reporting (Gazzola a& Amelio, 2022).

²² The aggregative perspective considers whether a proposed public policy contributes to overall public interest than alternatives. The processual perspective is that there is no public interest as such but rather groups with distinct (and at times conflicting) interests. The common good lens perceives the public as a whole as having an interest and public good involves shared norms and values.

5.6 Assurance of Service Performance Information

This theme examines the variability in assurance practices, challenges in auditing non-financial disclosures, and the implications for compliance, comparability, and the overall usefulness of service performance reports.

While service performance reporting remains voluntary in many countries, the absence of independent assurance for non-financial data creates an environment where selective disclosure is more likely to occur, reinforcing the status quo of reporting that may satisfy regulatory requirements without truly addressing the needs of stakeholders for transparent, mission-oriented performance information. These issues underline the importance of expanding the scope of assurance to cover non-financial performance, as it would help ensure that NFPs provide meaningful, reliable data that goes beyond simple compliance and addresses their service performance (Xu & Yang, 2023). This suggestion is also aligned with the argument that if service performance reporting forms part of NFP annual reports, its assurance should be mandated (Chen & Scott, 2024). However, several studies were conducted on the impact of the mandatory requirement on service performance reporting in New Zealand, identifying several challenges.

First, regulatory compliance frameworks may lead organisations to adopt reporting practices that prioritise financial performance and legitimacy over transparency of their performance (McConville & Cordery, 2022; Hsiao et al., 2024). This aligns with the tension between assurance requirements and the desire for transparency, as organisations choose to emphasise activities that enhance public perception of their organisational performance. For preparers, Hooks and Stent (2020, p. 1), based on interviews with 11 New Zealand charities, highlighting “concerns” that the new reporting requirements may discourage participation by making the work ‘too hard’, potentially leading to loss of valuable charities and volunteers. However, they also note that a greater emphasis on outcomes presents an opportunity for continuous improvement. For auditors, service performance disclosures often heavily focus on qualitative nature, emphasising mission statements or operational performance assessments, and description of stories behind numbers, making the process challenging. Its disclosure often lacks comparative performance metrics and clear measures that can be checked and verified, creating ongoing difficulties in ensuring the reliability and comparability of service performance reporting, particularly regarding subjective measures and materiality thresholds. Further, XRB (2024, p. 13) explicitly identifies rising audit costs as a critical issue: “Audit costs increased by an average of \$8,364 between 2022 and 2023 for charities and public sector PBEs combined,” reflecting the financial burden imposed by evolving regulatory requirements (Xu & Yang, 2023).

Second, there is a lack of quality assurance on service performance reporting. Xu and Yang (2023), through investigating this issue within small NFPs, showed that while auditors maintained stringent standards for financial accuracy, they exhibited greater tolerance for deficiencies in service performance information. Consequently, assurance processes were primarily conducted as a compliance exercise, offering limited contributions to enhancing accountability and transparency in the NFP sector (Xu & Yang, 2023). Auditors of these NFPs were observed to be reluctant to issue qualified reports unless financial concerns were present. Xu and Yang (2023) also showed that in some cases,

auditors provided unmodified opinions on service performance despite relying on assurance standards applicable only to financial reporting (Xu & Yang, 2023). Chen and Scott (2024, p. 5), in their investigation of assurance practices among largest NFPs in New Zealand, found that “no qualified audit opinions relating to SSPs” were issued, helping to allay concerns about potential systemic failure in the sector’s ability to prepare and audit SSPs.

On another spectrum, the inclusion of social performance reporting may lead to modified auditor’s report. XRB (2024) reported that approximately 10% of the sampled entities received a modified opinion, with nearly half of these related to service performance information. The primary cause is a lack of reliable records or appropriate systems to capture data, highlighting persistent challenges in accurately assuring qualitative and narrative-based information. Consequently, assurance practices for service performance information vary significantly across the nonprofit sector, with substantial tolerance for subjective metrics contributing to inconsistencies in assurance quality. These limitations not only affect the credibility of the reported information but also raise concerns about the overall decision-usefulness of service performance reporting. Without consistent and reliable assurance, stakeholders may have limited confidence in the integrity and comparability of service performance disclosures, thus calling into question the practical value of assurance in its current form (Xu & Yang, 2023).

To avoid negative impacts on an auditor’s report, some NFPs have attempted to exclude service performance information from the scope of assurance. XRB (2024) raised concerns about the transparency and reliability of performance disclosures. The absence of such assurance suggests that organisations are often left with a narrative-focused approach, leading to reports that prioritise legitimising the organisational operations rather than accurately reflecting its actual service performance.

Despite these challenges, recent studies suggest that the audit process for social performance reporting should follow a similar structure as with financial statements. In other words, the audit process should have four phases (ANAO, 2023). First, the planning phase where the foundation for a structured audit process is established. This phase ensures that the organisation has adequate processes to meet reporting deadlines and produces reliable performance information. Key activities include developing an audit strategy, defining responsibilities, and assessing the organisational performance framework and monitoring mechanisms. Second, the interim phase, is the phase where the audit evaluates the performance information provided and the internal control framework that supports production of performance information. The aim is to determine the appropriateness of the information to provide a reliable picture of the performance of the organisation in achieving its purpose (ANAO, 2023). Third, the final phase is where the audit focuses on verifying the accuracy and completeness of performance information. This phase ensures that the reported information is meaningful, unbiased, supported by robust documentation, and complies with performance reporting requirements. Last, the post-final phase is where any subsequent event(s) that could affect readers’ understanding of the performance information is assessed and an independent audit report is issued. In assessing subsequent events, an auditor may request additional information and audit evidence (ANAO, 2023).

Overall, the variability in assurance practices highlights ongoing tensions between compliance, cost, and the credibility of service performance reporting. While expanding assurance to non-financial disclosures may enhance transparency and accountability, challenges around subjectivity, auditability, and resourcing continue to limit its effectiveness.

6. Conclusion & Recommendations

6.1 Conclusion

As standard setters and regulators consider the introduction of a service performance reporting standard for NFPs in Australia, they must navigate the tension between enhancing transparency and ensuring practical feasibility. Lessons from international counterparts, particularly New Zealand and the United Kingdom, highlight the importance of balancing prescriptive regulation with flexibility and sector relevance.

This report provides a systematic review of the academic literature on service performance reporting to update the AASB Research Report 14, offering evidence-based recommendations for developing and implementing a service performance reporting standard in Australia. The review was conducted over a six-year period (2019–2024), using Google Scholar as the primary data source to access peer-reviewed journal articles, conference papers, reports, and other scholarly publications. A qualitative thematic analysis approach was employed to identify, interpret, and synthesise key themes and patterns across the selected literature.

In addition to the thematic insights, this report also draws on broader observations informed by the literature. These observations are grouped into four key areas that serve as the main takeaways for policy and practice: Learning from International Experience, Challenges in the Australian Context, The Role of Assurance, and Emerging Regulatory Models. Together, these thematic groupings provide a practical lens through which standard setters and regulators can consider the development and implementation of a potential service performance reporting pronouncement tailored to the Australian NFP landscape.

New Zealand's transition from a prescriptive to a principles-based framework underscores the benefits of regulatory adaptability. The removal of rigid terms such as “outputs” and “outcomes” in the revised Public Benefit Entity (PBE) standards allowed organisations to present their service performance in narrative formats that align with their unique missions. This shift was in response to concerns raised by preparers and users who found the earlier terminology overly technical and difficult to apply. The adoption of PBE FRS 48 introduced broader, mission-driven reporting that made disclosures more meaningful, particularly for non-accountant users like donors and beneficiaries (XRB, 2022).

Similarly, the UK's Charities Statement of Recommended Practice (SORP) reflects a long-standing commitment to narrative reporting and qualitative disclosures. Over successive iterations, from SORP 1995 to SORP 2015, the emphasis has shifted toward storytelling, contextual information, and the demonstration of performance. While assurance is not mandated in the UK, larger charities are

expected to provide more extensive disclosures, promoting transparency through proportional expectations based on organisational size and public accountability.

These jurisdictions illustrate that principles-based reporting, when accompanied by appropriate guidance and stakeholder engagement, can foster more authentic performance narratives and enhance user relevance. At the same time, they reveal challenges, particularly where mandatory frameworks risk being seen as compliance exercises if not supported by sector-specific capacity building and meaningful stakeholder participation.

6.1.1 Challenges in the Australian context

Australia presents a complex regulatory landscape for NFP reporting. The sector is highly diverse, encompassing everything from small, volunteer-led charities to large entities delivering national education, health, and welfare services. Regulatory fragmentation across jurisdictions, along with varying expectations from donors, regulators, and the public (Gilchrist & Simnett, 2019), complicates the development of a unified service performance reporting standard.

Exposure Draft (ED) 270, released by the AASB in 2015, proposed detailed requirements focused on efficiency, effectiveness, and measurable objectives. Feedback highlighted several issues: the rigidity of the required formats, the conceptual blurring between financial and non-financial reporting, and concerns over whether such disclosures truly addressed users' needs. The ED's prescriptive nature is particularly problematic for smaller organisations with limited resources or low reporting maturity.

Moreover, unlike New Zealand, which began with smaller charities and expanded upward, ED 270 proposed a single, uniform standard for all NFPs. This approach risks disengagement from under-resourced organisations and may result in minimal compliance-driven disclosures that offer little public value.

6.1.2 The role of assurance

Internationally, assurance over service performance information is still emerging. New Zealand's experience with phased assurance implementation (starting with Tier 3 charities in 2015 and expanding to larger entities in 2023) has highlighted the potential benefits and significant challenges. High costs, uncertainty over materiality for non-financial disclosures, and a lack of sector-specific audit guidance have all contributed to inconsistent assurance practices.

While assurance has the potential to enhance trust in reported performance data, mandating it prematurely could impose significant burdens and lead to unintended consequences (Xu & Yang, 2023). The New Zealand experience suggests a more measured, iterative approach: allowing reporting practices to mature, then test and develop scalable assurance models through pilot programs involving larger or more complex organisations.

6.1.3 Emerging regulatory models

Australia's approach, described by Breen (2009) as command-and-control approach can be contrasted with what McConville and Cordery (2020) describe as the "New Governance" models emerging in New Zealand and the UK. These models favour participatory, iterative processes that combine mandatory frameworks with stakeholder co-design and sector engagement. Rather than relying solely on prescriptive templates or top-down enforcement, New Governance supports adaptive regulation, enabling frameworks to evolve in response to real-world challenges and user needs.

While Australia has traditionally adopted a command-and-control approach to regulation, emerging evidence signals that elements of a New Governance model are increasingly being incorporated. This is particularly evident in the AASB's current approach to service performance reporting, as outlined in its [SPR project plan](#)²³, which signals a shift toward more participatory, iterative, and co-designed processes. Similar trends are also emerging in broader standard-setting initiatives, including sustainability reporting, reflecting a move toward greater stakeholder engagement and adaptive regulation. New Governance models (already established in jurisdictions like New Zealand and the UK) favour adaptive regulation by combining mandatory frameworks with ongoing stakeholder engagement and sector-informed refinement.

This approach is particularly relevant for service performance reporting, where qualitative narratives, contextual indicators, and public benefit outcomes are central to effective disclosure. A more inclusive, consultative model helps ensure that standards remain relevant, credible, and responsive to the evolving needs of the NFP sector.

6.2 Recommendations

To ensure the success, legitimacy, and sustainability of a service performance reporting standard in Australia, the following seven interlinked recommendations are proposed for consideration by standard setters and regulators.

1. Adopt a principles-based reporting framework

The standard should prioritise flexibility and relevance over prescriptive requirements. Rather than mandating rigid metrics such as "outputs" and "outcomes," a principles-based framework (like New Zealand's PBE FRS 48) would allow NFPs to craft narratives that reflect their unique missions and service models. High-level guidance and illustrative examples should support this approach, ensuring clarity while enabling contextualised reporting.

Such flexibility will foster deeper sector engagement and reduce the risk of compliance-focused reporting that fails to serve stakeholders' decision-useful needs.

²³ SPR refers to Service Performance Reporting.

2. Introduce mandatory reporting through a phased rollout

To manage sector readiness and minimise implementation burdens, service performance reporting should be mandated incrementally. Larger and better-resourced private NFPs should be required to adopt the standard first, with smaller organisations brought in over time. This mirrors New Zealand's successful rollout strategy and allows standard setters and regulators in Australia to incorporate lessons learned and refine any future pronouncement as it scales (even though New Zealand began with Tier 3 and 4 before extending to larger organisations). Starting with larger NFPs in Australia could provide early momentum and greater visibility, supporting broader sector engagement and uptake.

The implementation strategy should also consider the distinct context of public sector NFPs, many of which already report service performance information under existing public accountability frameworks. Any future pronouncement (if sector-neutral in scope) will need to account for the reporting obligations, data systems, and assurance mechanisms already in place across government-funded or statutory bodies, to avoid duplication and ensure alignment.

Voluntary early adoption by smaller private NFPs should be encouraged through supportive incentives such as simplified templates, recognition schemes, or funding-linked compliance.

3. Employ a New Governance approach: stakeholder-led co-design

Continue to adopt a participatory, stakeholder-led process in both the development and implementation of the standard. New Governance models, as seen in NZ and the UK, favour iterative regulatory development informed by real-time feedback. Templates, guidance materials, and sector-specific indicators should be co-designed with preparers, users, auditors, and regulators to build legitimacy and promote ownership.

This approach will help reduce resistance, improve sector responsiveness, and increase the perceived value of service performance reporting among diverse NFPs.

4. Strengthen the connectivity between financial and non-financial reporting

Service performance reporting should clearly show how financial resources contribute to outputs, outcomes and public value. Should a future pronouncement be considered, standard setters and regulators could support this by providing guidance and tools that help organisations link financial inputs with service outputs, outcomes, and broader impacts. Integrated templates aligned with program logic models or theory of change frameworks may aid this process.

While [AASB's SPR Project Plan](#) highlights the importance of meaningful performance reporting, further consideration of how it might support stronger connectivity between financial and non-financial information²⁴ would be valuable for informing future policy and practice. Enhancing this connection can improve the usefulness of reports and enable clearer (though not always direct) assessments of organisational effectiveness. It is important to acknowledge, however, that holding NFPs accountable

²⁴ The importance of this connectivity is addressed in the research report titled *Connectivity of Non-Financial and Financial Information*.

for outcomes or impact can be challenging, particularly where long-term effects are shaped by multiple external factors. As such, any future framework should promote transparency around contributions to change while recognising the limitations of attributing outcomes or impact solely to a single entity's actions.

5. Mandate service performance reporting through a phased and supportive approach

Although many NFPs are not yet fully equipped with the systems or capabilities to report non-financial performance meaningfully, mandating service performance reporting is essential to achieving consistent, high-quality disclosures across the sector. A compulsory approach can enhance transparency, accountability, and comparability while addressing current variability and gaps in reporting practices.

To support this transition, standard setters and regulators could adopt a phased and supportive implementation strategy: introducing reporting requirements gradually across different types of NFPs rather than uniformly across the sector at the outset. A phased approach might involve prioritising either the private or public NFP sector, or starting with larger, better resources organisations before extending requirements to smaller or more resource-constrained entities. The New Zealand model offers a useful precedent, where reporting obligations were staged across tiers based on organisational size and complexity.

In the Australian context, a phased implementation would enable careful sequencing and flexibility in managing sector neutrality. It would also allow standard setters to pilot the standard, incorporate feedback, and refine guidance before broader rollout.

Such an approach could be supported by illustrative case studies, practical reporting guidance, and targeted capacity-building initiatives to ensure that organisations are well prepared for the transition. A mandatory framework, combined with clear and sustained support, would help build sector readiness and promote more meaningful and credible service performance reporting over time.

6. Defer mandatory assurance and pilot assurance frameworks

Mandatory assurance over service performance reporting should be postponed until reporting practices are better established. In the interim, pilot programs with large or complex NFPs should be launched to explore assurance methodologies, assess auditor readiness, and develop scalable practices. These pilots can also explore appropriate materiality thresholds, internal controls, and documentation strategies for qualitative data.

This stepwise approach (similar to New Zealand's phased introduction) will allow the assurance system to evolve responsibly, without overwhelming preparers or providers.

7. Support sector capacity and ensure reporting accessibility

Successful implementation depends on robust support for NFPs, particularly smaller entities. Standard setters and regulators should prioritise the development of plain-language guidance, training resources, sector-specific examples, and accessible online toolkits. Reporting formats should be user-friendly,

incorporating visuals, performance snapshots, and summary statements to engage a wide range of stakeholders, including those without an accounting background.

Additionally, peer-learning networks and community-of-practice models could help build collective expertise and reduce isolation among smaller NFPs.

6.3 Concluding remarks

The introduction of service performance reporting in Australia presents a pivotal opportunity to enhance transparency, build public trust, and improve the decision-usefulness of reporting across the NFP sector. However, the success of such a framework will depend not only on *what* is reported, but critically on *how*, *why*, and *by whom* the standard is developed and implemented.

International experience demonstrates that prescriptive, top-down approaches often lead to limited sector engagement and reporting that is focused on compliance rather than meaningful communication. In contrast, a principles-based, stakeholder-led model (guided by the tenets of New Governance) offers a more adaptive and inclusive pathway. Such a model recognises the diversity of the sector and supports organisations in telling their performance stories in a way that aligns with their missions and values.

A phased implementation strategy, underpinned by co-design, targeted education, and a gradual approach to assurance, will give the sector time to build capability, refine practice, and develop confidence. Through this measured and collaborative process, standard setters and regulators can avoid the pitfalls of premature standardisation and foster a culture of authentic, accountable, and impact-driven reporting that reflects the real value delivered by Australia's NFPs.

By leading with flexibility, participation, and purpose, Australia has the potential to set a global benchmark in service performance reporting - ensuring that the stories NFPs tell are not only accurate, but accessible, compelling, and aligned with the public interest.

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8. Appendices

Appendix 1. Summary of key studies²⁵ cited

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
1	Charity Performance Reporting and Accountability: Zooming into the Work of Regulators and Standard-Setters	2024	Investigates work involved in improving charity performance reporting and accountability (What work do charity regulators and accounting standard setters do to promote performance reporting and accountability?) for small charities. Focusing on "the practical, on-the-ground 'work' standard setters and regulators undertake in navigating and transforming charity sector performance reporting and accountability practices."	NZ, 19 f2f Interviews with accounting standard setters and charity regulators and extensive document analysis before and after the regulatory changes. NZ context: performance reporting is mandatory.	1. Promoting charity performance reporting and accountability is complex, requiring interlinked institutional work. Issues: newly established charity regulators struggle with low visibility and limited presence in the charity sector, while staff members who lack accounting expertise are impaired from communicating reporting requirements effectively. As a result, regulators are less likely to adopt a strict work approach, such as stringently disconnecting rewards for non-compliance. Similarly, standard setters also receive limited feedback on the drafted performance reporting standards,	The paper discusses the process and strategies that regulatory setters adopt, nothing on the users' information needs.	<u>Literature</u> : UK mandates performance reporting, but issues remain: charities' inappropriate performance measurement and reporting systems, lack of willingness or desire to report, costs involved in reporting, and concerns about potential negative consequences of revealing poor performance (Connolly & Hyndman, 2013). Early insights into NZ's performance reporting and assurance practices suggest that small charities face issues and may view performance reporting as a compliance exercise (Hooks & Stent, 2019; Xu & Yang, 2023), rather than developing		

²⁵ Key studies refer to research identified in the systematic literature review as making a significant contribution to understanding service performance reporting, either through direct analysis or by providing important conceptual or contextual insights. While the review primarily covers literature published between 2019 and 2024, a small number of earlier influential studies are also included. These earlier works do not focus specifically on service performance reporting but are cited to support broader theoretical or sector-relevant discussions.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
					meaning they question how representative the feedback is. This leads them to undertake relational vesting and solicit input work. 2. Regulators are required to have 'soft' relational work to engage with charities, but it can lead to regulators sympathising with their capacity issues and lack of ability to meet performance reporting requirements despite the benefits.		robust performance accountability. <u>Findings of the study:</u> For small charities who often lack resources and resist reporting: charity regulators to undertake additional and repetitive work. One example is repeating workshops (both day and night) to accommodate volunteers with full-time jobs. Yet, despite significant efforts to educate and persuade charities' trustees and volunteers of the need for reporting compliance, they may still lack the capacity to prepare performance reports for the next year, necessitating further work with volunteer treasurers and trustees. Further: the defining work of standard setters may create confusion amongst small entities if they fail to understand terminologies and concepts related to performance reporting.		

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
2	Service performance assurance for small charities: Experiences from New Zealand	2023	Investigates small charities' assurance practices in service performance reporting (as it is mandatory to report on service performance reporting and assurance in NZ for M/L NFPOs).	NZ, content analysis of the most recent performance reports of 120 small, registered charities.	<u>For small charities:</u> many small charities have complied with the assurance and reporting requirements of service performance information. They reported outcomes and outputs may not be significant, understandable, or sufficient. Auditors exhibit high tolerance towards these issues because of the subjectivity, auditability and materiality related to service performance information. Some charities and assurance practitioners view service performance assurance as a compliance exercise, which does little to improve accountability and transparency in the charity sector.		Some NZ government agencies demand an audit of service performance information for the charities they funded (although not via auditing firms) because these agencies are often accountable for the service performance provided by those charities due to the contracting of public service (XRB, 2019b).	1. Charities made varied efforts to report service performance, ranging from clear performance measures aligned with specific outcomes to vague outcomes with insignificant, irrelevant and insufficient outputs. Regardless of good or poor reporting, auditors/reviewers seemed reluctant to issue qualified reports unless for financial reasons. 2. It appears that auditors were stringent on the accuracy of financials, but they were highly tolerant of issues related to service performance information. Some auditors even gave unmodified opinions on service performance using assurance standards only related to financial information. The usefulness of service performance reporting was questionable, and the value of service	Service performance reporting done mainly for the compliance purpose, rather than providing substantive information. Assurance done as a compliance exercise, which does little to improve accountability and transparency in the charity sector.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
								performance assurance was limited.	

3	Charity impact reporting Informing the forthcoming charities SORP.	2022	Report on UK charities regarding how to measure and report on impact - Phase 1 of the project.	A sector-wide online survey seeking views from UK charities that measure and/or report on their impact and those that refrain from such activity. Further depth was achieved from more detailed semi-structured interviews with 20 UK-based organisations.	- Charities have different ideas about what impact is. Some charities are able to measure impact based on outcomes, while others may recognise impact on the basis of relieving immediate needs only. - Those engaged in impact practice described it as a journey. Some are quite mature in their approach to reporting impact while others are earlier in the journey. This may be related to size as smaller charities may have fewer resources to measure their impact. While charities appear to have been motivated to engage in impact practice to appease funders and to guide internal practice, the actual benefits of impact practice are oriented more towards the latter — enabling charities to enhance their service provision for beneficiary communities. - Charities use a 'pot pourri' of frameworks to measure impact, including the	Funders are increasingly keen to learn about the impact of their funding on the lives of beneficiary communities. Impact reporting fundamentally enables charities to address information asymmetry between themselves and their stakeholders, including beneficiaries, volunteers, donors, funders and other supporters. In addition, internally, impact practice can motivate staff towards a unified mission and also offers organisational learning opportunities — shedding light on what is working and what requires improvement.	Some charities (70%) also still struggled to understand what impact meant for their organisation. Interestingly, some organisations equated feedback surveys to impact data. While feedback surveys may include data to capture the difference made and measure impact, this may not necessarily be the case. Instead, feedback from service users may simply include (immediate) views and experiences of service users following a charity intervention. In this context, a positive experience of the service may not necessarily result in the intended impact. For example, a substance abuser may engage with and enjoy the services of a substance abuse charity but this may not necessarily result in their recovery. For charities that do not currently measure impact, the time commitment to engage in impact practice (80%) was of primary		
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					Theory of Change² and logframes³. They are also particularly concerned about the importance of effective measurement but those engaged in impact practice note a key challenge is the difficulty of capturing suitable impact data. Primary constraints for charities not engaged in impact practice appear to be resource-driven — time and associated costs of impact practice. • A significant proportion of charities welcome sector-wide guidance on impact practice — this may include greater awareness of existing resources as well as seeking new resources. However, they are less keen on a reporting standard or a kite-mark type certification system that recognises individual organisations' impact journey. Charities not engaged in impact practice are less supportive across all such interventions.		concern, which also linked to the second most relevant constraint — capturing data in accordance with funder requirements and priorities (65%). Understanding what impact meant for their charity was tied with the cost of measurement (45%).		
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	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
4	Nonprofit impact measurement and collaboration.	2021	Exploring the potential nexus between nonprofit impact measurement and collaboration.	Reviews key aspects of the NFP impact measurement and collaboration literature and discusses the potential nexus between these two concepts.	Argues that NFPs must acknowledge the significance of impact measurement when engaging in collaborative efforts and the mutually reinforcing relationships between the NFP impact measurement and collaboration to make a collective impact.	The paper discusses issues with measuring and reporting impacts (for accountability and transparency), but didn't not discuss clearly what users need.	Collaboration for impact reporting and measurement is very limited. The majority of NFP performance measurement is limited to measuring outputs and outcomes rather than impact, and the focus of measurement is mainly at the program level rather than organisational or community levels	Developing a set of measures and indicators to monitor co-produced performance is challenging in practice due to competing stakeholder priorities and fears of being judged as under-performers.	
5	Sustainability and Service Performance Beyond Institutional Requirements	2023	The paper investigates how institutional pressures and resource dependencies shape the adoption and institutionalisation of sustainability performance measurement and reporting (SPMR) among public universities in Victoria, Australia, and New Zealand. They examine over 25,000 performance indicators from 16 universities spanning 2012-2021. RQ 1: What CSR and EPR SPIs do Victorian and NZ	The study utilises content analysis and regression analysis. It evaluates 25,714 performance indicators (PIs) from annual reports of Victorian and New Zealand universities over ten years. For the content analysis, the coding scheme was based on categories presented in the GRI Standards, the Sustainability	1. SPIs represented 54% of total performance indicators across the universities studied, with a predominant focus on economic and social sustainability aspects. 2. Environmental SPIs were generally absent unless mandated by government regulations. 3. Universities predominantly adopted an 'acquiescence' strategy, complying with mandated reporting requirements but rarely exceeding them voluntarily.	The primary users of this research could be: 1. Standard setters and regulators: to improve sustainability reporting practices in the public sector. 2. University administrators: to understand the influence of regulatory environments on institutional sustainability reporting. 3. Stakeholders (students, government agencies, funding bodies): interested in transparency in universities' sustainability	Some ideas based on findings: 1. Universities generally report on sustainability aspects that are mandated by national or regional policies, showing compliance-driven behaviour. 2. Victorian universities report more balanced sustainability information, covering economic, social, and environmental dimensions due to specific financial reporting directions (FRDs). 3. New Zealand universities primarily focus on economic	Focus is sustainability **Benefits: ** 1. Promotes transparency and accountability among universities. 2. Enhances alignment with national educational priorities, particularly in New Zealand. 3. Helps secure legitimacy and funding from government sources. **Costs: ** 1. Administrative burden associated with preparing detailed mandatory disclosures. 2. Limited innovation in reporting practices	1. Regulations primarily drive compliance-focused behaviour, with universities adhering strictly to mandated reporting requirements. 2. Mandated disclosures encourage universities to focus on specific sustainability dimensions, leading to regional differences (e.g., environmental disclosures being stronger in Victoria). 3. Regulations alone have not spurred widespread adoption of innovative or voluntary

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
			universities report? RQ 2: What institutional and resource dependence pressures influence Victorian and NZ universities to report SPIs?	Tracking, Assessment and Rating System (STARS) and regulations and policies. For regression analysis they employed two empirical models to assess factors that influence university SPI disclosure.	4. Differences between jurisdictions were evident: Victorian universities focused more on balanced reporting (economic, social, and environmental dimensions), while New Zealand institutions prioritised economic and social reporting due to their national strategies. 5. Very few universities embedded sustainability into core activities such as teaching, research, or institutional policies, indicating limited integration of sustainability principles beyond compliance.	commitments and performance.	and social performance, reflecting their national emphasis on service performance reporting. 4. Voluntary reporting practices, such as integrating sustainability into research or teaching, remain uncommon and are not widely adopted across institutions.	as universities focus mainly on meeting compliance rather than exceeding regulatory expectations. 3. Potential for superficial reporting without deep integration of sustainability practices into core activities.	sustainability reporting practices across universities.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
6	Charities' Service Performance Reporting	2019	The paper explores the extent and quality of service performance reporting by Tier 2 health-related charities in New Zealand. It examines how these charities disclose information related to their mission, achievements, and service impacts, particularly in light of, at-the-time, upcoming mandatory reporting requirements under PBE FRS 48 (2021). The study also assesses the accessibility of this information across different platforms, particularly focusing on websites and annual reports.	Not mentioned but appears as a qualitative content analysis approach. Analysis of 30 health-related Tier 2 charities selected from the New Zealand Charities Register. The study analysed financial reports and website content for compliance with anticipated PBE FRS 48 requirements. The sample was narrowed to include charities that were regionally focused or not governed by international parent organisations, ensuring comparability across the sample.	1. 70% of the charities in the sample focus on providing comprehensive community health services, while 30% target specific diseases such as cancer, hepatitis, or diabetes. 2. All charities had websites, but only 43% had accessible annual reports available online. 3. Mission statements were clear and well-articulated on both websites and reports; however, specific visions and goals or measurable outcomes were often expressed in broad, general terms. 4. Community-focused charities provided minimal performance data on websites, while disease-focused charities tended to offer more detailed service performance information. 5. Reports often lacked comparative data across time periods, targets, or peer organisations, limiting stakeholders'	1. **Donors and funders**: Require clear, comparable information to evaluate organisational effectiveness and impact. 2. **Regulators**: Need consistent and accurate reporting to ensure compliance with PBE FRS 48. 3. **Beneficiaries and the public**: Look for transparency regarding the charity's mission, services, and outcomes. 4. **Internal stakeholders**: Trustees, directors, and management use reports for organisational planning and evaluation.	1. Most charities report their mission and service activities clearly on their websites. 2. Annual reports are primarily focused on narratives and visual storytelling, with limited integration of quantitative performance data. 3. Disease-focused charities are more likely to include measurable outcomes and research achievements in their reports. 4. There is minimal linkage between financial statements and performance reports, and very few reports compare current performance with previous years or targets.	**Benefits:** 1. Enhances transparency and accountability, improving trust among donors and regulators. 2. Helps communicate impact to beneficiaries and the broader community. 3. Supports internal planning and evaluation processes. **Costs:** 1. Smaller charities may need to divert funds from service delivery to meet compliance requirements. 2. Increased administrative burden associated with preparing comprehensive reports. 3. Limited resources can hinder smaller charities from meeting all reporting expectations.	1. Smaller Tier 2 charities may struggle to meet the requirements without additional resources. 2. Charities will need to improve the integration of narrative, qualitative, and quantitative data to meet new regulatory standards.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
					ability to assess progress effectively.				

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
7	Not-for-profit performance reporting A reflection on methods, results and implications for practice and regulation	2022	The paper critically examines research methodologies used in studying not-for-profit (NFP) performance reporting. It focuses on three main methodological approaches—content analysis of publicly available reports, quantitative analysis of financial data as performance proxies, and mixed/other methods—to understand their effectiveness, limitations, and implications for practice and regulation across different jurisdictions.	The paper employs a critical literature review approach, analysing previous studies on NFP performance reporting.	1. Three primary research methodologies dominate NFP reporting research: content analysis, quantitative analysis of financial ratios, and mixed methods. 2. Regulatory frameworks significantly shape the scope and quality of performance reporting research due to data availability. 3. Content analysis studies reveal a focus on positive disclosure for legitimacy rather than genuine transparency. 4. Quantitative ratio analysis often perpetuates a narrow focus on financial efficiency, leading to potential 'nonprofit starvation cycles.' 5. Mixed-method studies, though fewer in number, offer valuable insights into stakeholder perceptions and the actual use of reporting data.	1. **Regulators**: Require insights into reporting effectiveness to inform policy development and compliance. 2. **Donors and funders**: Need transparency and accountability measures to assess the effectiveness of funding usage. 3. **Beneficiaries**: Require accessible and clear information about services and outcomes. 4. **Researchers**: Seek comprehensive datasets for analysing the effectiveness of NFP reporting frameworks.	1. NFPs predominantly focus on financial performance reporting using cost-efficiency ratios (e.g., fundraising or administrative cost ratios). 2. Performance reports often aim to build legitimacy through positive disclosures rather than providing balanced or comprehensive information. 3. Cross-jurisdictional comparisons highlight those regions with stricter regulations (e.g., the UK) tend to have more detailed and transparent reporting practices. 4. Many organisations lack comprehensive impact-based reporting, focusing instead on basic financial disclosures.	**Benefits:** 1. Increases transparency and accountability to stakeholders. 2. Enhances trust and legitimacy in the eyes of funders, regulators, and the public. 3. Provides benchmarks for organisational performance and areas for improvement. **Costs:** 1. Regulatory compliance can increase administrative costs, particularly for smaller NFPs. 2. Overemphasis on financial ratios can distort organisational priorities, leading to reduced capacity for long-term sustainability. 3. Complexity and volume of required reporting can overwhelm smaller organisations.	1. Jurisdictions with stricter regulations (such as the UK) show improved reporting quality and quantity. 2. Increased regulation can lead to unintended negative outcomes, such as 'boilerplate' reporting or excessive focus on financial efficiency. 3. Regulation shapes the data available for research and practice, influencing how performance reporting is approached across different jurisdictions.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
8	How Can New Governance Regulation Develop Regulatory Dialectics and Mandatory Charity Performance Reporting	2020	The paper investigates how New Governance regulatory approaches can develop regulatory dialectics in the context of mandatory charity performance reporting. Focusing on the UK and New Zealand, the study examines the evolution of charity performance reporting regulation through the lens of Kane's regulatory dialectics, adapting it to the New Governance model. The research identifies mechanisms that facilitate regulatory development, including formal organisations, routine processes, and informal dialogues.	The study employs a comparative case study approach involving the UK and New Zealand. Data collection included document analysis, literature reviews, and semi-structured interviews with 19 stakeholders involved in charity regulation development. Interviews targeted actors such as regulators, sector representatives, and policymakers. Qualitative analysis was conducted using NVivo software to identify themes and patterns.	1. Continuous interaction between regulators and regulatees through formal organisations, routine processes, and informal dialogues. 2. Reliance on soft methods such as moral suasion. 3. Regulatory dialectics involve ongoing cycles of thesis, antithesis, and synthesis. 4. Regulatory processes in NZ are lengthier and more inclusive. 5. Collaboration increases compliance and regulatory acceptance.	1. Regulators need frameworks to encourage compliance. 2. Charities need adaptable standards. 3. Funders and donors seek transparency. 4. Policy developers require evidence of effectiveness.	1. UK SORP encourages narrative performance reporting. 2. NZ applies principles-based reporting standards. 3. Self-reporting is common. 4. Limited enforcement, focus on promoting best practices.	**Benefits:** 1. Greater transparency and accountability. 2. Builds public trust. 3. Facilitates engagement. **Costs:** 1. Administrative burdens for small charities. 2. Lengthy consultation delays. 3. Power imbalances in consultations.	1. Encourages collaboration over penalties. 2. Promotes narrative reporting. 3. Increases transparency. 4. Allows continuous adaptation based on feedback.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
9	Trust and transparency Accreditation and impact reporting by Canadian charities	2019	The study aims to explore whether trust-building activities, such as public disclosures of impact and third-party accreditation, are convergent among Canadian charities. It investigates whether accreditation status correlates with the measurement and reporting of impact.	The research employs a comparative analysis between accredited and non-accredited charities. It analyses the annual reports of these organisations to assess their impact reporting practices.	1. Accredited charities are more likely to measure and report their impact compared to non-accredited ones. 2. Both accreditation and impact reporting are more prevalent among larger organisations. 3. Accreditation does not necessarily cause an increase in impact disclosures, suggesting that other underlying factors may drive both behaviours.	Stakeholders, including donors and the public, seek transparent information regarding a charity's effectiveness and progress toward its mission . Public reporting of impact addresses these information needs by demonstrating accountability and performance.	The study finds variability in reporting practices, with accredited charities more consistently providing impact information in their annual reports . However, there is no standardised approach , leading to differences in the quality and extent of information disclosed.	Benefits: Service performance reporting enhances transparency, builds stakeholder trust, and can improve organisational effectiveness by focusing on mission-related outcomes. Costs: Implementing service performance reporting can be resource-intensive, requiring investments in data collection, analysis, and reporting systems.	The study suggests that while accreditation correlates with increased impact reporting, mandating service performance reporting disclosures may not automatically lead to improved transparency . Organisational size and capacity play significant roles in a charity's ability to implement effective service performance reporting practices.

10	Intern Report Service performance reporting in the public and not-for-profit sectors	2024	The report examines service performance reporting practices in public sector and charitable public benefit entities (PBEs) under New Zealand's PBE FRS 48 Service Performance Reporting standard. It assesses how PBEs report their service performance, the nature of the measures used, and the level of assurance provided. The study provides insights into the first year of mandatory service performance reporting application and evaluates the quality, consistency, and challenges associated with its implementation.	The study analyses annual reports from a sample of 295 PBEs, comprising: 45 public sector PBEs (government agencies, councils, and state-owned entities); and 250 charitable PBEs, selected across Tier 1 (large) and Tier 2 (medium) categories. Data collection focused on: number and type of service performance measures reported; qualitative vs. quantitative metrics used; sustainability reporting integration within service performance reporting; audit opinions and assurance frameworks referenced.	Service Performance Reporting Practices: 100% of public sector PBEs and 95% of charitable PBEs reported service performance measures. Public sector PBEs reported significantly more measures (average: 63 per entity) than charities (average: 15 per entity). Activity-based measures were the most common (44.6% of public sector service performance reporting, 59.5% of charity service performance reporting). Public sector PBEs included more impact measures (35.4%) compared to charitable PBEs (11.4%), which focused more on outputs. Sustainability measures were uncommon, with only 5.9% of charities reporting environmental metrics. Audit and Assurance of service performance reporting: Big Four firms conducted only 16% of audits, with mid-tier firms handling 45% and smaller firms	The report highlights that stakeholders, including regulators, funders, and the public—require better contextual information to interpret SPR. Key issues include: Lack of clear performance targets in charities' SPR (unlike public sector PBEs, which regularly set targets). Inconsistent impact measurement across PBEs, making comparability difficult. Limited sustainability disclosures, despite growing demand for climate-related reporting.	Public sector PBEs follow more structured SPR frameworks, while charitable PBEs exhibit greater variability. Lack of standardisation in where service performance data appears in annual reports, with some entities reporting outside the audited SPR section. Judgment disclosures are uncommon, despite being a requirement of PBE FRS 48.	Benefits Enhances stakeholder confidence by demonstrating accountability and impact. Helps PBEs track progress toward strategic objectives. Encourages better governance and performance evaluation. Costs and Challenges Higher audit costs, particularly for smaller PBEs. Lack of reliable data collection systems, leading to modified audit opinions. Difficulty in balancing qualitative and quantitative measures, impacting comparability.	The mandatory adoption of PBE FRS 48 has led to wider reporting of service performance information, but consistency issues remain. Audit scrutiny of service performance reporting is increasing, yet guidance on assuring service performance information remains fragmented. Regulators may need to consider additional support for smaller PBEs to ensure compliance without excessive cost burdens.
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					39%. 10% of PBEs received modified audit opinions, half due to service performance information deficiencies (e.g., lack of reliable records). Only three audit reports contained Key Audit Matters (KAMs), and 25 included an Emphasis of Matter (EOM), with four relating to SPR. Audit costs increased by an average of NZD 8,364 between 2022 and 2023, though 17% of PBEs reported lower audit costs. Judgments and Disclosures: 18% of charities did not provide an appropriate mix of service performance measures. 23% of charities did not disclose organisational context in their SPR sections, limiting stakeholders' ability to interpret reported performance. Comparative data was often missing, making it difficult to assess year-on-year improvements.				
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	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
11	Performance Measurement in Non-Profit Organizations The Road to Integrated Reporting.	2022	The book aims to develop a performance measurement framework tailored for NPOs , emphasising the need for integrated reporting that combines traditional financial metrics with sustainability indicators. This approach seeks to provide a holistic view of an organisation's effectiveness and sustainability.	Employing a qualitative research methodology , the authors utilise systems theory to analyse NPOs. This theoretical lens allows for an examination of the complex interactions within NPOs and their environments, facilitating the development of a multidimensional performance measurement system.	The authors find that traditional economic analysis is insufficient for evaluating NPO performance . Instead, integrating economic and financial metrics with sustainability dimensions offers a more comprehensive assessment. They advocate for the adoption of integrated reporting in NPOs , similar to practices in the for-profit sector, to effectively communicate performance across multiple dimensions.	Stakeholders of NPOs require information that extends beyond financial statements to include data on social and environmental impacts . The proposed integrated reporting framework addresses these needs by providing a balanced view of financial health, operational efficiency, and sustainability efforts.	Many NPOs primarily focus on financial reporting , often neglecting comprehensive sustainability disclosures. This practice can result in an incomplete portrayal of organisational performance and impact.	Implementing integrated reporting in NPOs offers several benefits, including enhanced transparency, improved stakeholder trust, and a holistic understanding of organisational performance . However, challenges such as the complexity of data collection, potential resource constraints , and the need for specialised expertise may pose implementation hurdles.	Mandating integrated reporting for NPOs could standardise performance measurement and enhance comparability across organisations. Regulation may also drive improvements in accountability and strategic planning . Nonetheless, it is essential to consider the diverse capacities of NPOs to comply with such requirements, ensuring that regulations are adaptable and supportive rather than burdensome.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
12	Research horizons for public and private not-for-profit sector reporting moving the bar in the right direction.	2019	The current landscape of financial reporting in the public and private NFP sectors in Australia. It discusses the evolving regulatory environment, the complexity of reporting requirements, and the growing research opportunities in this area. The study particularly focuses on four key questions: 1. Which NFPs are required to submit financial reports, and what do they report? 2. Who are the users of these reports, and what are their information needs? 3. Which NFPs should be required to submit financial reports, and what information should they include? 4. How should the accounting framework for NFP sector reporting be structured?	The study employs a literature review methodology , analysing prior research in accounting, financial reporting, and NFP accountability. The authors review both academic literature and grey literature, including industry reports, regulatory documents, and standard-setting discussions.	1. Reporting Requirements are Complex: NFPs face fragmented and inconsistent financial reporting requirements depending on their incorporation type and jurisdiction. 2. User Information Needs are Unclear: Existing research has not adequately identified who the primary users of NFP financial reports are or their specific information needs. 3. Reporting Practices are Inconsistent: Many NFPs self-determine their reporting entity status, leading to inconsistent application of reporting frameworks. 4. Sector-Specific Standards May Be Needed: The current reliance on International Financial Reporting Standards (IFRS) may not fully address the unique accountability needs of the NFP sector. 5. Performance Reporting is Underdeveloped: There is limited	The study identifies multiple stakeholders with diverse information needs, including Regulators : Require compliance with financial regulations and accountability measures. Donors and Philanthropists : Seek insights into financial sustainability and impact measurement. Service Recipients : Need assurance that funds are used efficiently and in alignment with mission objectives. Government Agencies : Require detailed reporting for funding and policy assessment. However, the study finds that most NFP reports cater to funders and regulators rather than service recipients or the public.	Private NFPs: Reporting varies by jurisdiction, with smaller entities often preparing simplified financial statements. There is inconsistent adoption of General Purpose Financial Reports (GPFRs) versus Special Purpose Financial Reports (SPFRs). 2. Public NFPs: Public sector NFPs adhere to standardised reporting frameworks, but questions remain about the usefulness of some disclosures. 3. Performance Reporting: The use of outcome-based reporting remains limited, despite growing interest in demonstrating social impact.	Benefits: 1. Enhances stakeholder trust and accountability. 2. Provides more relevant insights into mission fulfillment. 3. Helps regulators and policymakers assess funding effectiveness. Costs: 1. Increases the reporting burden for small NFPs. 2. Requires additional resources for data collection and analysis. 3. Creates compliance challenges due to differing jurisdictional requirements.	The paper argues that while regulating service performance reporting could enhance standardisation and transparency, it may also place additional burdens on smaller NFPs. The authors suggest a tiered reporting approach, where reporting requirements are based on the size and complexity of the organisation.

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
					adoption of extended external reporting (e.g., impact reporting, service performance reporting) in NFPs.				

13	Social impact reporting in the public interest the case of accounting standardisation. Qualitative Research in Accounting & Management.	2021	The study investigates the extent to which accounting standards for social impact reporting are in the public interest. It also seeks to explore public interest in the context of social impact reporting and assess the extent to which assessing accounting standardisation of social impact reporting supports public interest.	Using a case study of stakeholders within the Australian charity sector and concepts of public interest (from prior literature) - aggressive, processual, the paper analyses the implications for accountants and how accountants serve public interest. The study interviews 36 stakeholders. Semi-structured interviews were used, a variety of stakeholders of social impact reporting were considered, and a mix of methods were used to recruit participants (public advertising, direct methods using public information, and snowballing).	The paper distinguishes three concepts of public interest (from prior literature): aggregative, processual, and common good, and discusses its findings accordingly. (1) Aggregative perspectives are that social impact reporting only addresses generic information needs about an organisational activities and performance, (2) processual perspectives are that public interest is achieved by managing conflicting interests through legitimate means. Such a conflict is, for instance, between reporting organisations and powerful resource providers' information needs, and (3) Common good perspective suggests that transparency should be the primary principle and the remaining goals will emerge.	The study collects data from stakeholders that engage with social impact reporting: not-for-profit organisations (Small and Large), social enterprises and social businesses, philanthropic funders, social investors, government regulators, and intermediaries.	Australian charities are regulated by the Australian Charities and Not-for-Profit Commission (ACNC) since 2012. These organisations must file an Annual Information Statement (AIS) with the national charity regulator, and the AIS includes information about the main activities of the reporting organisation, locations and beneficiaries of these activities, and narratives about how the organisation achieves its mission and main objectives. None of the information submitted via the AIS are reviewed, audited or checked. The Australian Accounting Standards Board (AASB), the Australian Government agency that develops and maintains financial reporting standards, has shown increasing interest in recent years to develop accounting standards that are specific to the not-for-profit sector (for instance, the ED270 Service Performance Reporting). In the UK, since 2005, the	While donors and funders use social impact information to make economic decisions relating to social investment funds, there is pushback for standardisation of impact reporting information. Some of the reasons include not being advantageous for smaller organisations which lack resources, standardised metrics will not be able to capture the complexity of organisational performance (hence not be able to provide information facilitating informed decisions), and standard setters' lack of understanding of the shared experiences and values of the charity sector.	Standardisation of social impact reporting has the potential to reflect the unique nature and identity of the charity sector, and to foster trust as well as public interest.
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							Charities Statement of Recommended Practice (SORP) requires narrative disclosures on the purpose, main activities, and main achievements of the reporting entity. In New Zealand, since 2016, small charities are required to produce a Statement of Service which includes descriptions of the outcomes achieved as well as describe and quantify their outputs, while since 2022 larger charities are required to disclose 'why they exist' and 'what they actually did' (along with their financial statements). Accounting standards setters are increasingly extending their focus to performance reporting beyond financial disclosures.		
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	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
14	Measuring and accounting for outcomes in Australian human services charities	2020	This paper investigates the practices of outcome measurements and reporting and focuses on (1) users of outcome measurements, (2) the purpose of outcome measurements, (3) readiness of outcome measurement and (4) public reporting on outcomes.	Survey among human services charities in Western Australia. The survey data is supplemented with publicly available information from each organisation and collected by the ACNC. A total of 169 responses were finalised.	Five categories of users were identified from the survey: (1) board, (2) managers, senior managers, and executives, (3) funders, (4) government, and (5) front-line staff and employees. Human services charities mainly identified internal decision-makers and powerful resource providers are the main users of outcome information. Organisational size is an important influence on understanding of users of outcome measurements. A large proportion of the sampled organisations measure outcome performance but do not report them. Resource constraints and skill limitations are considerable barriers to outcome measurement.	The primary users of financial reports have long been assumed to be capital providers, and disclosures have been designed to address their needs. Given the public good/benefit nature of NFPs, it is often not clear who the users and what their information needs are. Interestingly, three groups were not identified as users: (1) clients/beneficiaries, (2) general public and (3) small donors.	In 2015, the Australian standard setter (AASB) introduced ED270, which proposed that not-for-profit organisations (NFPs) present a range of service performance information about the efficiency and effectiveness of achieving their objectives. ED270 was heavily borrowed from RPG3: Reporting Service Performance Information (a recommended practice guideline by IPSASB 2015). This demonstrates an effort by the standard setters to formalise reporting beyond basic traditional financial disclosures.	N/A	N/A

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
15	A window on the world of nonprofit accounting research. In Research Handbook on Nonprofit Accounting (pp. 154-172).	2023	To highlight that research in nonprofit accounting is strongly influenced by nonprofit regulations in various jurisdictions.	Chapter in handbook - more of a literature review than actual research paper.	It is important to understand the context of and rationale for a regulatory regime to enable improved clarity for the purpose of the resulting reporting.	NA	While a number of countries have formal regulators for their charitable/nonprofit organisations (such as Japan, Australia and Singapore), New Zealand and UK are the only contexts with service performance reporting requirements: New Zealand has a unique mandatory service performance reporting across all charities and uses International Public Sector Accounting Standards (IPSAS), and UK's Statement of Recommended Practice (SORP) disclosure requirements (large nonprofits are subject to SORP) are based on the International Financial Reporting Standards (IFRS). Other countries (such as Canada, China, Japan, The Netherlands, and Malaysia) share similarities with the US where tax authorities drive compliance with regulation, and annual filing is not	N/A	N/A

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
							necessarily related to GAAP.		

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
16	Charities' new non-financial reporting requirements preparers' insights.	2020	The paper seeks insights from preparers on the new Performance Reporting requirements for Tiers 3 and 4 New Zealand charities (i.e., organisations with no public accountability, but still required to prepare performance reports).	Semi-structured interviews, 11 interviewees involved in governance and reporting of Tier 3 or Tier 4 registered charities. New Zealand Context.	The findings are in two parts. (1) Entity Information - who are we and why do we exist? - organisational information is needed here (such as purpose/mission, structure, sources of funds, reliance on volunteers. Some scepticism was noted about the usefulness of additional information in the form of service performance disclosures. (2) What did we do and when did we do it? - Interviewees mentioned that they struggled to identify the planned outcomes of their organisation even though they had a mission statement as a basis, changing from financial to non-financial to source information about outcomes was challenging, and no feedback was received on information submitted to the charities services and hence one could provide false information and still get away with it.	While the study does not address user needs per se, it notes that there was: (1) support for standardisation of service performance reporting requirements to enable comparability and readability, and (2) agreement over the need for charitable organisations to be accountable to its donors, community and 'country'.	The New Zealand service performance reporting requirements of Tiers 3 and 4 charities include non-financial information about the entity and its service performance. These reports are publicly available from the Charities Services website within 6 months of the organisational balance date. These new reporting requirements are the biggest change in reporting ever for New Zealand charities. While service performance reporting has been promoted in the UK since 2005, through the expanded performance and governance requirements, New Zealand is the first country to implement Statement of Service Performance (SSP) requirements - SSP being a separate statement requiring descriptives of outcomes and output performances.		

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
					The study also notes low compliance with service performance reporting in the first year of mandatory adoption, and improved compliance from the second year onwards.				

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
17	Nonprofit performance measurement and reporting: Looking forward	2022	The paper argues for additional performance metrics in terms of outputs and outcomes and proposes possible avenues for regulatory disclosures.	N/A	Primarily identifies future avenues for research, such as the usefulness of new communication avenues that allow nonprofits to reach current and potential donors, the effectiveness of social media in reaching potential donors, and whether social media companies can use AI to target donors with performance information.	Performance measures are unlikely to be equally valued by users. For instance, if donors are beneficiaries or volunteers, they are able to directly assess output.	Form 990 requires NFPs to identify the existence of lack for 17 governance practices, details of executive compensations, and unusual transactions (included related party). This demonstrates the expansion of reporting beyond financial information. When donors are also beneficiaries, they assess outcomes through direct experience instead of formal disclosures. There is no one-size performance measurement. Also, there are alternative information delivery mechanisms to financial reports that can provide disclosures about service performance measurement and benefit donors/users.	N/A	N/A

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
18	How Can New Governance Regulation Develop? Regulatory Dialectics and Mandatory Charity Performance Reporting	2020	The paper sets out to analyse the development of regulation for charity performance reporting in UK and NZ. It focuses on 'how' regulations are developed in jurisdictions rather than what was developed.	Case study of selected jurisdictions (UK and NZ). Analysed documents, literature and regulators' websites, and conducted semi-structured interviews of individuals representing sector interest, regulators, and other stakeholders. 19 interviews were conducted.	Three mechanisms of how New Governance dialectic between regulators and regulates were identified in this study: formal organisations, routine processes, and informal dialogues. In both jurisdictions, (1) the formal organisation owns the process of creating regulation and facilitating interactions, (2) routine processes include formal public consultations to develop performance reporting regulations, and (3) informal dialogues in the form of interviewees discussions occurred. In UK, the SORP promotes recommendations not requirements, while in NZ charity performance reporting commands the disclosures.	N/A	In UK, the 1995 SORP recommended reporting of achievements and examples, and these were poorly applied. In response, SORP 2005 promoted increased disclosures on organisational activities, performance against objectives, and broader achievements. SORP 2015 further encouraged large charities to report on the impact of their activities by 'telling their story' rather than reporting on specific measures. This represents more principled-based than traditional financial reporting requirements. These reports are not audited, and regulators do not monitor reporting/non-reporting of them. Nonetheless, performance reporting by UK charities has increased over time. In NZ, in 2009, consultation on a new accounting framework started and it included	N/A	N/A

	Paper title	Year	Main focus of paper	Research Method used	Key findings	Information Needs of Users	Current Reporting Practices	Benefits and Costs of Service Performance Reporting	Impact of regulating service performance reporting disclosures
							a requirement for charities to provide a statement of service performance. A standard for performance reporting for larger charities was approved in 2017, with effect from 2021. The NZ standard is principle-based: encouraging charities to tell their own stories and dispensing with requirements to report specific measures and terms (such as outputs and outcomes). The statement of service performance must be audited.		

8.1 Appendix 2. Search terms used in literature review

This literature review was conducted in two stages to ensure comprehensive coverage of not-for-profit (NFP) service performance reporting and assurance practices. A broad and systematic search strategy was employed using combinations of relevant keywords. Boolean operators (AND, OR) and truncation (e.g. *) were used where appropriate to refine searches.

Primary Data Source

The primary data source was Google Scholar, selected for its broad indexing of peer-reviewed journal articles, academic conference papers, professional reports, theses, and other scholarly publications relevant to the NFP context. This platform was particularly effective in locating both academic literature and grey literature -including reports from regulatory bodies, standard setters, professional associations, and consultancy organisations - which are frequently cited in practice but not always captured in traditional academic databases.

Grey literature was included to capture practice-based insights and guidance documents that are often widely used by practitioners, despite being underrepresented in peer-reviewed literature. As noted by Roos et al. (2021), grey literature can reflect real-world tools and frameworks that organisations actually implement, particularly in fields where academic consensus is still developing.

Stage 1: Identifying Reporting Practices in the NFP Sector

This stage focused on locating studies, frameworks, and examples of how NFPs report on their service performance, outcomes, impact, and non-financial activities.

- **Search term combinations included:**
- "nonprofit service performance report"
- "not-for-profit service performance report"
- "nonprofit social performance report"
- "not-for-profit social performance report"
- "nonprofit service impact report"
- "nonprofit service quality report"
- "nonprofit non-financial performance report"
- "not-for-profit accountability reporting"
- "nonprofit outcomes reporting"
- "nonprofit impact reporting"
- "nonprofit reporting framework"
- "service performance case study"
- "reporting practices in nonprofit sector"
- "charity annual report AND service performance"
- "nonprofit theory of change AND reporting"
- "mission-driven performance report"

Stage 2: Identifying Assurance Literature for NFP Service Performance Reporting

This stage focused on identifying literature discussing audit and assurance of NFP service performance information, particularly in relation to non-financial and qualitative disclosures.

Search term combinations included:

- "audit AND service performance reporting"
- "assurance AND service performance reporting"
- "audit AND nonprofit performance report"
- "non-financial audit AND nonprofit"
- "review engagement AND nonprofit service reporting"
- "NZ AS 1 AND service performance"
- "ISAE 3000 AND service performance assurance"
- "audit of qualitative information AND nonprofit"
- "auditor role AND non-financial disclosures"
- "verification of service outcomes AND charity sector"

AASB Working Paper
AASB Research Forum
(November 2025)

**Service Performance Reporting:
Insights from domestic and international experience**

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Executive Summary

About the report

This report provides input into any decisions to be made about the development of a future service performance reporting pronouncement in Australia by assessing the potential viability, design, implementation and challenges of a national framework for the private not-for-profit (NFP) sector.

It draws on a multi-method approach, including:

- An analysis of 309 annual reports from NFPs across Australia, New Zealand, the UK, Canada, the US, and South Africa
- Focus groups involving donors, preparers, auditors, regulators, directors, and representatives from peak bodies
- Sector-wide survey data on reporting needs and challenges

The study addresses four objectives: identifying current best practices of service performance reporting by NFPs, evaluating the feasibility and challenges of assurance, drawing lessons from international jurisdictions, and assessing the suitability of a reporting framework for the diverse Australian NFP landscape.

The report also provides guidance toward a reporting model that is proportionate, credible, and fit-for-purpose.

Main findings

- **Identifying and Supporting Best Practice**

Many NFPs already demonstrate strong reporting practices, especially in arts, education, and advocacy. Strong disclosures link mission and outcomes, though financial integration is limited. Practical guidance and tiered expectations are needed to scale good reporting practice.

- **Assurance Feasibility and Credibility**

The question of assurance proved one of the most complex and contested in the study. Audit-style assurance is seen poorly aligned with the nature of narrative reporting. Stakeholders prefer alternatives like board oversight, peer review, and funder validation, especially for smaller NFPs. Mandatory assurance is considered premature.

- **Lessons from International Jurisdictions**

Success relies on flexible, phased implementation. For example, New Zealand's adaptable model improved engagement, and the UK's stricter approach ensured consistency but increased burden. Voluntary models elsewhere showed mixed results.

- **Suitability of a National Framework**

There is strong support for a national framework, but flexibility is essential. Larger NFPs are well-equipped for service performance reporting, while smaller ones need scalable, principles-based models integrated with existing reporting practices.

Recommendations

To support the development of a national framework for performance-related reporting in the Australian NFP sector, the following recommendations are proposed:

- **Adopt a scalable, principles-based framework**

Introduce a flexible model that supports consistent, purpose-driven reporting while allowing for variation in size, mission, and capability.

- **Implement a phased and tiered rollout**

Apply staged implementation with tiered expectations based on revenue, funding, or regulatory status to ensure proportionality.

- **Defer mandatory assurance and promote credibility alternatives**

Avoid early assurance requirements. Instead, support credibility through board oversight, peer review, and funder validation, with optional assurance pathways.

- **Build sector capability and provide practical support**

Offer clear guidance, templates, and training, aligning new requirements with existing obligations to ease integration and reduce burden.

Structure of Report

The report is structured into six sections:

- Introduction – Outlines the report's purpose and scope.
- Background – Provides context and sector overview.

- Literature – Reviews relevant national and international research.
- Research Method (Summary) – Summarises the multi-method approach, full details in the Appendix.
- Findings – Presents key insights across suitability, assurance, international lessons, and best practices.
- Discussion, Conclusion, and Recommendations – Interprets findings and offers practical, proportionate guidance for future reporting standards.

1. Introduction

The not-for-profit (NFP) sector in Australia plays an essential role in delivering social, cultural, health, and community services across the country. Despite its critical contribution to public value, there is currently no consistent or mandatory framework for how NFPs report on the outcomes they achieve or the impact they generate. Existing reporting practices remain fragmented and often focus on financial disclosures, with limited attention to non-financial performance information such as service outcomes, strategic alignment, or long-term effectiveness (Chu & Luke, 2023; CPA Australia, 2022). This lack of integration and comparability has raised growing concerns about transparency, accountability, and the usefulness of reported information for stakeholders and decision-makers (VAGO, 2015).

International developments offer potential models for reform. In New Zealand, a mandatory reporting regime was introduced for registered charities under the External Reporting Board's (XRB) framework. It adopts a principles-based structure through standards such as PBE FRS 48, aimed at encouraging more meaningful disclosures while accommodating organisational diversity (XRB, 2022). However, practical challenges have emerged in applying the standard, particularly in defining outcomes versus outputs, ensuring consistency across entities, and addressing resource limitations among preparers (McConville & Cordery, 2018). Similar difficulties have been observed in the United States and Canada, where performance reporting relies heavily on voluntary frameworks with mixed results.

In this context, the question of suitability becomes central. A future Australian framework must reflect the operational diversity of the NFP sector while promoting accountability and comparability. Researchers and professional bodies suggest that such a framework should be scalable, proportionate, and underpinned by principles of clarity, relevance, and stakeholder usefulness (Luke, 2017; Brusca Alijarde et al., 2022; VAGO, 2015). Layered reporting approaches (combining indicators, case narratives, and outcomes) are increasingly viewed as best practice for reflecting organisational complexity and mission delivery (Chaidali et al., 2022a).

Closely linked is the issue of assurance. While audited financial statements are a regulatory norm, there are currently few mechanisms for verifying non-financial disclosures. Yet the reliability of performance data is essential for informed governance, public trust, and strategic decision-making (Chen, 2016; CPA Australia, 2022). The Office of the Auditor General (New Zealand)'s [Good Practice in Performance Reporting \(2023\) report](#) underscores that high-quality performance reports should be reliable, accessible, timely, and aligned with clear objectives and indicators.

This study addresses these intersecting concerns by exploring how Australia might develop a fit-for-purpose framework for performance-related reporting in the NFP sector. It examines (1) lessons learned from New Zealand's implementation of service performance reporting, (2) current reporting practices among Australian NFPs, and (3) assurance matters, with the broader aim of identifying best practices suited to the Australian context.

2. Background

In Australia, while financial reporting by NFPs is governed by statutory obligations, performance-related disclosures (such as the services delivered, outcomes achieved, and value created) remain largely unregulated and inconsistent (CAANZ, 2021a, 2021b). This absence of a national framework has led to significant variation in reporting quality and approach. Many annual reports focus on activities or service volumes without linking them to strategic objectives, targets, or outcomes, limiting their value for external accountability or internal decision-making (CPA Australia, 2022).

Efforts by regulatory and professional bodies to encourage more outcome-oriented reporting have not produced consistent sector-wide change. While the ACNC, CA ANZ, and CPA Australia have promoted voluntary guidance on meaningful disclosures, uptake has varied, particularly among small to medium-sized organisations that face capacity and resourcing constraints (Jubb et al., 2022; Gilchrist et al., 2025). A 2022 review of annual reporting practices highlighted limited integration between financial and non-financial information, and a lack of standardised metrics to support comparison and benchmarking (CPA Australia, 2022).

Lessons from international jurisdictions offer useful guidance. New Zealand's tiered reporting regime, underpinned by the XRB's principles-based standards, mandates performance-related disclosures for all registered charities. The approach promotes flexibility and relevance while requiring a minimum standard of information for public accountability (Crowe New Zealand, 2022). However, researchers have noted implementation challenges, including the difficulty of selecting a mix of appropriate performance measures, establishing systems and processes to collect performance information, and lacking verifiable evidence and controls over performance information (Hooks & Stent, 2019; XRB, 2025).

The United Kingdom's Statement of Recommended Practice (SORP) provides another comparative example. It has contributed to more structured performance reporting but similarly faces limitations due to variability in application and limited oversight (McConville & Cordery, 2018). In response, the Institute of Chartered Accountants of Scotland (ICAS) has recommended a layered model that combines key metrics with qualitative narratives and stakeholder-focused impact reporting (Chaidali et al., 2022a).

Assurance remains a persistent concern in both domestic and international contexts. CPA Australia's [Horizons of Financial Reporting \(2022\)](#) report identifies a growing need for performance-related information to be not only relevant, but also credible and auditable. It introduces a "reporting pyramid" to differentiate between unverifiable narrative, unaudited metrics, and independently verified data. Similarly, the [Guide to Good Governance and Portfolio Performance \(2024\)](#) highlights that effective performance reporting requires clearly defined objectives, measurable indicators, baselines, and targets: elements that are frequently absent or inconsistently applied across the NFP sector, making them difficult to independently assure. These reporting limitations are further underscored in New Zealand's recent [Review of Service Performance Information consultation document in 2024](#), which notes widespread stakeholder concerns around the credibility and auditability of outcome-related disclosures, especially where qualitative or narrative reporting dominates. While larger entities may have more developed reporting systems, many NFPs (particularly smaller organisations) lack the infrastructure, expertise, or

resourcing to implement reliable outcome-based reporting practices without targeted support and incurring potentially significant costs.

These insights reinforce the case for a phased, principles-based framework that accommodates organisational diversity while promoting accountability and comparability. Drawing on international models but tailored to Australian needs, such a framework could support continuous improvement and enable clearer pathways toward assurance and stakeholder trust.

3. Literature

3.1 Lessons Learned from New Zealand and Other Countries

Comparative research highlights valuable insights from jurisdictions that have adopted structured approaches to service performance reporting in the NFP sector. Among these, New Zealand is often regarded as a leading case study due to its mandatory Statement of Service Performance (SSP) requirements. While preparers reported improved outcome awareness and greater strategic reflection, challenges emerged around the selection, measurement, and consistency of performance measures (Xu & Yang, 2023). The principles-based nature of the regime allowed for flexibility and narrative relevance, but questions around assurance feasibility and presentation standardisation persist (Cordery et al., 2019; Connolly & Hyndman, 2013).

In contrast, the United Kingdom's more prescriptive approach (most notably through the Charities Statement of Recommended Practice (SORP)) has fostered consistency and transparency in reporting (McConville & Cordery, 2018). However, implementation outcomes are mixed; Morgan and Fletcher (2013) observed variable trustee engagement, and Cordery and Deguchi (2018) noted that governance-led compliance did not always lead to meaningful accountability. UK reforms nonetheless illustrate the potential of combining prescriptive elements with flexibility to balance comparability and relevance.

The United States represents a markedly different model. In a market-oriented disclosure regime reliant on third-party platforms such as Charity Navigator, reporting has focused primarily on financial metrics and ratios, with limited emphasis on non-financial performance information (McConville & Cordery, 2018). This has led to concerns about over-reliance on quantifiable efficiency indicators, potentially at the expense of outcome-driven accountability.

Recent comparative analysis by Handley (2025) reinforces the importance of co-designed and phased reforms. Their findings suggest that jurisdictions such as New Zealand and the UK have had more success with gradual, collaborative implementations than those adopting either rigid rules or market-driven incentives. The study also emphasises the importance of investing in soft infrastructure (such as sector capacity building and preparer guidance) to support meaningful uptake and enhance auditability.

Within Australia, Wen et al. (2025) argue that these international lessons underscore the need for proportionality and scalability in the design of any future reporting framework. They advocate a tiered reporting model, tailored to organisational size and complexity, that safeguards comparability while mitigating the risk of compliance fatigue. Overly prescriptive frameworks may generate superficial

compliance and diminish user relevance, particularly for smaller or resource-constrained NFPs (Cordery & Sim, 2018; Wen et al., 2025). However, principles-based models, when supported by clear guidance, can foster adaptive learning and more meaningful disclosures (Handley, 2025).

These findings align with more recent cross-jurisdictional research on universities in Victoria and New Zealand. Hsiao et al. (2024) found that mandated disclosure requirements in Victoria led to more systematic adoption of sustainability and performance indicators, whereas New Zealand institutions showed weaker institutionalisation of voluntary disclosures, despite innovative practices. This highlights the importance of regulatory mandates in shaping reporting behaviours.

Overall, international experiences suggest that the effectiveness of service performance reporting hinges on achieving a careful balance between standardisation and flexibility, ensuring proportionality, and investing in sector readiness through capacity support (for a summary literature review table of international approaches to service performance reporting, see Appendix 1).

3.2 Current Service Performance Reporting Practices

In Australia, service performance reporting by NFPs remains inconsistent and fragmented. Rather than emerging from a cohesive national framework, disclosures are primarily shaped by funding contract obligations, accreditation requirements, and sector-specific compliance demands. This has led to a reporting environment driven more by compliance than by strategic transparency or stakeholder engagement (Saj, 2012; Chu & Luke, 2023).

Several studies highlight that while many NFPs offer detailed narratives about their mission and activities, they provide limited information on outcomes, impact, or value creation. Chu and Luke (2023) observed that operational descriptions dominate disclosures, but outcome reporting is sparse. This disconnect limits users' abilities to assess performance or public benefit in a meaningful way. Even with the growing use of websites and social media to communicate achievements, these tools rarely replace the need for structured and comparable performance information.

Financial disclosures are also misaligned with user needs. Gilchrist et al. (2023) argue that current financial statements are ill-suited to convey organisational impact or public value, and this issue is compounded by definitional ambiguity and inconsistencies in voluntary disclosures (Cummings et al., 2010). Gilchrist (2020) further notes that while interest in outcomes measurement is increasing, many NFPs lack the capability, frameworks, or incentives to develop coherent and meaningful performance narratives.

Wen et al. (2025) add that smaller charities are particularly affected by the compliance burden, often unable to engage in outcomes-based reporting unless required by funders. This raises significant concerns around proportionality, suggesting that a uniform approach is unlikely to succeed across a diverse sector. Furthermore, it risks imposing cost on some NFP entities which exceed any potential benefits for users. Their findings support the development of a tiered reporting system, aligned to organisational size and complexity, similar to models seen in New Zealand and the United Kingdom.

The [Value of the Not-for-Profit Sector report \(2025\)](#) similarly calls for a more strategic and scalable approach to performance-related disclosures. It emphasises the importance of context-sensitive reporting that is relevant to diverse stakeholders (including funders, communities, and government) while also recognising the need for proportionality across organisations of varying size and capacity. The report highlights persistent capability gaps and reporting burdens, particularly for smaller and regional organisations, reinforcing the importance of a framework that balances minimum consistency and comparability with mission-specific flexibility and relevance. Conceptual clarity in reporting practices is equally important. Yang et al. (2021) caution against the uncritical use of broad terms like 'social impact', arguing that such concepts risk becoming ambiguous and hegemonic if not carefully defined. They advocate for reflexive and context-sensitive use of terminology to preserve the integrity and usefulness of NFP performance disclosures.

Further, Hsiao et al. (2025) examined New Zealand higher education institutions and found that early adoption of PBE FRS 48 shifted the focus of reporting toward community relevance and strategic alignment, though it did not lead to improved reporting of outcomes or impact. These findings suggest that principles-based guidance alone is insufficient to enhance performance evaluation without tailored implementation support (for a summary literature review table of current service performance reporting practices in Australia, see Appendix 1).

3.3 Assurance Matters

The assurance of service performance information presents a persistent conceptual and operational challenge in the NFP sector. Traditional audit frameworks, which prioritise standardisation, objectivity, and verifiability, are often misaligned with the narrative-rich, interpretive, and qualitative nature of performance reporting (Connolly & Hyndman, 2013). As such, concerns are growing about the suitability of existing audit models for evaluating disclosures centred on outcomes, impact, and value creation.

Empirical evidence confirms this disconnect. Xu and Yang (2023) found that auditors commonly exercise discretion and leniency when reviewing New Zealand's Statement of Service Performance (SSP) disclosures, often due to ambiguous metrics and subjectivity in interpretation. Similarly, Yang and Simnett (2023) observed significant variation in audit quality for small charities, suggesting the sector's limited readiness for external assurance of non-financial information.

Gilchrist (2020) reports that most NFPs rely on internal governance checks, rather than external assurance, when communicating outcomes. Cost, capacity, and perceived value remain key barriers. These findings are reinforced by Handley. (2025), who argue that epistemic tensions (i.e., differing beliefs about what counts as valid evidence) undermine traditional audit approaches in this context. They advocate for alternatives that accommodate the interpretive and context-specific nature of service performance disclosures.

Stakeholder feedback presented in the [Auditor-General Report 2024–25](#) highlights growing interest in scalable, cost-effective approaches to strengthening the credibility of performance information. The report points to practices such as board-level attestations, structured review processes, and enhanced transparency mechanisms as viable alternatives to full audits, particularly in contexts where formal

assurance may not be feasible. It stresses the importance of proportionality and sector engagement, recommending that assurance mechanisms be tailored to the maturity, size, and complexity of NFPs to avoid overburdening providers while still supporting improved accountability and public trust.

Overall, the literature suggests that imposing a uniform, audit-based assurance requirement may distort the very purpose of performance reporting, shifting focus from impact to compliance. A proportional, risk-based assurance framework, tailored to organisational size, mission, and reporting maturity, may offer a more effective pathway to enhance credibility and accountability in the NFP sector (for a summary literature review table of assurance challenges and alternatives, see Appendix 1).

3.4 Best Practices in Service Performance Reporting

Best practices in performance-related reporting are emerging across jurisdictions, shaped by empirical research, stakeholder feedback, and leading organisational exemplars. Contemporary literature increasingly supports the use of principles-based, mission-aligned frameworks that are flexible, proportionate, and tailored to the information needs of diverse users. A recurring theme is the alignment of disclosures with an organisation's stated purpose and strategic objectives, with clear attention to enhancing credibility and stakeholder trust (Connolly & Hyndman, 2013; Adams et al., 2014).

Integrated reporting (linking narrative with financial information) is widely acknowledged as a foundational practice. Cordery and Sim (2018) and Brusca Alijarde et al. (2022) demonstrate how this integration supports internal decision-making, strengthens strategic alignment, and enhances external legitimacy. However, effective implementation requires investment in staff capability, standardised terminology, and system infrastructure.

Stakeholder engagement remains pivotal. Palmer (2013) and Yang and Northcott (2019) advocate for audience-relevant reporting, showing that public trust increases when reporting is outcome-oriented and disseminated through accessible channels such as websites, reports, and stakeholder forums. This is particularly salient for donors: Ghoorah et al. (2025) find that perceived transparency (rather than deep engagement with detailed reports) influences donor trust and philanthropic behaviour.

Recent practice examples reinforce these findings. The [ICAS \(2024\) report](#) documents best-practice cases that blend qualitative and quantitative disclosures, such as service-user testimonials, peer-reviewed outcome metrics, and theory-of-change aligned data. Organisations such as Brightside, Magic Breakfast, and Llamau combine case studies with statistically supported claims, enhancing legitimacy without imposing undue reporting burden. These layered formats (where high-level impact summaries are supplemented by detailed appendices) meet the varied expectations of funders, beneficiaries, and regulators.

Such layered and context-sensitive approaches are also echoed in Handley (2025) and Wen et al. (2025), who call for tiered models that scale with organisational maturity and resource capacity. At the same time, scholars like Hooks and Stent (2020) and Gilchrist (2020) caution against prescriptive templates that risk burdening smaller organisations or undermining narrative richness. Instead, they emphasise the need for co-designed frameworks that capture lived experience and cultural context.

Governance innovations remain essential. McConville and Cordery (2018) and Handley (2025) advocate participatory standard-setting processes, and the [ICAS \(2024\) report](#) similarly underscores the value of multi-stakeholder engagement in defining meaningful and credible performance indicators.

In summary, emerging best practices support a flexible yet credible model of performance disclosure, one that is narrative-rich, contextually anchored, and driven by user relevance and strategic purpose. These approaches aim to promote reflection, accountability, and learning, while avoiding the pitfalls of box-ticking compliance. (for a summary literature review table of best practices in service performance reporting, see Appendix 1).

4. Research Method (Summary)

This study employed a multi-method approach to examine how Australian NFPs report on performance and how stakeholders perceive and use this information. The research design combined three core methods: content analysis of annual reports, a stakeholder survey, and a series of structured focus groups.

A total of 1,545 annual and financial reports from 309 NFPs across six countries were reviewed. Each report was assessed using a five-level performance reporting maturity framework, capturing trends in the use of outcomes, strategic alignment, integration with financial data, and reference to external benchmarks. The framework ranged from Level 1 (basic activity-based disclosures with little or no outcome focus) to Level 5 (integrated, impact-oriented reporting aligned with strategic objectives, financial information, and external standards). Intermediate levels reflected a progression from basic output reporting (Level 2) to outcome-focused narratives with some strategic and financial integration (Level 3), and then to structured, outcomes-oriented reporting with governance oversight and partial external alignment (Level 4) (see Table A2.4 in Appendix 2 for full criteria).

A brief online survey was circulated to over 800 professionals, including those from the NFP sector, accounting firms, and regulatory bodies. Responses informed participant selection for focus groups and helped identify stakeholder categories.

Focus groups were held with 85 participants across eight stakeholder types, including donors and philanthropists, professional accounting bodies and directors, preparers, auditors, regulators, and peak bodies.

Transcripts were analysed using a hybrid thematic method, combining manual coding with generative AI tools. All AI-generated outputs were reviewed for accuracy and consistency, with themes validated against the original transcripts using Braun and Clarke's six-phase framework.

This triangulated methodology enabled a comprehensive understanding of current performance reporting practices, stakeholder expectations, and the opportunities and challenges associated with enhanced reporting in the Australian NFP sector.

A detailed description of the research method is provided in Appendix 2.

5. Findings

5.1 Survey

5.1.1 Enhancing Accountability through Contextual Disclosures

Responses from donors and preparers reinforced the idea that service performance reporting enhances accountability by offering insight into organisational purpose, values, and alignment, though it is often not the primary factor in resource allocation decisions. Donors emphasised qualitative indicators, such as mission, trust, and perceived integrity, over formal performance metrics.

“Mission is important.” — Donor

“There is a larger issue of reputation that is not captured.” — Donor

“What they have achieved, how they will use the donation to achieve their missions, and whether they are spending too much on administration and advertising.” — Donor

These comments suggest that accountability is often relational and values-driven, with narrative coherence and perceived legitimacy holding more sway than structured disclosures. This perspective was echoed by preparers, who viewed SPR as a mechanism for evidencing effectiveness and guiding funding decisions in a relatively unregulated landscape.

“This helps users to understand the efficiency and effectiveness of operations in a less regulated environment. This can determine how future funds should be allocated.” — Preparer

Notably, when donors were asked how often they reviewed financial or service performance information before or after providing support, responses varied. Some donors reported consulting public registers or annual reports, while others described a more relational approach: relying on direct conversations or personal judgement. This reinforces the idea that communicative forms of accountability, grounded in trust and context, may be more meaningful than formal metrics alone.

Together, these insights support a shift toward communicative forms of accountability, where narrative disclosures are used not simply to meet compliance expectations, but to articulate the organisation's social value and strategic relevance.

5.1.2 Conceptual Ambiguity and Measurement Challenges

Preparer responses highlighted significant conceptual and operational challenges in applying service performance reporting. A common theme was concern about the over-reliance on quantitative metrics and the difficulty of capturing the richness of qualitative performance outcomes.

“There is also a risk that reporting becomes overly focused on quantitative indicators at the expense of qualitative insights, which are equally important in understanding service quality and community impact.” — Preparer

Others pointed to the absence of a clear and consistent framework, making it difficult to summarise diverse program outcomes and assure the reliability of narrative information. Several noted the strain of

frequent changes to reporting requirements and performance criteria, which could impose repeated structural adjustments.

“There are difficulties summarising diverse program performance and managing expectations about what counts as evidence.” — Preparer

These challenges are further reflected in the preparer data: only 19% reported current involvement in service performance reporting, while 30% were not involved, and 52% were either unsure or only indirectly engaged. Among those involved, 80% disclosed performance information separately from the financial statements, and no one integrated service performance information solely into financial reports. The most common challenge identified by preparers was data collection (60%), followed by integration with financial reporting (20%) and other context-specific concerns (20%).

These reflections align with focus group concerns about measurement ambiguity and the risk of impact washing. They underscore the need for service performance reporting frameworks that accommodate both standardisation and contextual relevance, recognising that meaningful reporting in the NFP sector requires flexibility, interpretive judgement, and user-centred design.

5.1.3 Practical and Financial Burdens of Implementation

Practical implementation challenges emerged strongly in the preparer and peak body responses. Many raised concerns about the administrative and financial burden of introducing new SPR requirements—particularly in the absence of strong guidance, adequate resources, or consistent regulatory support.

“There are limitations in staff capability and resources. Without strong guidance, SPR won’t be prioritised by boards or senior management.” — Preparer

Participants noted that reporting should not compromise frontline services or client wellbeing. The tension between data demands and service quality was especially visible in comments from peak body representatives.

“The process of data collection shouldn’t drive service delivery—it must be designed with the client’s dignity in mind.” — Peak Body

“Increased administrative requirements impact staff morale and capacity to focus on care.” — Peak Body

Several emphasised the importance of ensuring that SPR reflects the true cost of service delivery and contributes to funding reform, rather than simply layering on additional compliance tasks.

“Peak bodies can help government understand the real cost of services and promote coordinated approaches to performance reporting.” — Peak Body

The preparer survey results confirm this pressure, with data collection emerging as the most significant barrier to SPR implementation. This suggests that any future framework must be realistic about resource constraints and prioritise usability and proportionality.

These perspectives highlight the need for proportionality, co-design, and sector-specific capacity building to ensure that SPR supports (not undermines) the core mission and sustainability of NFPs.

5.1.4 Access, Power, and Adaptive Decision-Making

Donors reflected on their capacity to access or request relevant performance information, revealing a gap between formal availability and practical access. Only a few felt confident engaging with service performance data, while most described limited awareness or a sense of disempowerment.

“Information is publicly available on the public register.” — Donor

“I have tried to do that, but I think it might not be easy.” — Donor

“I don’t know. I even don’t think about this.” — Donor

When service performance information was absent or unclear, donors adapted through relational and informal strategies. These included direct engagement with organisations and reliance on secondary sources such as annual reports or media.

“Speak to someone I trust in the organisation.” — Donor

“Enter dialogue.” — Donor

“Read annual reports.” — Donor

“Search media and find any other information that can be taken as reliable and is publicly available.” — Donor

Some participants shifted their support or sought out alternative organisations, often favouring those with clearer communication or personal alignment.

“Search and support other organisations.” — Donor

“Establish a personal connection.” — Donor

A minority continued to provide support regardless of the availability of service performance disclosures, indicating a strong reliance on trust and relational commitment.

“Happy to support them.” — Donor

“Not relevant.” — Donor

The survey further explored donors' information priorities and source preferences, revealing that service performance information was not always proactively reviewed. While some donors reported accessing public sources, many placed greater emphasis on mission alignment and organisational reputation. These findings suggest a need to improve the accessibility, clarity, and user relevance of performance disclosures.

These insights suggest that while donors value transparency, their decision-making is often shaped by interpersonal trust and perceived legitimacy. More accessible, clearly presented service performance reporting, designed with user relevance in mind, could enhance engagement and support more informed donor decision-making.

5.2 Focus Group Interviews

5.2.1 Thematic Analysis

5.2.2.1 Enhancing Accountability Through Contextual Disclosures

Stakeholders broadly recognised that service performance reporting enhances accountability not merely by disclosing metrics, but by adding rich narrative context to financial information. This is especially critical for donors, boards, and the public, who seek transparency around organisational impact and mission alignment rather than financial compliance alone.

This reflects a broader conceptual shift: in the NFP context, accountability is best understood as communicative rather than contractual. Participants consistently emphasised that narrative reporting enables organisations to explain, justify, and reflect upon their performance in ways that financial statements alone cannot. Reporting is not simply descriptive, but strategic: grounded in purpose, values, and the lived realities of service delivery.

“It really adds the context to the financial statements... our audience generally aren't financial analysts; they want to know what we've done; how efficient we've been... and that's not exactly transparent from just the financial numbers.” — Director

“The service reporting will almost justify what we've done... it will tell people: well, we spent X—and what have we delivered?” — Director

Philanthropic stakeholders echoed this perspective, highlighting that donors value rich narrative content over technical financial data. This underlines the importance of aligning service performance reporting with how users actually engage with information.

“Yes, it can. But most stakeholders don't look only at audited financials. They review the full annual report, including narrative content. There was some research done. I recall one study involved interviews with donors which found that users value narrative insights into an organisation's objectives and outcomes. And narratives don't lend themselves well to standardisation.” — Philanthropist

This supports a shift toward transformational accountability, where legitimacy is earned through coherent storytelling and demonstrable alignment with organisational mission; rather than narrow efficiency metrics or prescriptive performance indicators. In this framing, service performance reporting becomes a form of strategic identity construction, articulating purpose, relevance, and impact in a way that financial data alone cannot.

“Making sure that charities... receive the benefits of charities and the funding... they're actually doing what it is that they set out to do.” — Preparer

“Anyone from this list? All of them, anyone.” — Director

“NGOs are often really good at telling the story... best practice is probably having multiple ways of sharing the story of what value they contribute to their community.” — Director

“Transparency... not just relate to what they have done, but also what challenges they've faced... That makes the information more complete.” — Peak Body Representative

*“It’s an opportunity for the charity to tell its story... very good for funders and donors.” — Regulator
(New Zealand)*

A regulator highlighted an important caveat: narrative reporting must be placed within a broader interpretive and governance framework. It should not stand in isolation or be used indiscriminately; rather, it should complement financial and operational data as part of an integrated picture of performance.

“In theory, yes - it can offer context. But you’d want to use it as part of intelligent data interpretation, not in isolation. As a board member, I’d expect this information from the CEO’s report, not just the annual financials. And I wouldn’t wait until year-end to raise concerns.” — Regulator

Taken together, these insights illustrate that the reporting function is multi-dimensional. It supports organisational legitimacy, enables strategic reflection, and fosters trust with stakeholders. However, achieving these aims requires careful attention to how service performance information is framed, delivered, and validated.

5.2.2.2 Conceptual Ambiguity and Measurement Challenges

Although valued in principle, service performance reporting was widely seen as conceptually ambiguous and methodologically inconsistent. Participants across all stakeholder groups expressed confusion around key terms, particularly outputs, outcomes, and impact. They also expressed scepticism by questioning whether meaningful standardisation was feasible or desirable in such a highly diverse sector.

Stakeholders prioritised authenticity over comparability, suggesting that performance information must reflect local context and mission, not regulatory convenience. Quotes reflect a widespread rejection of technical rationality, that is, the belief that outcomes and impacts can be fully captured by standardised metrics.

“Are we referring to impact reporting?... it’s different I think... it’s more about how well have you performed in terms of your mission rather than in terms of the impact you’ve had.” — Auditor

“Different measurements... competing stakeholder needs.” — Director

“How hard it is to actually try and capture... Is the person’s life measurably better because we have done X?” — Director

A philanthropist added a detailed critique of standardisation, arguing that metrics cannot be applied uniformly given the contextual differences even within sub-sectors:

“With performance information, especially in areas like homelessness or arts and culture, objectives and measures differ. You might standardise the approach, such as reporting against objectives, but not the specific metrics.” — Philanthropist

Regulators also expressed scepticism about comparability, emphasising that comparability is a flawed premise, given the sector’s diversity and existing efforts at disclosure:

“The idea of comparability is also problematic. Regional charities, advocacy organisations, online charities all operate very differently. Even within a single sector, measurement isn’t standardised. Many already produce their own annual reports, which could lead to duplication.” — Regulator

A key risk identified was the potential for impact washing, where vague or flattering language is substituted for meaningful analysis. Stakeholders were concerned that poorly designed reporting frameworks might inadvertently encourage selective storytelling, boilerplate disclosures, or metrics that misrepresent real-world change.

“There’s a risk of cherry-picking success stories without clear metrics.” — Peak Body

“...they become boilerplate. And yeah, so every year, year after year, they report similar information.” — Donor (New Zealand)

“If it’s everything to everyone without any thought given to your readership... it could just be a bit of window dressing.” — Donor

“By the time you consolidate it and wash it all together... in terms of impact... it gets so washed out ...” — Preparer

This theme illustrates that the risk of impact washing is structural rather than purely ethical: emerging when organisations are required to report on complex ideas like “impact” without adequate conceptual clarity or practical guidance. The abstraction of impact undermines credibility unless supported by evidence, context, and stakeholder interpretation. The issue of impact has been an important challenge for universities.

Participants noted that the abstraction of “impact” undermines credibility when unsupported by evidence. In that context, some argued for a greater emphasis on guidance and illustrative practice, rather than prescription.

“Once you move to those more abstract terms around outcomes and impacts, then I think it becomes more difficult to gauge.” — Auditor

“So when you ask, who uses these reports? The benefit might not be in direct donor access, it might be more about attracting larger supporters or funders who do need that reliable, audited reporting.” — Preparer (New Zealand)

Participants called for frameworks that prioritise mission alignment, contextual explanation, and illustrative examples rather than enforcement of narrow comparability. In their view, the emphasis should be on explaining performance clearly and honestly, using narrative, internally developed indicators, and sector-informed practices.

5.2.2.3 Practical and Financial Burdens of Implementation

Cost and capacity challenges were central concerns, particularly for small to mid-sized organisations. While the conceptual value of service performance reporting was acknowledged, participants stressed that its practical implementation poses significant risks unless designed with sensitivity to the sector’s structural constraints.

Regulators drew attention to the disproportionate impact of new reporting requirements on small organisations, many of which operate on limited budgets, rely on volunteers, and already navigate a complex compliance environment.

“Most of the sector earns under \$500,000. Adding service performance expectations would overwhelm many.” — Regulator

“Over 50% have no paid staff and 30% earn less than \$500,000 annually.” — Regulator

Stakeholders also raised concerns about the indirect pressure created by voluntary frameworks, especially when issued by regulatory or peak bodies. In a competitive, visibility-driven environment, organisations may adopt such frameworks to avoid reputational damage or to “keep up” with perceived sector norms, even when the content is poorly suited to their operations.

*“When something comes from a regulator, even if ‘voluntary’, it’s often treated as required. Charities compete fiercely for donations and visibility. They’ll adopt it just to ‘keep up,’ even if it’s not meaningful.”
— Regulator*

Philanthropic stakeholders echoed these concerns, noting the capability gaps not only among preparers but also among auditors. The shift to non-financial reporting demands new skills and mindsets: requirements that many smaller organisations, and their auditors, are not yet equipped to meet.

*“Shifting to include non-financial disclosures means changes in mindset and capabilities. Even now, in areas where auditors are required to audit non-financial compliance — such as specific fund guidelines — many aren’t aware or equipped to do so. This suggests there would be widespread capability gaps.”
— Philanthropist*

Participants questioned the need for a mandatory framework in light of existing accountability mechanisms, such as grant acquittals and internal board oversight. For many, service performance information is already collected and reviewed, but not necessarily for external reporting.

“You already do grant acquittal audits, which indicates whether or not you’ve spent the money in line with the requirements.” — Auditor

“Surely as a board... you would already have an understanding of the outcomes, the impact...” — Auditor

Discussions frequently turned to thresholds for applicability, with strong agreement that any future reporting requirements must reflect organisational scale. Participants warned that inflexible frameworks could accelerate the marginalisation or exit of smaller organisations.

“Below that [5 million], there’s a real question mark on the value...” — Preparer (New Zealand)

“There’s a lot of traditionally small organisations... that are probably going to get squeezed out into the future...” — Preparer

Despite these concerns, some participants affirmed that service performance reporting has the potential to support strategic governance, especially when aligned with financial disclosures and embedded in existing practices.

“There are ways that you can look at both the financial and non-financial data and bring them together... to demonstrate that there is value for money.” — Preparer

“Let’s just please not do it for the sake of putting something in there, let’s make sure that stakeholders will actually get something... some benefit out of it.” — Philanthropist

This theme reveals a fundamental misalignment between top-down policy ambition and the operational realities of many NFPs. Frameworks that lack flexibility or context sensitivity risk undermining the very transparency and trust they aim to promote. In contrast, when integrated with existing internal governance processes, service performance reporting can be repositioned as a strategic governance tool rather than a regulatory imposition.

In summary, the practical and financial burdens of implementation must be front and centre in the design of any future service performance reporting framework. The goal should be decision-usefulness before uniformity, ensuring that disclosures enhance decision-making and accountability without overwhelming the organisations they are meant to support.

5.2.2.4 Assurance Tensions

Stakeholders across all groups expressed strong reservations about applying traditional audit assurance to service performance reporting. The dominant view was that narrative-rich, context-sensitive disclosures do not align with existing assurance frameworks, which prioritise verifiability, objectivity, and standardisation.

This misalignment is both operational and epistemological. While financial audits are built on standardised evidence and binary verification, service performance reporting often relies on stories, relationships, and qualitative interpretation. Participants warned that forcing audit-style assurance onto these disclosures could lead to higher costs, diminished quality, and perverse reporting incentives.

“If auditors are expected to verify service performance data, costs could increase substantially. That’s a concern from the perspective of organisations I work with.” — Philanthropist

“Auditors won’t want to verify whether 135 or 142 meals were served — that’s not practical. It should be separate from the financial statements.” — Regulator

Participants noted that traditional audit frameworks are not designed to accommodate the complexity and subjectivity of performance data in the NFP context. Attempting to retrofit audit assurance could erode the communicative and strategic value of service performance disclosures.

“Performance audit does not fall under any type of assurance...” — Auditor

“From a technical purist point of view... the word ‘audit’ has a specific meaning...” — Director (New Zealand)

The New Zealand experience offered a compelling cautionary example. Stakeholders reported that mandatory assurance requirements in that jurisdiction had shifted the focus of reporting away from authentic narrative and toward superficial metrics, prompting some organisations to develop parallel “impact reports” to reclaim narrative space.

“It’s causing charities to focus on numbers... the value... was in the story.” — Peak Body Representative (New Zealand)

“Charities now, I understand, are actually moving to prepare separate reports—new reports called impact reports or whatever they want to call them. to try to reclaim the best of the service performance report...” — Peak Body Representative (New Zealand)

Rather than standardised audit assurance, stakeholders advocated for alternative verification pathways that reflect the unique nature of NFP impact work. These included internal review, board oversight, funder sign-off, and feedback from service users.

“If an organisation is already having its performance verified by a government department or an external evaluator as part of a funding agreement, then I don’t think they should have to do it twice. That’s duplication. It’s more important that the verification reflects what the organisation is actually trying to achieve, not just tick a box.” — Director

“If there were a way of maintaining the benefit without requiring assurance, that might be a good compromise.” — Peak Body Representative

At its core, these discussions suggest a policy opportunity: to move away from rigid audit frameworks and instead develop new forms of soft assurance that recognise the specific nature of NFP impact reporting. Participants showed support for proportionate, tiered models that preserve narrative richness while protecting users from misleading claims.

The deeper issue here is one of epistemic legitimacy: how do we know what we know, and what kinds of knowledge are valued in reporting?. Traditional audits rely on verifiability and standard procedures; however, in the NFP space, knowledge of impact often emerges from relationships, stories, and reflective learning.

Credibility in this context should be achieved through transparency, narrative coherence, and internal governance processes, not forced audit conformity. Designing assurance mechanisms that respect this difference is key to ensuring service performance reporting enhances, rather than undermines, the voices and values of NFP organisations.

5.3 Navigating Attribution and Organisational Boundaries

The above findings underscore a deeper conceptual challenge in performance-related reporting: the difficulty of attributing observed outcomes directly to the actions of NFPs. While stakeholders value reporting that demonstrates impact, there is widespread recognition that many of the factors influencing change lie beyond any one organisation’s control. Structural conditions, systemic barriers, and policy environments often mediate how services are delivered and experienced, meaning that causality is rarely linear or isolated.

This creates inherent tensions in how accountability is both understood and demonstrated. Efforts to link funding, strategy, and outcomes may appear straightforward on paper but are far more complex in practice, particularly when social, cultural, or economic factors play a significant role in shaping results. In this context, the concept of accountability must be reframed not as a definitive claim over outcomes,

but as a transparent account of contribution: how an organisation has sought to act purposefully, adaptively, and in alignment with its mission.

Participants consistently emphasised the importance of contextualisation and narrative interpretation to explain performance in ways that are both honest and meaningful. However, this interpretive space can also be constrained by the pressure to standardise, compare, and simplify. Without adequate room for explanation, organisations risk being evaluated against outcomes they cannot fully influence, leading to distorted representations or defensive reporting practices. These dynamics highlight the need for performance frameworks that recognise attribution complexity and allow for the articulation of intended contribution, limitations, and external dependencies.

Taken together, these insights call for a more nuanced understanding of accountability in the NFP context: one that privileges strategic reflection over mechanical attribution, and that builds legitimacy through transparency, coherence, and responsiveness to real-world conditions.

5.4 Annual Reports

This section presents a comparative analysis of annual reporting practices across 102 Australian and 43 New Zealand NFP organisations. The findings examine sector-specific strengths and limitations in terms of best practices, suitability, assurance potential, and international insights. These results provide a robust evidence base to inform any future development of a structured, principles-based reporting pronouncement in Australia.

5.4.1 Comparative Findings: Annual Reporting Practices in Australia and New Zealand

5.4.1.1 Australia

A cross-sectoral analysis of 102 annual reports from Australian NFPs reveals widespread engagement with performance-related reporting, though with clear variation in depth, consistency, and integration across sectors (as illustrated in Figures 1 and 2). While many organisations demonstrate a strong commitment to transparency and strategic communication, the data highlight persistent gaps in financial integration, methodological rigour, and sectoral capacity.

The number of pages dedicated to performance reporting varied considerably by sector, from an average of 8 pages in the Environment sector to 22 in Arts & Culture. Human Rights & Advocacy organisations also reported extensively (average 18 pages), while Disability (10 pages), and Family & Youth sectors (15 pages) presented more concise reports. This disparity suggests differences in sectoral expectations, resources, and maturity in reporting practices.

In terms of content, impact measures¹ were widely used across most sectors, with particularly high inclusion in Education (100%), Arts and Culture (100%), Human Rights and Advocacy (95%), and Health

¹ Impact measures are the tools or indicators used to assess longer-term, systemic change resulting from an organisation's work—such as improved community wellbeing, social inclusion, or sustained behavioural outcomes. *Mission Australia*, for example, uses its Wellbeing Index and narrative statements to demonstrate such impact.

(90%). The Family & Youth (85%) and Community Services (80%) sectors followed closely, while the Disability sector showed a relatively lower inclusion (75%), reflecting potential capacity constraints or reporting challenges specific to the sector.

Impact narratives (captured through summaries of results and long-term change) were consistently and comprehensively embedded in the annual reports of a number of organisations, including those in Arts & Culture, Community Services, Disabilities, and Environment (with all demonstrating 100% inclusion in this category). This indicates a high level of maturity in articulating systemic contributions and value delivered to the community.

Use of quantitative performance indicators was also widespread, with near-universal inclusion in Arts and Culture (98%), Education (95%), and Human Rights & Advocacy (92%). Health (85%) and Family & Youth (80%) organisations showed strong uptake, while the Disabilities sector reported lower inclusion (60%). These metrics typically included service volume, client reach, or activity counts, though methodological transparency and benchmarking were uneven across the sample.

Despite these strong levels of narrative and quantitative reporting, integration with financial disclosures remains limited. Only 20% of Disabilities and Environment organisations explicitly linked their performance reporting to financial data. Arts and Culture (45%) and Human Rights & Advocacy (35%) showed stronger levels of integration, while Education (40%) and Sports & Recreation (30%) reported moderate alignment. Family & Youth (28%) lagged further behind. This persistent disconnect between performance narratives and financial stewardship suggests that while narrative reporting is developing, alignment with financial accountability remains limited.

Sustainability content was included in just under half of the reports overall. The Environment sector, unexpectedly, only 45% of organisations referencing ecological or operational sustainability. Arts & Culture (55%), Health (65%), and Multiservice (40%) sectors showed moderate inclusion. Other sectors, particularly Family & Youth (30%) and Disability (25%), featured sustainability in fewer reports, and often in generalised terms.

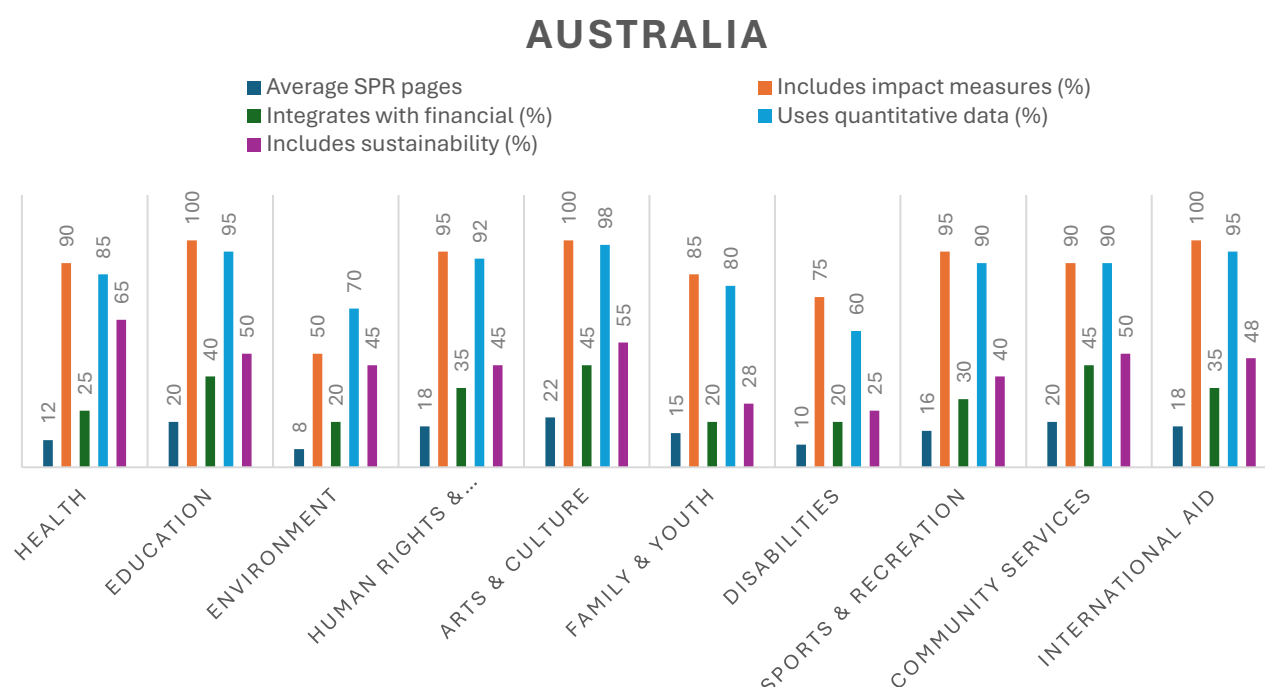
Strategic and forward-looking disclosures were also universally included across the five leading sectors. All sampled organisations in Arts and Culture, Community Services, Disabilities, Education, and Environment referenced strategic goals, operational challenges, case studies, and community engagement. This suggests that performance-related reporting in these sectors is not only descriptive but also grounded in organisational purpose and planning.

A further layer of analysis reveals that these narrative components (strategy, case studies, challenges, impact summaries, supporting data, and community engagement) are comprehensively included (100%) in the vast majority of sectors. Arts and Culture, Community Services, Disabilities, Family & Youth, Health, and Human Rights & Advocacy all demonstrated full inclusion across these categories. By contrast, Education included these elements in only 70% of cases, while International Aid lagged further at just 50%. These patterns underscore the structural maturity of reporting in leading sectors and identify where support may be needed to strengthen consistency and completeness.

Taken together, these findings indicate that while Australian NFPs are actively communicating performance, sectoral differences in capacity, resources, and regulatory context contribute to uneven levels of maturity. Arts and Culture, Community Services, and Disabilities emerged as high performers in terms of comprehensiveness and consistency. Education, while strong overall, showed some variability in strategic alignment. By contrast, sectors such as Family & Youth, Health, and International Aid exhibited more fragmented or inconsistent approaches.

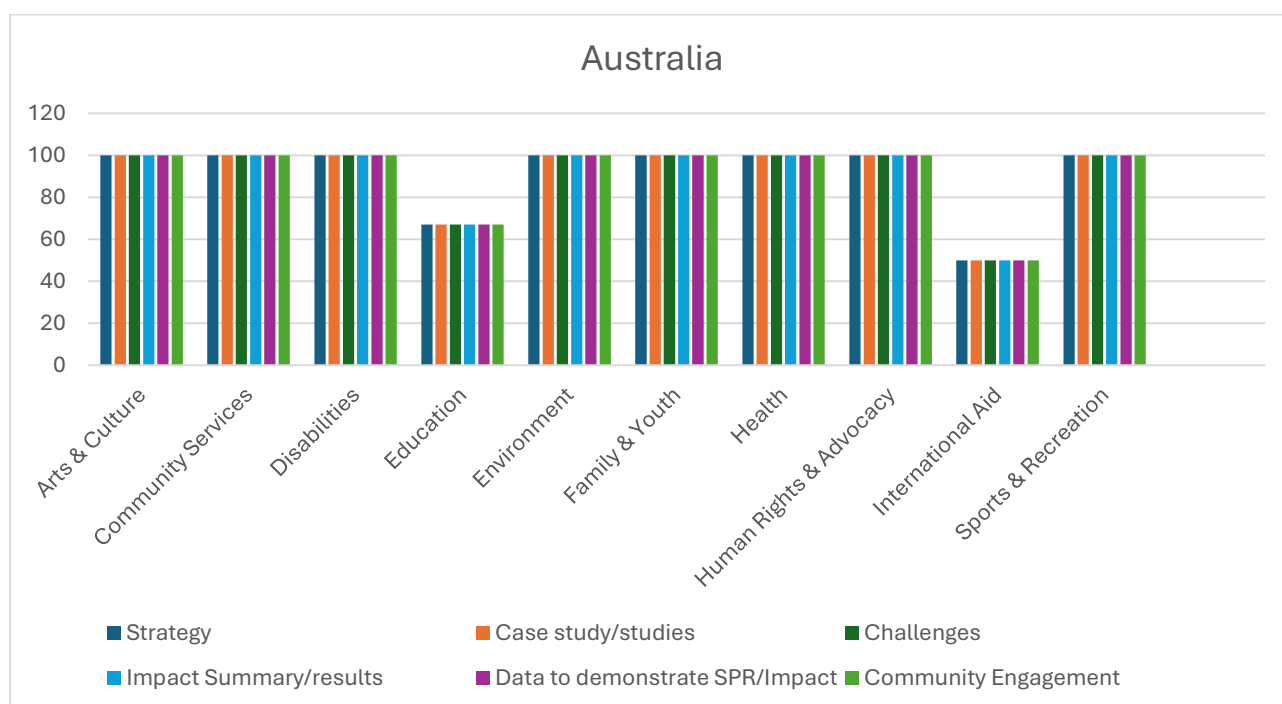
This diversity reinforces the need for a principles-based reporting model that enables comparability while accommodating sector-specific constraints. As reporting expectations evolve, clearer guidance, scalable tools, and targeted support will be essential to building capacity, enhancing integration with financial data, and fostering more transparent and accountable reporting across the NFP sector.

Figure 1. Australia – Service Performance Reporting Disclosures by Sector (2023²).



² Data from 2023 was collected due to its relevance as the most recent and representative year of current disclosure practices.

Figure 2. Australia – Performance Reporting Elements by Sector



5.4.1.2 New Zealand

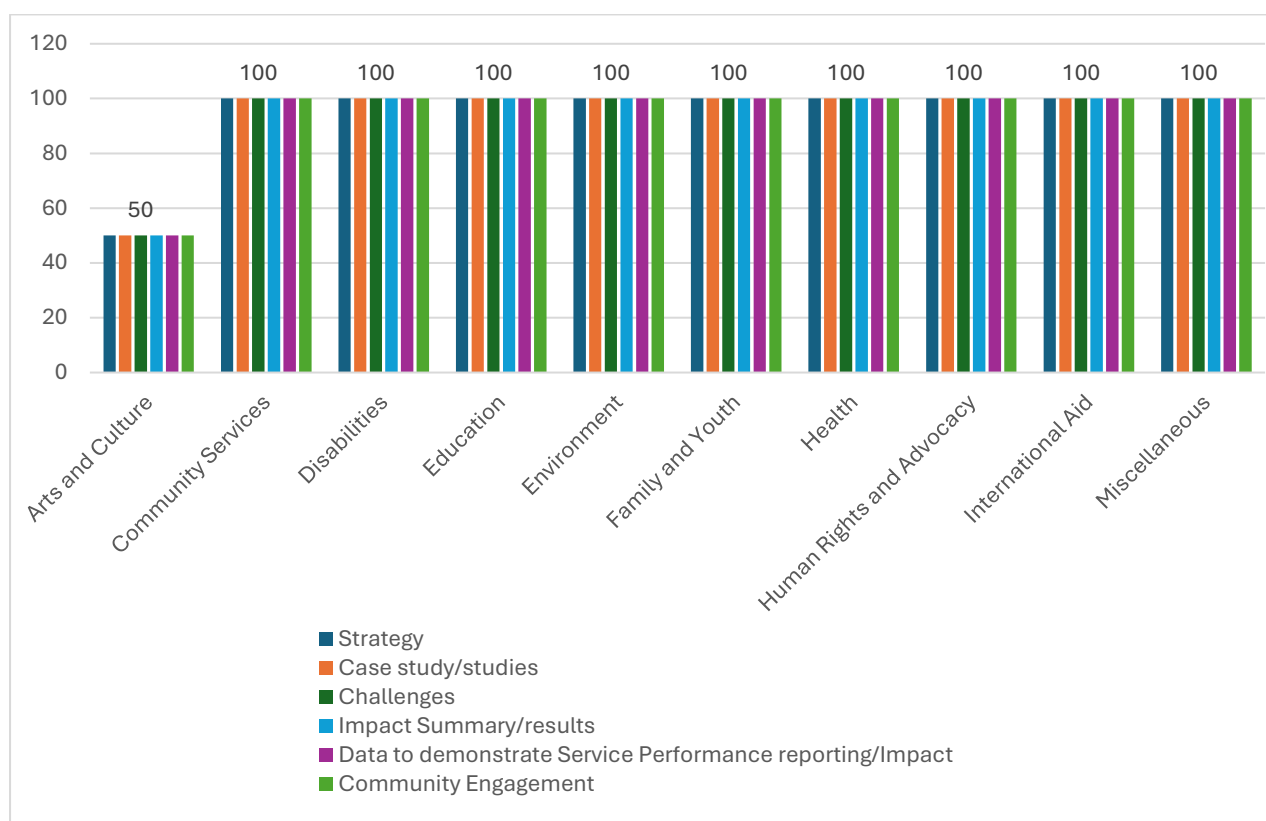
By comparison, the New Zealand sample reveals a highly consistent and embedded reporting culture. As illustrated in Figure 3, New Zealand - Performance Reporting Elements by Sector, every organisation in the Community Services, Disabilities, Education, and Environment sectors included all core components of high-quality reporting: strategic alignment, performance data, impact summaries, case studies, discussion of challenges, and community engagement. The only partial exception was the Arts and Culture sector, where inclusion rates for each element were at 50%, indicating a less comprehensive approach.

This consistency was evident across both large and small organisations, suggesting that comprehensive disclosure is not confined to high-capacity entities but reflects a broader cultural norm within the New Zealand NFP sector. The uniformly high rates of performance data and impact inclusion point to widespread adoption of outcome-focused practices, regardless of subsector.

The consistent inclusion of impact summaries and supporting data implies the use of structured tools to frame performance. Sectors such as Community Services, Disabilities, and Education also demonstrated full inclusion of strategic framing and community engagement, reinforcing the alignment between organisational purpose and public accountability.

These findings support the proposition that a mandatory, principles-based reporting framework, such as that implemented in New Zealand, can be both rigorous and flexible across service types. The broad uptake across sectors underscores the feasibility of sector-wide adoption, even in contexts where capacity constraints might otherwise pose barriers.

Figure 3. New Zealand – Performance Reporting Elements by Sector



5.4.1.3 Cross-jurisdictional Insight

Taken together, the Australian and New Zealand findings underscore the value of structured performance-related reporting tailored to sectoral needs. In Australia, NFPs are actively engaging in performance communication, but the depth, consistency, and integration of disclosures vary considerably across sectors. Arts and Culture, Community Services, Disabilities, and Environment organisations consistently included impact-related narratives and quantitative indicators, demonstrating a relatively high level of reporting maturity. In contrast, Education and International Aid NFPs showed lower inclusion rates across multiple dimensions, pointing to capacity constraints or differing reporting norms.

Integration between performance and financial information remains limited across Australian organisations. While many reports featured strategic alignment and outcome-focused content, particularly in Arts and Culture and Environment, these elements were rarely linked explicitly to financial disclosures. Similarly, although forward-looking and sustainability content was common in higher-performing sectors, it was inconsistently applied elsewhere, suggesting gaps in strategic coherence.

By comparison, New Zealand presents a more embedded and consistent reporting culture. All organisations in the Community Services, Disabilities, Education, and Environment sectors included core reporting components such as strategic direction, performance data, impact summaries, community engagement, case studies, and reflections on challenges. This level of inclusion indicates that comprehensive, outcome-oriented reporting is a sector-wide norm rather than an exception. Although Arts and Culture organisations in New Zealand reported lower inclusion rates, the overall consistency across sectors highlights the maturity of the country's performance reporting practices.

The New Zealand experience demonstrates that a mandatory, principles-based framework can drive both consistency and flexibility. Organisations of varying size and mandate produced comprehensive disclosures when supported by an enabling regulatory environment. The widespread use of structured reporting elements (despite the absence of mandated templates or methodologies) suggests that flexible standards, rather than rigid prescriptions, can encourage sector-wide engagement.

These cross-jurisdictional insights strengthen the case for introducing a principles-based national reporting framework in Australia. Such a model should promote clarity, comparability, and relevance while accommodating the diversity of the NFP landscape. To succeed, this approach must be supported by clear guidance, practical tools, and scalable implementation strategies that build capacity, particularly in sectors where current practices remain uneven.

5.4.2 International Comparison of Annual Reports

5.4.2.1 Australia

Figure 4 below illustrates the progression of performance reporting maturity across Australian NFP sectors between 2019 and 2023, using a five-level framework that ranges from basic activity-based disclosures (Level 1) to fully integrated, impact-oriented reporting (Level 5) (for further details of the framework, see Appendix 2).

Across the five-year period, most Australian NFP sectors demonstrated an upward trajectory in reporting maturity, although the pace of progress varied. Several sectors (such as health, education, human rights & advocacy, arts & culture, miscellaneous³, and international aid) reached Level 5 maturity by 2023. This reflects sustained improvements in aligning reporting practices with strategic objectives, embedding outcome measurement, and, in some cases, partially integrating performance and financial data.

The health, education, and human rights & advocacy sectors began the period at Level 2, characterised by the use of basic outcome metrics and narrative reporting. By 2023, they had progressed to Level 5, incorporating quantitative indicators, improved stakeholder communication, and more consistent reporting structures.

The arts & culture sector also progressed substantially: from Level 2 in 2019 to Level 5 in 2023. Organisations in this sector increasingly combined narrative storytelling with data visualisation, digital engagement metrics, and impact tracking, enabling clearer articulation of cultural and social value.

International aid organisations, such as Mission Australia and Oxfam (Australia), moved from Level 3 to Level 5 over the review period. These large, complex entities adopted layered and often international reporting frameworks, using performance chains to link inputs, outputs, and outcomes across diverse program portfolios.

³ Miscellaneous organisations refer to NFPs delivering programs across multiple domains (e.g., health, housing, education) and could not be categorised into one group per se. Examples include Mission Australia, Red Cross, and UnitingCare.

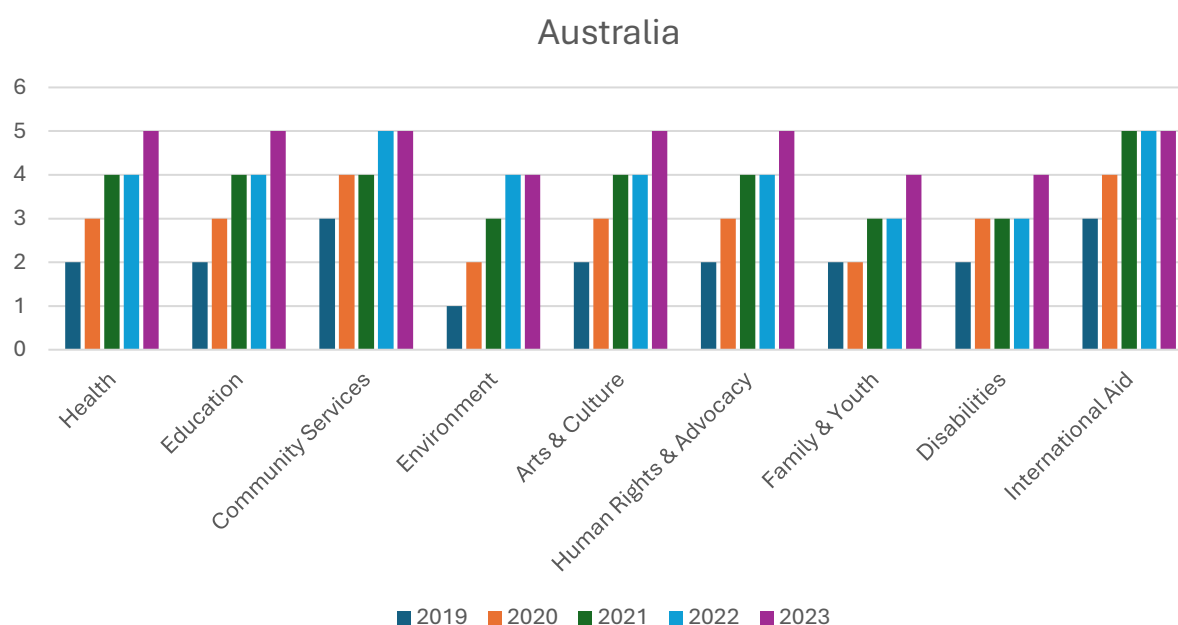
By contrast, other sectors showed more modest gains. The environment sector progressed from Level 1 to Level 4 between 2019 and 2023, reflecting a gradual shift from descriptive activity reporting to outcome-focused narratives. However, financial integration and standardisation remained limited.

The disabilities sector advanced from Level 2 to Level 4. While some organisations (particularly larger NDIS-funded providers) began linking service data to broader societal outcomes, many smaller entities lacked the infrastructure for more integrated reporting.

Family & Youth services similarly progressed from Level 2 to Level 4, though maturity remained uneven across organisations. While use of outcome metrics improved, the adoption of robust data verification, strategic alignment, and year-on-year comparability varied widely.

Overall, Figure 4 illustrates a national trend toward more mature and structured performance reporting. However, it also highlights the need for proportionate, scalable implementation strategies. While high-capacity organisations have achieved full maturity, sectors with limited resources or reporting infrastructure will require tailored support and phased adoption to ensure sustainable progress.

Figure 4. Performance Reporting Maturity by Sector, Australia (2019–2023)



5.4.2.2 New Zealand

Figure 5 below presents performance reporting maturity levels across eight New Zealand NFPs over the five-year period from 2019 to 2023. The data reflect the influence of New Zealand's structured regulatory environment, particularly the mandatory service performance requirements, which has contributed to consistent sector-wide improvements in performance reporting practices.

By 2023, most sectors had achieved Level 5 maturity, indicating strong alignment between mission, outcomes, stakeholder engagement, and integrated narrative-quantitative reporting. This is particularly evident in the human rights & advocacy sector – a sector that reached and maintained Level 5 maturity

from 2021 onwards. Organisations in this sector embedded global indicators, stakeholder narratives, and strategic metrics into their reporting frameworks, supporting both domestic accountability and international comparability.

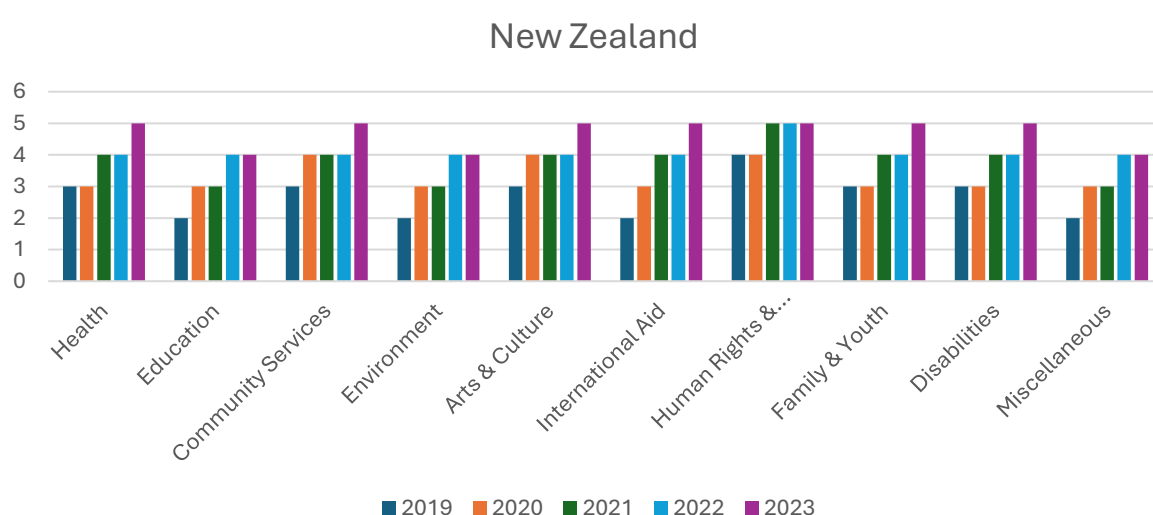
The health and arts & culture sectors followed a similar trajectory, progressing from Level 3 in 2019 to Level 5 by 2023. These gains were characterised by increasingly layered disclosures, improved data integration, and stronger alignment with national social investment objectives. In particular, cultural organisations demonstrated enhanced use of digital participation metrics and inclusive community engagement indicators by 2022–2023.

Some sectors (such as Environment, Education, and International Aid) started at lower maturity levels in 2019 (Level 2), reflecting previously underdeveloped reporting systems and achieved Level 4 by 2023, supported by clearer reporting templates and increased attention to sustainability and equity indicators. While reporting was more narrative-based in earlier years, both sectors incorporated quantitative impact data by the end of the period.

Similarly, the disabilities and families & youth sectors progressed steadily from Level 3 in 2019 to Level 4 in 2022 and 2023. Reporting improvements included greater use of child development benchmarks, family resilience outcomes, and systems-level indicators, though some gaps in integration and assurance remain, particularly among smaller entities.

The influence of New Zealand’s regulatory approach is evident in the consistency and upward trend across all sectors. Most organisations demonstrated adherence to the principles-based SSP requirements (which are subject to audit), encouraging flexibility in format while reinforcing accountability and user relevance. In contrast to Australia, the presence of a mandatory framework appears to have supported earlier and more uniform improvements in reporting maturity.

Figure 5. Performance Reporting Maturity by Sector, New Zealand (2019–2023)



5.4.2.3 United Kingdom

Figure 6 presents maturity levels in performance reporting across key UK NFP sectors from 2019 to 2023. The data reflect the long-standing influence of the Charities Statement of Recommended Practice

(SORP), which mandates structured performance and impact disclosures for registered charities in the UK. This regulatory backdrop contributed to consistently high maturity levels across the sector, with most organisations achieving or maintaining Level 5 reporting by 2023.

Across all sectors analysed, including health, human rights & advocacy, education, disabilities, arts & culture, and international aid, organisations advanced from initial maturity levels of 3 or 4 in 2019 to 5 by 2022 or earlier. This upward trend demonstrates the embeddedness of outcome measurement, financial and non-financial integration, and user-oriented narrative reporting within the UK charity ecosystem.

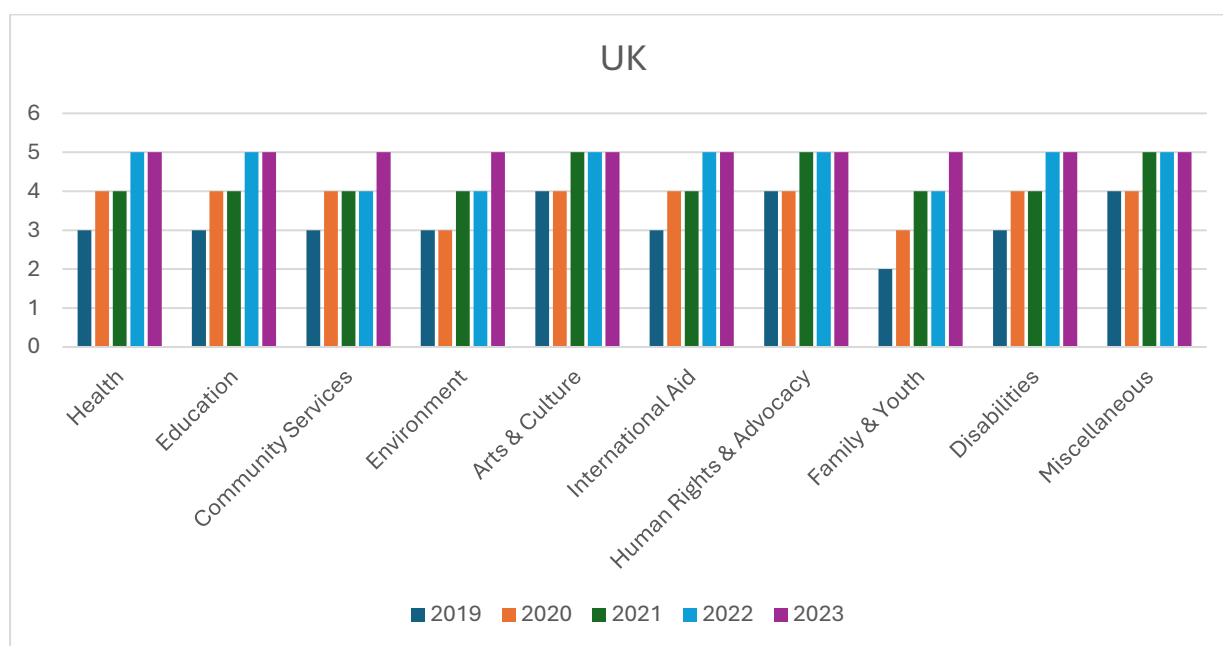
The human rights & advocacy and miscellaneous sectors consistently performed at high levels, reaching Level 5 maturity by 2021. These organisations routinely disclosed strategic objectives, policy impact, and stakeholder outcomes, often supported by external assurance or trustee commentary. Similarly, the arts and culture and health sectors demonstrated sustained improvements in impact communication, using programmatic case studies, digital engagement metrics, and audience reach indicators.

The education and disabilities sectors also reached Level 5 by 2022, supported by structured performance frameworks and outcome chains, often tied to funding requirements and SORP guidance. Even the environmental and faith-based and relief sectors (traditionally more variable in reporting sophistication) reached high maturity (Level 5) by 2023, benefiting from increased attention to sustainability, social value, and community impact.

The family & youth sector progressed from Level 3 in 2019 to Level 5 by 2022. This improvement reflects expanded use of child-focused KPIs, safeguarding frameworks, and youth engagement metrics, frequently integrated with broader organisational strategy.

Overall, the UK demonstrates a high and consistent level of performance reporting maturity across sectors. The mandatory and prescriptive nature of the Charity SORP has contributed to this consistency, embedding outcome and impact disclosures into standard reporting practice. This regulatory model offers a benchmark for other jurisdictions considering formalisation of performance reporting standards.

Figure 6. Performance Reporting Maturity by Sector, United Kingdom (2019–2023)



5.4.2.4 Canada

Figure 7 depicts the maturity of performance reporting across eight Canadian NFP sectors between 2019 and 2023. While Canada lacks a mandatory national performance reporting framework comparable to the UK's Charity SORP or New Zealand's Statement of Service Performance, the data reveal a strong upward trend in reporting quality, particularly among sectors with international affiliations or government funding obligations.

By 2023, all sectors reached Level 5 maturity, indicating integrated, outcome-focused disclosures with clear alignment to mission and strategy. This shift reflects growing expectations around transparency and effectiveness, influenced in part by federal grant requirements and the work of sector-wide initiatives such as [Imagine Canada Standards](#) and [the Muttart Foundation](#).

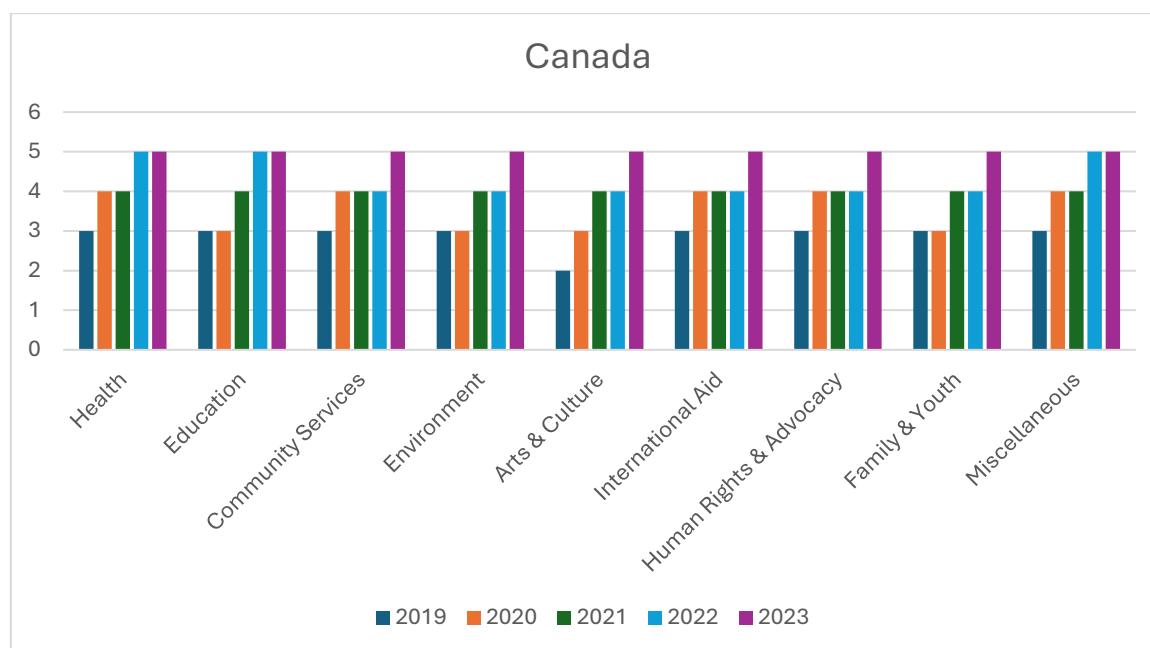
The health, family & youth, education, and miscellaneous sectors demonstrated consistent growth, improving from Levels 3 or 4 in 2019 to Level 5 by 2022-2023. For instance, health-related organisations increasingly employed patient outcome data, public health metrics, and program evaluation narratives to communicate service impact. Family and youth organisations incorporated developmental benchmarks and wellbeing indicators aligned with provincial frameworks.

The human rights & advocacy and arts & cultural sectors advanced significantly, with many organisations moving from Level 2 or 3 in 2019 to Level 5 maturity by 2023. This transition was characterised by the inclusion of stakeholder voice, narrative case studies, and structured metrics to capture advocacy influence or cultural participation.

Community services and international aid organisations also showed marked improvement. Starting at lower maturity levels (Level 3), these sectors adopted more strategic and outcomes-based reporting approaches by 2023. Reporting practices included qualitative stories of inclusion and resilience, as well as quantitative indicators related to community outreach, accessibility, and volunteer impact.

The figure suggests that while Canada's NFP sector achieved parity in performance reporting maturity with other advanced jurisdictions by 2023, it did so without a mandatory or centralised regulatory framework. Instead, progress was driven by voluntary standards, donor expectations, and sector-led capacity-building initiatives. This underscores the potential of soft regulatory tools and sector leadership in fostering mature reporting practices.

Figure 7. Performance Reporting Maturity by Sector, Canada (2019–2023)



5.4.2.5 United States

Figure 8 shows the progression of performance reporting maturity across eight sectors in the United States NFP landscape from 2019 to 2023. While the US operates without a nationally mandated performance reporting framework, the sector has long been influenced by philanthropic standards (e.g., [GuideStar/Candid](#), [Better Business Bureau Wise Giving Alliance](#)) and funder expectations, which have driven sustained improvements in outcome reporting, particularly among large and well-resourced organisations.

All sectors reached Level 5 maturity by 2023, indicating widespread adoption of impact-oriented reporting, strategic alignment, and integration of quantitative and narrative performance information.

Sectors such as health, education, and human rights & advocacy began at Level 3 in 2019 and steadily improved to Level 5 over the period. These gains reflect the influence of outcome-based funding models, program logic frameworks, and public demand for transparency in mission-driven activities. For example, education-focused organisations reported learning outcomes, access equity metrics, and longitudinal impact studies by 2022–2023.

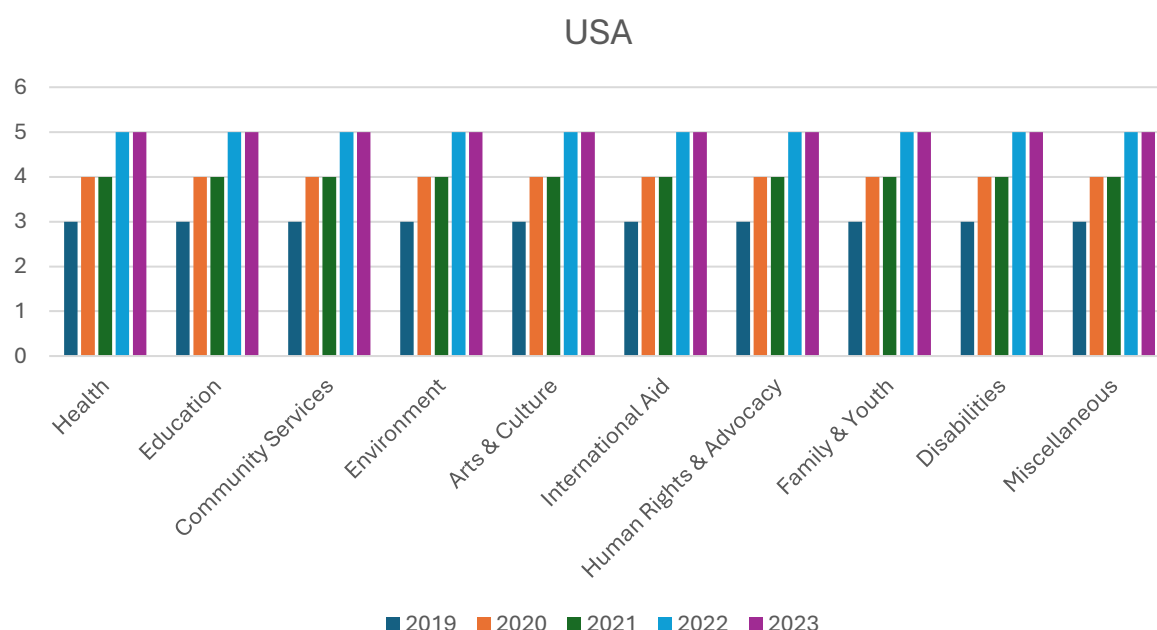
The environmental and family & youth sectors followed similar trajectories. These organisations increasingly used behavioural indicators (e.g., environmental stewardship, early childhood wellbeing) alongside stakeholder narratives to frame program results. The strong role of private foundations and community-based evaluations was evident in these sectors' progress. Reporting evolved from donation-

driven storytelling to evidence-based frameworks incorporating needs assessment, community participation, and independent evaluation.

The miscellaneous, disabilities, and international aid sectors demonstrated early maturity (Level 4 in 2019), reaching Level 5 by 2021. These organisations, often with international partnerships or federal funding, adopted impact chains, SDG alignment, and mixed-method evaluations. Their reports increasingly referenced cross-border benchmarks and employed third-party data validation where feasible.

Despite the absence of a centralised national standard, the US experience highlights the role of market mechanisms, donor pressure, and voluntary standards in shaping performance reporting. This decentralised model has fostered innovation and responsiveness but may also contribute to fragmentation and variability among smaller or under-resourced entities.

Figure 8. Performance Reporting Maturity by Sector, United States (2019–2023)



5.4.2.6 South Africa

Figure 9 illustrates performance reporting maturity across South African NFP sectors between 2019 and 2023. The data reveal measurable progress, shaped by resource constraints, donor influence, and emerging sector-led reporting initiatives rather than a national regulatory mandate.

In 2019, most sectors were operating at Level 3, indicating basic activity reporting, fragmented narratives, and limited use of outcome data. However, by 2023, all the sampled sectors had progressed to Level 4, reflecting notable improvements in structured reporting and increased emphasis on community-level outcomes.

The health sector, supported by international aid flows and public–private partnerships, demonstrated the most significant gains. By 2023, organisations in this sector routinely reported on outcome indicators such

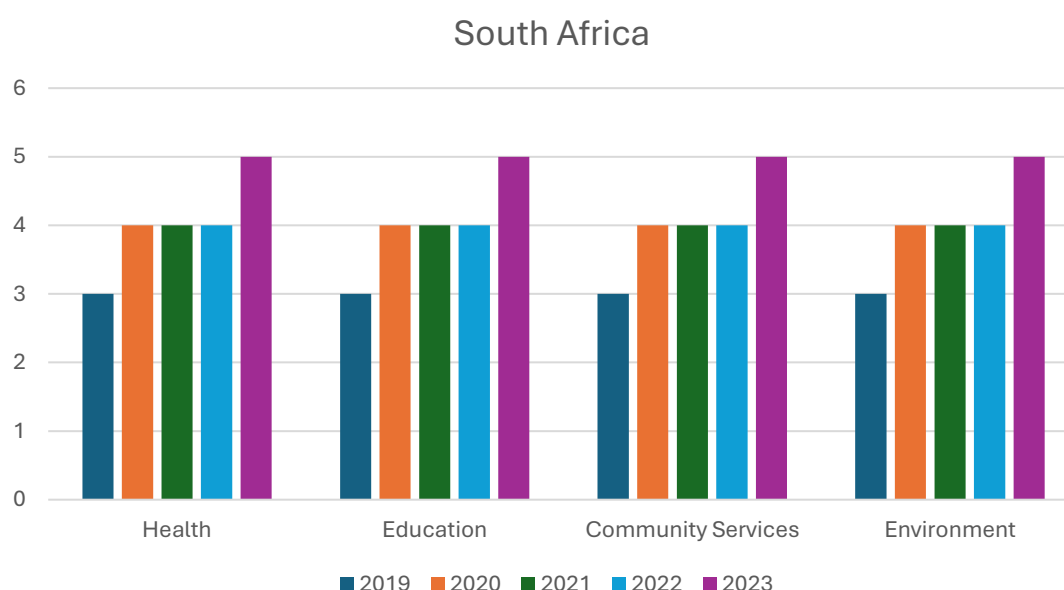
as patient access, health education reach, and recovery metrics. These developments moved the sector from Level 3 in 2019 to Level 4 in 2023.

Education-focused NFPs also advanced from Level 3 to Level 4 over the five years as well, increasingly aligning with literacy benchmarks, school readiness data, and youth development indicators. Many of these organisations leveraged partnerships with provincial governments or NGOs to improve reporting capacity.

The community services organisations showed consistent improvement as well, particularly in organisations affiliated with international networks. These bodies integrated food security outcomes, social resilience narratives, and basic needs assessments into their reporting frameworks by 2023.

South Africa’s trajectory reflects an emerging awareness of the importance of performance accountability in the NFP sector. Although no national framework mandates service performance reporting, several umbrella bodies and funders have introduced voluntary guidelines and encouraged the use of logic models⁴ and theory-of-change⁵ frameworks. These developments have seeded gradual improvement and fostered reporting alignment across donor-funded programs.

Figure 9. Performance Reporting Maturity by Sector, South Africa (2019–2023)



⁴ Logic models offer a structured, plausible representation of how a program is expected to work under specific conditions, linking resources, activities, outputs, and short- to long-term outcomes, while accounting for external influences.

⁵ Theory-of-change frameworks articulate a program’s underlying logic by identifying long-term goals and mapping backward to outline the preconditions, outcomes, and interventions required to achieve them. These are often visualised as causal pathways linking activities to intended change.

6. Discussion, Conclusion and Recommendations

This section integrates findings from surveys, stakeholder focus groups, annual report analysis (which included a cross-jurisdictional review) that were reported in earlier sections of this report. The integrated findings could help assess the viability of introducing a national framework for performance-related reporting in the Australian NFP sector. The discussion is structured around four core considerations: sectoral suitability, assurance feasibility, international lessons, and emerging best practices. These insights are intended to inform the development of a future reporting pronouncement that is proportionate, credible, and responsive to the diversity of the sector.

6.1 Suitability of a National Framework

Stakeholders across the Australian NFP landscape expressed strong support for enhanced performance-related reporting, particularly as a mechanism for strengthening accountability, transparency, and mission alignment. This aligns with the literature, which highlights the importance of performance disclosures in enhancing public trust and enabling stakeholder engagement (Connolly & Hyndman, 2013).

However, a recurring concern was the need for a framework that accommodates sectoral variations in reporting maturity, resourcing, and data capabilities. Larger, multiservice and government-affiliated NFPs typically displayed greater reporting sophistication, supported by robust internal systems and dedicated capacity, an observation consistent with the findings of Chaidali et al. (2022a), who noted similar patterns in New Zealand and the UK.

Conversely, smaller organisations (especially in the Disabilities and Family & Youth sectors) faced significant constraints, including limited reporting expertise and underdeveloped data systems. Research confirms that the imposition of uniform standards risks exacerbating disparities in the sector (Morgan & Fletcher, 2013; McConville & Cordery, 2018). Stakeholders in this study echoed these concerns, cautioning against overly prescriptive or technical models.

A scalable, principles-based approach, integrated into existing structures such as grant acquittals and the Annual Information Statement, was widely endorsed as the most feasible pathway. This reflects international calls for frameworks that are both adaptable and mission-oriented, enabling reporting to serve the organisation's purpose rather than compliance alone.

6.2 Assurance Feasibility and Credibility

The question of assurance proved one of the most complex and contested in the study. While the credibility of performance information was seen as essential, there was broad consensus that traditional audit models are poorly suited to the qualitative, narrative, and outcome-focused nature of such reporting. While larger charities may seek assurance to enhance the credibility of their disclosures, this need not take the form of a conventional audit. Alternative verification pathways, such as internal audit, funder validation, and adaptations from public sector assurance practices, can support transparency and accountability without compromising the contextual integrity of service performance information.

Research suggests that assurance of nonfinancial information is most effective when it is purpose-driven and adapted to the context and users of the information. Rather than relying solely on traditional audit models, alternative assurance approaches can enhance both the perceived trustworthiness of disclosures and the reliability of the underlying systems that produce them (Ballou et al., 2018). High-capacity NFPs often rely on board oversight, funder scrutiny, and internal validation, mechanisms that reflect a stakeholder-driven approach to accountability. As Cordery and Sim (2017) observe, compliance in the NFP sector is frequently shaped by dominant stakeholders and discharged through activity-based engagement rather than formal reporting. For smaller organisations, formal assurance was often viewed as burdensome and poorly aligned with these more flexible practices.

The New Zealand experience offers further insights. While the SSP is generally well-regarded, mandatory assurance has raised concerns about compliance-reporting. Xu and Yang (2023) found that many small charities treated assurance as a formality, with reports meeting minimum requirements but lacking narrative depth. Rather than enhancing trust, the process often reinforced a box-ticking mindset, highlighting the risk of over-engineering assurance in contexts where expectations and practices are still evolving.

In the Australian context, a more effective strategy may involve supporting alternative forms of credibility (such as peer review, community feedback, and board-level validation) coupled with investment in sector capability. This position aligns with the literature advocating for “credible, but non-mandatory” assurance pathways.

6.3 Lessons from International Jurisdictions

A comparative review of six countries (Australia, New Zealand, the United Kingdom, Canada, the United States, and South Africa) reveals that the success of performance-related reporting frameworks depends heavily on implementation context, sector capacity, and regulatory design.

New Zealand, through its mandatory but principles-based framework for Tier 3 and 4 charities, achieved notable improvements in reporting maturity by 2022 (Cordery et al., 2019). The flexibility built into the regime enabled smaller organisations to engage with outcome-focused reporting in a meaningful way.

The UK’s Charities SORP embedded performance reporting into standard governance practices by 2023, though it has faced criticism for its complexity and administrative demands (Morgan & Fletcher, 2013; McConville & Cordery, 2018). Canada and the United States, lacking national mandates, demonstrated patchier uptake: strong among larger, funder-supported NFPs, but leaving smaller organisations underserved (Ebrahim & Rangan, 2014).

South Africa, in contrast, exhibited a fragmented landscape, with progress largely confined to well-funded or donor-influenced subsectors. Australia fell between these models, with some sectors (particularly health, advocacy, and government-linked bodies) showing advanced practice, while others remained underdeveloped.

These findings reinforce three consistent lessons in the literature: (1) mandatory regimes can drive consistency but must offer flexibility; (2) voluntary systems often only benefit high-capacity actors; and

(3) hybrid, phased approaches provide the most inclusive and sustainable model (Chaidali et al., 2022a; Hall et al., 2022).

6.4 Identifying and Supporting Best Practice

Despite the absence of a national reporting standard, many Australian NFPs already demonstrate strong practice in performance-related reporting. Narrative-rich content embedded in CEO reports, board statements, and grant acquittals reflects a high degree of mission alignment and user relevance. This aligns with findings from Connolly and Hyndman (2013) and McConville and Cordery (2018), who emphasise that user-focused, narrative disclosures are often more effective than standardised templates in communicating impact and fostering stakeholder trust.

Donors in particular preferred disclosures that clearly articulated the “why” behind activities, explained strategic trade-offs, and linked financial inputs to community outcomes. These preferences reflect a broader shift towards outcome-focused and user-relevant reporting, as observed in NFP reporting literature (McConville & Cordery, 2018; Cordery et al., 2019).

The analysis of 102 annual reports confirmed that sectors such as arts, education, and advocacy are leading practice. However, gaps remain, particularly in the strategic framing of disclosures and the integration of financial and performance narratives. This supports prior findings that narrative reporting is most effective when embedded within a coherent, strategically aligned framework (Connolly & Hyndman, 2013).

Future reporting guidance should build on these strengths by offering structured templates, real-world examples, and integration pathways. As emphasised by Cordery and Sim (2018), capacity building (through training, exemplars, and knowledge exchange) is vital for mainstreaming good practice across a structurally diverse sector. Stakeholders strongly supported a tiered model of expectations to balance proportionality with progress.

6.5 Conclusion

This study confirms both the appetite for and complexity of introducing a national framework for performance-related reporting in the Australian NFP sector. While stakeholders support greater transparency and accountability, successful implementation will depend on flexibility, proportionality, and responsiveness to sector diversity.

Evidence from practice and international experience suggests that a prescriptive or audit-aligned model would be counterproductive. Instead, a phased, principles-based approach, co-designed with the sector and supported by practical guidance and capacity-building, offers the most viable path forward. Such a model would help embed credible, mission-aligned reporting while minimising burden and fostering trust across the sector.

6.6 Recommendations

To support the development of a national framework for performance-related reporting in the Australian NFP sector, the following four recommendations are proposed:

1. **Adopt a scalable, principles-based framework**

Introduce a flexible reporting model grounded in core principles and adaptable to organisational size, mission, and reporting maturity. This approach should accommodate diverse sector contexts while supporting consistency in purpose-driven disclosures.

2. **Implement a phased and tiered rollout**

Apply a staged implementation strategy with tiered expectations based on factors such as revenue, regulatory status, or funding arrangements. This will ensure proportionality and allow organisations to build capability over time.

3. **Avoid early mandatory assurance and promote credibility alternatives**

Do not mandate formal assurance of performance information in early phases. Instead, require credibility through mechanisms such as board oversight, peer comparison, and funder review, with optional pathways for voluntary assurance.

4. **Invest in sector capability and practical support**

Provide targeted support through guidance materials, exemplars, and training. Align reporting expectations with existing obligations to minimise duplication and enable meaningful integration into governance and strategic processes.

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Appendices

Appendix 1 – Summary Literature Review Tables

Table A1.1. Summary of International Approaches to Service Performance Reporting

<i>Jurisdiction</i>	<i>Approach Type</i>	<i>Key Features</i>	<i>Strengths</i>	<i>Challenges</i>	<i>Key References</i>
<i>New Zealand</i>	Principles-based, mandatory for Tier 3 and 4 charities	Statement of Service Performance (SSP); tailored narrative reporting	Improved outcome awareness; strategic reflection; flexibility	Output–outcome confusion; assurance issues; inconsistent presentation	Hooks & Stent (2020); Xu & Yang (2023); Cordery et al. (2019); Connolly & Hyndman (2013); Mack et al. (2017)
<i>United Kingdom</i>	Prescriptive with narrative flexibility	Charity SORP; governance-led compliance	Enhanced transparency; comparability across charities	Variable trustee engagement; risk of superficial compliance	McConville & Cordery (2018); Morgan & Fletcher (2013); Cordery & Deguchi (2018)
<i>United States</i>	Market-based, voluntary	Reliance on charity watchdogs (e.g., Charity Navigator); financial ratios dominate	Emphasis on financial accountability; third-party verification	Limited non-financial disclosure; underemphasis on outcomes	McConville & Cordery (2018)
<i>Spain</i>	Integrated reporting model	Combined financial and non-financial disclosures	Improved transparency; strategic alignment	Resource-dependence; need for standardisation	Brusca Alijarde et al. (2022)
<i>Australia</i>	Emerging; no mandated framework yet	Calls for proportional, tiered approach informed by international lessons	Potential for scalability; emphasis on flexibility and relevance	Avoiding excessive burden; balancing comparability and diversity	Wen et al. (2025); Handley (2025); Cordery & Sim (2018);

Table A1.2. Summary of Current Service Performance Reporting Practices in Australia

Issue	Observation	Implication	Key References
<i>Fragmentation</i>	Reporting shaped by contracts and funders, not strategic alignment	Inhibits comparability and sector-wide coherence	Saj (2012); Chu & Luke (2023)
<i>Limited Outcome Reporting</i>	Focus on inputs and activities, minimal outcome or impact data	Limits user understanding of value creation	Chu & Luke (2023); Gilchrist & Simnett (2023)
<i>Capability Gaps</i>	Smaller NFPs lack tools and systems to report performance	Reinforces reporting inequality and compliance burden	Gilchrist (2020); Wen et al. (2025)
<i>Disconnect Between Financial and Performance Information</i>	Financial statements poorly reflect mission fulfilment or public benefit	Reduces transparency and relevance	Cummings et al. (2010); Gilchrist & Simnett (2023)
<i>Need for Proportionality</i>	One-size-fits-all approach unsuitable for a diverse sector	Supports call for tiered, scalable reporting framework	Wen et al. (2025); Gilchrist et al. (2025)

Table A1.3. Summary of Assurance Challenges and Alternatives

<i>Issue</i>	<i>Observation</i>	<i>Implication</i>	<i>Key References</i>
<i>Misalignment with Audit Frameworks</i>	Traditional audit models prioritise standardisation and objectivity, but are not well-suited to qualitative, narrative-based reporting.	Undermines the credibility and feasibility of traditional assurance for performance disclosures.	Connolly & Hyndman (2013); Mack et al. (2017)
<i>Ambiguity in Metrics</i>	Auditors often apply discretion due to vague or subjective indicators in service performance reports.	Reduces assurance rigour and creates inconsistency across entities.	Xu & Yang (2023); Yang & Simnett (2023)
<i>Internal vs. External Assurance</i>	Many NFPs rely on internal governance mechanisms (e.g., board review) due to cost and capacity constraints.	Limits sector-wide assurance uptake and the independence of performance claims.	
<i>Epistemic Tensions</i>	Conflicting views exist on what constitutes valid evidence for impact, particularly across disciplines.	Undermines the applicability of standard audit techniques.	Handley (2025)
<i>Demand for Scalable Alternatives</i>	Stakeholders prefer flexible mechanisms such as board attestations, peer review, and transparency statements.	Enhances trust without imposing audit burdens, especially for smaller entities.	Auditor-General Report (2024–25); Chaidali et al. (2022a)
<i>One-Size-Fits-All Concerns</i>	Uniform assurance models may suppress innovation or relevance in mission-driven reporting.	Supports the case for tiered, proportional assurance frameworks.	Handley (2025); Auditor-General Report (2024–25)

Table A1.4. Summary of Best Practices in Service Performance Reporting

Best Practice	Description	Benefits	Key References
Narrative and Financial Integration	Linking service performance with financial data	Enhances legitimacy, decision-making, and transparency	Cordery & Sim (2018); Brusca Alijarde et al. (2022)
Mission Alignment	Disclosures tailored to strategic objectives and purpose	Increases relevance and stakeholder engagement	Connolly & Hyndman (2013); Gilchrist (2020)
Stakeholder Engagement	User-focused reporting via accessible channels	Builds trust and improves usefulness	Adams et al. (2014); Palmer (2013); Yang & Northcott (2019)
Perceived Transparency	Transparency as a trust signal for donors	Influences donor confidence and giving behaviour	Ghoorah et al. (2025)
Layered Reporting	High-level summaries with optional detail	Improves usability and reduces reporting burden	Handley (2025); Wen et al. (2025)
Proportional and Tiered Frameworks	Core disclosures with scalable additions	Supports comparability while respecting capacity differences	Wen et al. (2025); Hooks & Stent (2020)
Co-produced Performance Metrics	Culturally appropriate, user-informed indicators	Increases accuracy, inclusivity, and engagement	Gilchrist (2020)
Participatory Governance	Involvement of sector in standard-setting	Improves credibility, compliance, and sector buy-in	McConville & Cordery (2018); Chaidali et al. (2025)
Internal Governance Review	Use of board or internal processes for review	Enhances internal accountability	Gilchrist (2020)

Appendix 2 - Research Method

This section outlines the multi-method research design employed to inform any potential future pronouncement of service performance reporting in the Australian NFP sector. The study adopted a triangulated approach comprising a content analysis of annual reports (which included a cross-jurisdictional review), a stakeholder survey, and a series of structured focus groups. This design enabled the integration of document-based and stakeholder-driven data to support a comprehensive and evidence-informed assessment. The research focused on four key considerations: lessons learned from other jurisdictions, identification of best practices, assurance feasibility, and the suitability of introducing a national reporting framework in the Australian context.

Annual Reports

Sample

A comprehensive sample population of NFPs is not readily available in a single database (or even across a few databases) for Australia⁶ or the other countries⁷ explored in this study. To generate an initial list of NFPs, a generative AI tool (ChatGPT 4) was employed. The tool was prompted to provide a list of 200 NFPs for Australia and 100 NFPs for each of five additional countries (New Zealand, UK, Canada, US, and South Africa). The specific commands used were: “Give me a list of 200 private not-for-profit organisations in Australia” and “Give me a list of 100 private not-for-profit organisations from [Country context].” The generated lists categorised organisations into approximately ten distinct sectors (see Appendix 3 for the full list).

For the Australian dataset, a subset of 100 organisations was extracted from the initial list, and a sample of ten organisations was randomly selected for further validation to assess the reliability of the AI-generated data. This validation process included:

1. Identifying and removing any duplicate from the list.
2. Conducting a Google search for each organisation to confirm its existence and operational status.
3. Reviewing the organisation’s website to gather information about its activities.
4. Checking the availability of annual and financial statements to assess transparency and legitimacy.

⁶ An initial Google search was conducted using various combinations of keywords, such as “Australian NFPs,” “list of not-for-profit organisations in Australia,” and “most common not-for-profit organisations.” However, these searches yielded fewer than 20 relevant names. Additional databases were also explored, including the list of accredited NGOs with the Australian Department, NGO Base, and Human Rights Careers websites, but none provided a comprehensive list of NFPs suitable for the study. The Australian Charities and Not-for-Profits Commission (ACNC) website was initially excluded to avoid limiting the sample to charitable organisations, ensuring the study encompassed a broader range of NFPs.

⁷ For each of the other countries (New Zealand, UK, Canada, US, and South Africa), a Google search for a list of NFPs was conducted, but no single database or comprehensive list of NFPs was found. As with the Australian context, the charity regulators’ websites in each of these countries were excluded to avoid restricting the sample to charitable entities only.

These steps confirmed the reliability of the generative AI output.

To ensure the legitimacy of the broader sample of 640 organisations (200 from Australia and 400 across the other countries, except for South Africa⁸), a quality control framework was implemented. In addition to the four validation steps outlined above), a fourth step was included: for those organisations that did not have any available annual or financial report, their registration with their respective country regulatory body⁹ was verified and lodgement as well as availability of their annual and financial report(s) with the regulator was checked (see

⁸ The South African sample was eventually restricted to 40 organisations primarily due to issues faced during the sampling phase, and these include (i) non-availability of proper websites, (ii) annual reports not being publicly available and, in many instances, available annual reports dated pre-2019, (iii) websites and reports being exclusively in the local native language.

⁹ The country-specific regulators that were considered are: Australia - Australian Charities and not-for-profits Commission; New Zealand - Charities Services, which operates under the Department of Internal Affairs (DIA); UK - The Charity Commission; Canada - Corporations Canada; US - no specific regulator to refer to given NFPs are tracked through the Internal Revenue Service (IRS) and lodge Form 990 rather than annual reports/financial statements as such; and finally, South Africa - the Nonprofit Organisations Directorate in the Department of Social Development (DSD).

Table A2.2). A sample of 518 organisations, across the six different countries, was refined. For each of these organisations, five-year annual reports (and financial statements) covering the financial years 2018/2019 to 2022/2023 were explored. The 2023/2024 reports could not be considered as the majority of the sampled organisations had not published these reports at the time of data collection (i.e., the last quarter of 2024). During this phase, it was observed that some of the 518 organisations either published only one report (annual or financial) or did not publish any reports (see Table A2.3). As a result, these organisations were excluded from the sample. To ensure a more robust trend analysis, a five-year period was considered instead of a three-year period, based on the availability of reports. Following these processes, the final sample comprised 309 organisations (for the full list, see Appendix 4) and a total of 1545¹⁰ reports.

¹⁰ This count considers both annual and financial reports as one, even though in a number of instances these reports were published as two separate documents.

Table A2.1. Initial Sample Excluding Duplicates

Country	Initial sample size	Number of organisations that appear more than once on the generated list	Sample size (excluding any duplicate)
Australia	200	2	198
New Zealand	100	0	100
United Kingdom	100	1	99
Canada	100	0	100
United States of America	100	1	99
South Africa	40	0	40

Table A2.2. Sample Excluding Organisations with Missing Reports

Country	Sample size (excluding any duplicate)	Non-availability of annual and financial reports				Total organisations with no publicly available annual and financial report	Refined sample
		Organisation has a webpage and is		Organisation has a webpage and is			
		Registered with a regulator	Not registered with a regulator	Registered with a regulator	Not registered with a regulator		
Australia	198	2	13	2	16	33	165
New Zealand	100	9	9	1	8	27	73
United Kingdom	99	0	2	0	3	5	94
Canada	100	11	11	3	5	30	70
United States of America	99	N/A	9	N/A	1	10	89
South Africa	40	0	12	1	0	13	27
Total							518

Table A2.3. Finalised Sample

Country	Both reports available for five-year period	Five-year period ¹		Three-year period		No annual report available	No financial report available
		Annual reports only	Financial reports only	Annual reports only	Financial reports only		
Australia	102	107	137	29	17	58	25
New Zealand	43	43	44	12	12	29	28
United Kingdom	62	62	62	22	19	32	30
Canada	51	53	57	4	4	17	40
United States of America	33	41	47	20	13	48	42
South Africa	18	18	19	5	4	9	8
Total	309	324	366	92	69	193	173

Note:

1. The five-year period reports do not include the three-year period reports. They are both separate and exclusive from each other.

Performance Reporting Maturity Levels

This study applied a five-level maturity framework to assess the quality of performance reporting across the sampled Australian and international not-for-profit (NFP) organisations. The framework, summarised in Table A2.4, ranges from basic activity-based disclosures (Level 1) to integrated, impact-oriented reporting aligned with strategy and external benchmarks (Level 5). This staged approach draws conceptually on capability maturity models commonly used in quality management, including Scanlan's (2018) application of a capability maturity framework in the context of knowledge transfer.

Each annual report (2019–2023) was systematically reviewed and classified according to defined criteria, including the use of outcomes and key performance indicators (KPIs), alignment with strategic objectives, integration with financial information, governance oversight, and the adoption of external frameworks. As in Scanlan's model, the stepwise framework facilitates assessment of both the current state and opportunities for advancement along a maturity continuum, with quality improvement arising through comparison across levels.

This method enabled the identification of sectoral and organisational trajectories over time, providing a structured basis for cross-sector and cross-country comparisons of reporting maturity. The maturity assessment supported broader evaluation of readiness, reporting burden, and the potential scalability of structured performance disclosure in the NFP sector.

Table A2.4. Performance Reporting Maturity Levels Explained

Level	Description	Typical features
Level 1 – Basic	Minimal or no performance reporting	- Little to no discussion of organisational outcomes or goals
		- Focus on activities or inputs (e.g., number of events held, funds raised)
		- No linkage to strategy or objectives
		- Disclosures are mostly anecdotal or generic
Level 2 – Emerging	Basic output reporting, limited structure	- Outputs (e.g., number of people served) are disclosed but not linked to outcomes
		- Limited use of KPIs or structured frameworks
		- Strategic goals may be stated separately from performance results
		- Minimal integration with financial information
Level 3 – Developing	Regular reporting with some outcome focus	- Performance is tracked against stated goals or objectives
		- Use of simple KPIs or project metrics
		- Some narrative discussion of results or lessons learned
		- Beginning to link outcomes with strategy and budgets
		- Governance mechanisms (e.g., internal review) emerging

Level	Description	Typical features
Level 4 – Advanced	Structured, outcomes-oriented reporting	- Clear alignment between strategic objectives, KPIs, and reported results
		- Use of both quantitative and qualitative data
		- Performance reviewed by the board or senior management
		- Integration with financial disclosures and dashboards
		- Some adoption of external frameworks or guidance
Level 5 – Leading practice	Integrated, strategic and externally aligned reporting	- Outcomes and impact measured across multiple dimensions (e.g., social, economic, health)
		- Strong linkages between programs, budgets, and strategic impact
		- Use of theory of change or effectiveness frameworks
		- Regular external validation or evaluation
		- Adoption of international benchmarks or sector standards
		- Transparent, user-oriented presentation (e.g., layering, visualisation)

Table is author's own.

Textual Analysis of Annual Reports

This study used a qualitative content analysis approach to examine how service performance reporting is communicated by organisations. For the purposes of this analysis, service performance reporting was defined broadly to include references to outputs, efficiency, current objectives, organisational goals, outcomes, impact, the delivery of goods or services, and the positive difference made toward achieving the organisation's mission.

An AI-assisted method was employed using Notebook LM, a generative artificial intelligence tool, to support the identification of relevant content. The following prompt guided the analysis:

"Conduct a content analysis of the attached for information about service performance reporting. Service performance reporting can include measures of output, efficiency, current objectives, organisational goals, outcomes, impact, information relating to the delivery of goods or services and the positive impact, and how the organisation achieves its objectives."

Initially, Leximancer was also trialled to detect emergent themes and conceptual relationships across the dataset. This tool had previously been used extensively and successfully in a separate research project by the authors. However, in this study, Leximancer did not yield meaningful or distinct categories aligned with the analytical focus on service performance reporting. Its outputs were diffuse, overly broad, and lacked relevance to the defined indicators. As a result, Leximancer was excluded from further analysis. Notebook LM produced six initial themes, which were refined through manual analysis to ensure accuracy and interpretive depth. These themes are summarised in Table A2.5: Theme

Identification and further elaborated in Table A2.6: Theme Allocation. The identified themes include: (1) Performance Measurement, focusing on key performance indicators and financial targets; (2) Strategic Planning, highlighting the alignment of reporting with organisational missions and long-term goals; (3) Outcomes and Impact, focusing on the long-term results of activities beyond immediate outputs; (4) Reporting and Frameworks, relating to the use of structured reporting models and efficiency metrics; (5) Accountability and Transparency, reflecting the importance of stakeholder engagement and responsible reporting; and (6) Continuous Improvement, addressing the ongoing evaluation and enhancement of performance and quality.

To validate these AI-generated themes, a purposive sample of 50 organisations was reviewed manually. This involved cross-checking summaries generated by Notebook LM with original source content to assess consistency, accuracy, and conceptual alignment. The manual review confirmed the internal coherence and reliability of the AI-driven classifications.

The combined use of AI-assisted analysis and manual verification allowed for a scalable yet rigorous examination of how service performance is reported. The decision to reject Leximancer in favour of a more responsive generative AI tool reflects a commitment to both analytical rigour and methodological adaptability. The structured theme tables support transparency in the analysis process and provide a foundation for subsequent interpretation and comparative assessment.

Table A2.5. Stage 1 of Theme Identification

Theme	Keywords and Interpretations
Theme 1: Performance Measurement	Keywords: performance, indicators, key, financial, targets, measures, information Interpretation: Emphasis on tracking and reporting key performance indicators and financial targets to assess effectiveness.
Theme 2: Strategic Planning and Objectives	Keywords: objectives, goals, strategic, organisational, stated, plans, strategy Interpretation: Focus on linking performance to strategic goals, organisational missions, and long-term plans.
Theme 3: Outcomes and Impact	Keywords: impact, outcomes, measurement, emphasis, specific, outputs, measuring Interpretation: A clear interest in evaluating the outcomes and broader impact of programs, beyond just outputs.
Theme 4: Reporting and Frameworks	Keywords: reporting, frameworks, financial, standards, efficiency, stakeholder, indicator Interpretation: Structured reporting processes, often involving standardised frameworks and efficiency measures.
Theme 5: Accountability and Transparency	Keywords: transparency, accountability, stakeholders, financial, accountability, stakeholder, information Interpretation: Highlighting the importance of transparent communication and accountability to stakeholders.
Theme 6: Continuous Improvement	Keywords: improvement, continuous, quality, commitment, evaluation, focus, improvements Interpretation: Commitment to ongoing learning, evaluation, and enhancement of services or processes.

Table A2.6. Stage 2: Theme Allocation

<i>Theme</i>	<i>Description</i>	<i>Key Terms</i>
1. Performance Measurement	Emphasis on tracking key metrics and financial targets to assess effectiveness.	Performance, indicators, key, financial, targets, measures, information
2. Strategic Planning	Alignment of reporting with organisational missions and strategic objectives.	Objectives, goals, strategic, organisational, stated, plans, strategy
3. Outcomes and Impact	Focus on results and long-term effects of activities, not just outputs.	Impact, outcomes, measurement, emphasis, outputs, specific, measuring
4. Reporting and Frameworks	Use of standard reporting models and stakeholder-focused efficiency metrics.	Reporting, frameworks, financial, standards, efficiency, stakeholder, indicator
5. Accountability & Transparency	Commitment to openness, responsible reporting, and engaging stakeholders.	Transparency, accountability, stakeholders, financial, information
6. Continuous Improvement	Highlighting efforts for quality enhancement and ongoing evaluation.	Improvement, continuous, quality, commitment, evaluation, focus

Surveys

An invitation email was distributed to over 800 professionals across Australia, targeting stakeholders from the public sector, NFPs, and accounting firms. The email included a brief 2–3-minute online survey, administered via Microsoft Forms, which collected contact details from interested individuals. The survey employed branching logic to tailor questions to each stakeholder group, ensuring relevance and efficiency in data collection.

To expand the recruitment pool, the CI and two members of the research team also shared the survey link and study information on LinkedIn. Additional contacts were provided by two researchers - one of whom contributed New Zealand-based professionals. Furthermore, three participants shared the invitation with their colleagues, further extending outreach through peer referral.

The survey included an option for respondents to express interest in participating in a focus group.

Focus Groups

Ethics approval for this study was obtained from Western Sydney University, where the Chief Investigator is based (Approval No. H16570).

Participant recruitment commenced in early May 2025. A total of 107 individuals initially agreed to participate in focus groups. Of these, 18 subsequently withdrew due to professional commitments such

as meetings, training sessions, or last-minute scheduling conflicts. An additional seven participants were unavailable due to personal leave, including three who were overseas. Five requested to reschedule, and two opted for individual interviews, citing discomfort with discussing service performance reporting in a group setting.

Three additional individuals independently contacted the CI after learning about the project and expressed a strong interest in contributing their views on SPR. Given the relevance of their perspectives, these participants were interviewed individually in the first week of June 2025.

All other focus groups were conducted throughout May 2025. Most sessions were held via Zoom, with a small number conducted via Microsoft Teams to accommodate participants without access to Zoom. All sessions were recorded with participant consent, and identical protocols were followed across both platforms. Recordings were transcribed using Microsoft Word's transcription function and manually verified by the CI. In accordance with the approved ethics protocol, all personal identifiers were removed during transcription. Only the CI retained access to identifiable data and audio recordings, which were stored securely in line with Western Sydney University's data management policies.

Each focus group began with a brief overview of the research objectives and how the study will inform standard setters, such as the Australian Accounting Standards Board (AASB), and regulators about the relevance and applicability of service performance reporting in Australia. Sessions lasted approximately 45 to 60 minutes. Participants received the focus group questions one week in advance, along with a formal calendar invitation and the Participant Information Sheet (see Appendix 8). During each session, the CI guided participants through 15 structured questions (further described in the next two sub-sections).

To minimise risk and support participant wellbeing, several safeguards were implemented. Participation was entirely voluntary, with all individuals informed of their right to withdraw at any time without consequence. The Participant Information Sheet (see Appendix 6 for a copy of the sheet) outlined potential risks, such as discomfort when discussing organisational practices. All focus groups were conducted via virtual platforms, allowing participants to join from a location of their choosing, thereby reducing logistical burden and enhancing convenience. Sessions were facilitated with sensitivity to participants' professional roles and privacy, ensuring a respectful and inclusive discussion environment.

A maximum of two focus groups were conducted per day to minimise interviewer fatigue and ensure consistency in delivery. All focus groups were scheduled and coordinated by the CI. Participants were grouped into eight stakeholder categories, as detailed in Table A2.7.

Table A2.7. Survey and Focus Group Participants by Category

Stakeholder groups	Numbers participated in focus groups	Numbers participated in survey
<i>Individual Donors</i>	12	12
<i>Philanthropists</i>	6	0
<i>Directors</i>	5	0
<i>Professional Accounting Bodies</i>	8	8
<i>Preparers</i>	27	27
<i>Auditors</i>	9	9
<i>Regulators</i>	13	9
<i>Peak Bodies</i>	5	5
<i>Media</i>	0	0
<i>Total</i>	85	70

Demographic Information

This study involved focus groups with participants from Australia and New Zealand.

Individual Donors and Philanthropists

A total of 12 individual donors participated in the survey and focus group. The following demographic and response data was collected to better understand their motivations, behaviours, and information needs related to nonprofit giving. All 12 participants reported their age group. The individual donor sample predominantly skewed older, with two-thirds (8 out of 12) of participants aged 56 and over, and only one participant under 35, as summarised in Table A2.8.

Table A2.8. Age Group of Individual Donors

Age group	Number of participants
18-25	0
26-35	1
36-45	3
46-55	0
56+	8

Participants were asked about their primary reason for supporting nonprofit organisations (including charities) and the frequency of their support. They were also asked how often they review financial information before or after providing support, how often they review service performance information, their information priorities when deciding to support, and their important sources of information about an NFP. Their responses are summarised in Figures A2.1 to A2.6 below.

Figure A2.1. Motivations for Supporting NFPs

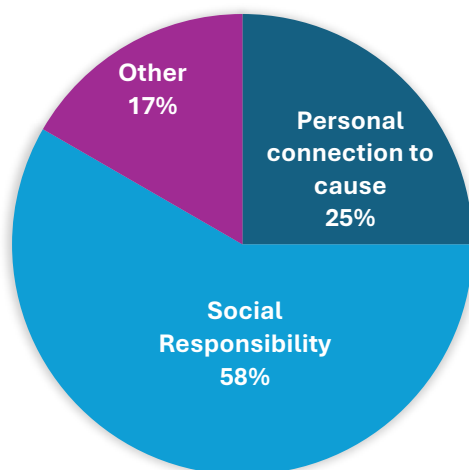


Figure A2.2. Donation Frequency

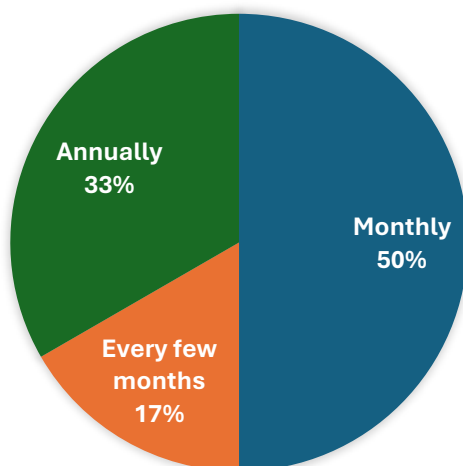


Figure A2.3. Review of Financial Information

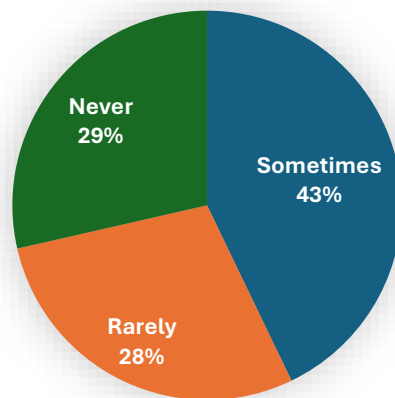


Figure A2.4. Review of Service Performance Information

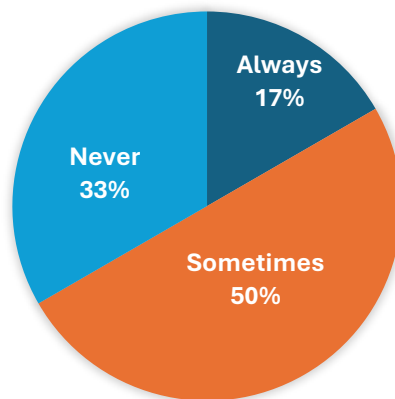


Figure A2.5. Information Priorities when Deciding to Support

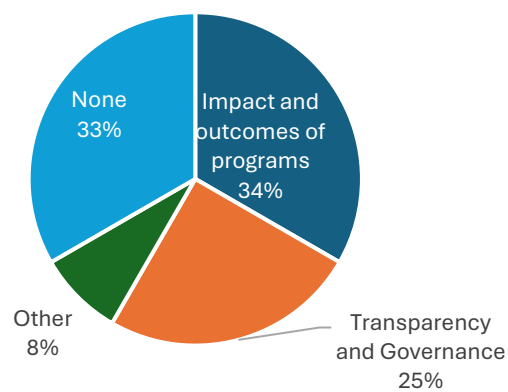
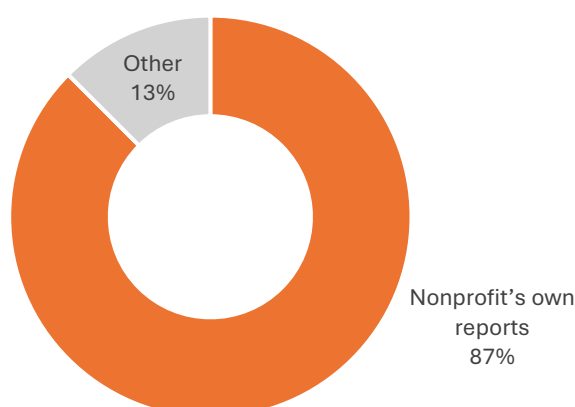


Figure A2.6. Important Sources of Information



The primary motivation for supporting nonprofit organisations was social responsibility (7 out of 12), with a smaller proportion citing personal connection to the cause (3 participants), and no one selecting tax benefits. In terms of frequency, half of the donors (6 out of 12) reported giving monthly, while others contributed either annually (4) or every few months (2), with no one donating less than once a year. Financial information was not consistently reviewed before or after giving, with only 5 participants stating they always review financial disclosures, while others either sometimes (3), rarely (2), or never (2) did so.

Service performance information was similarly variably consulted, with only 2 participants always checking it, and 4 never doing so, while the majority (6) reviewed it inconsistently. When deciding which nonprofit to support, the most important factors were impact and outcomes (4) and transparency and governance (3), while no participant prioritised financial efficiency (e.g., use of funds), and 4 selected “none”. The primary source of information for evaluating nonprofits was the nonprofit’s own reports (7), with no respondents relying on word of mouth, media, or independent ratings. This suggests a donor base that values ethical, impact-driven decisions over financial metrics or third-party evaluations.

None of the philanthropists completed the survey component of the study; however, all agreed to participate in the focus groups. Given the small number of philanthropist participants ($n = 5$), they were grouped with the individual donors focus group for the purposes of discussion. This grouping was considered appropriate, as both philanthropists and individual donors function as resource providers to NFPs, with overlapping interests in accountability, impact, and transparency.

Professional Accounting Bodies and Directors

Eight representatives of professional accounting bodies agreed to participate in the focus groups, although one had to reschedule due to unavailability at the time of the first meeting. The survey included three demographic questions: which accounting body they represented, their role within the organisation, and how long they had been involved in nonprofit reporting. The demographic information is summarised in Table 2A.9.

Table A2.9. Demographic Profile of Participants from Professional Accounting Bodies

Demographic category	Subgroup	Number of participants
Professional affiliation	CPA	5
	CAANZ	2
	Other	1
Role within organisation	Accounting	7
	Policy and Research	1
Experience in nonprofit reporting	Less than 1 year	1
	4 to 6 years	2
	More than 10 years	5

The demographic information for the Professional Accounting Bodies group reveals a diverse range of experience and roles within the sector. Of the eight participants, the majority represented either CPA (5 participants) or CAANZ (2 participants), with one participant coming from another accounting body. In terms of roles, most participants were involved in accounting (7 participants), with only one participant working in Policy and Research, suggesting a strong focus on the technical aspects of financial and performance reporting within the group.

Regarding the length of involvement in NFP reporting, the majority had significant experience, with 5 participants having been involved for more than 10 years, 2 participants with 4 to 6 years of experience, and 1 participant with less than 1 year of experience. This indicates a wealth of experience in NFP reporting, with a clear concentration of expertise among those with over 10 years of experience. This demographic profile provides a solid foundation for understanding the perspectives of accounting professionals when it comes to NFP performance and financial reporting.

None of the directors completed the survey component of the study; however, all agreed to participate in the focus groups. Given the small number of director participants ($n = 5$), they were grouped with representatives from professional accounting bodies for the purpose of discussion. This grouping was considered appropriate, as both stakeholder groups play complementary and influential roles in the preparation, oversight, and interpretation of financial and performance reporting within the NFP sector.

Preparers

A total of 27 preparers responded to the survey, and all which participated in the focus groups. The survey included seven closed-ended demographic questions and two open-ended questions. The demographic questions focused on the types of NFP organisations for which respondents prepare financial statements, their familiarity with service performance reporting (SPR), their current involvement in

preparing SPR disclosures, and the challenges they encounter in this process. A branching question explored the specific challenges faced by those currently involved in SPR preparation. The two open-ended questions asked participants:

1. *In your opinion, how do regulators wish to use service performance information?*
2. *What regulatory challenges do you anticipate in implementing service performance reporting?*

The demographic of preparers is summarised in Table A2.10.

Table A2.10. Demographic Information of Preparers of Financial Statements for NFPs

Category	Response	Number of respondents
Type of NFP prepared financial statements for	Small (Annual revenue < \$500,000)	7
	Medium (\$500,000 to <\$3 million)	6
	Large (≥ \$3 million)	14
Experience preparing financial statements for NFPs	Less than 1 year	3
	1–3 years	3
	4–6 years	6
	7–10 years	4
	More than 10 years	11
Currently involved in preparing SPR disclosures	Yes	5 (19%)
	No	8 (30%)
	Maybe	14 (52%)
Location of SPR disclosures (of those involved)	Within financial statements	0
	Separate from financial statements	4 (80%)
	Both within and separate	1 (20%)
Challenges in preparing SPR disclosures	Data collection	3 (60%)
	Integration with financial reports	1 (20%)
	Other	1 (20%)

The demographic profile of the 27 preparer respondents indicates a broad representation across NFP organisation sizes, with 26% preparing financial statements for small NFPs (annual revenue under \$500,000), 22% for medium-sized entities (between \$500,000 and \$3 million), and 44% for large organisations (over \$3 million). In terms of experience, over half of the respondents (56%) reported more than six years of experience preparing financial statements for NFP organisations, including 41% with over a decade of experience. This reflects a knowledgeable and seasoned cohort of professionals.

When asked about their current involvement in preparing service performance reporting (SPR), only 19% confirmed active involvement, while 30% were not currently involved, and 52% indicated uncertainty or indirect involvement. Among those engaged in SPR, the majority (80%) reported disclosing information separately from the financial statements, with none reporting inclusion solely within the financial statements. The most frequently cited challenge in preparing SPR disclosures was

data collection (60%), followed by integration with financial reports (20%) and other context-specific issues (20%). These findings highlight both the varying levels of SPR engagement among preparers and the practical difficulties encountered in implementing meaningful disclosures.

Auditors

Nine participants identified as auditors and took part in the focus group, but only six of them responded to the survey questions. The survey included several closed-ended demographic questions, such as: *What type of assurance services do you provide? If service performance reporting information is assured, what level of assurance should be required?* and *What factors most influence the assurance of service performance disclosures?* A summary of the demographic information is provided in Table A2.11 below.

Table A2.11. Demographic Information: Auditor Participants

Category	Response	Number of respondents
Role in assurance	External auditor	33% (2)
	Internal auditor	67% (4)
Type of assurance services	Financial audits	67% (4)
	Compliance results	33% (2)
Prior experience with SPR assurance	Yes	22% (1)
	No	78% (5)
Length of time assuring NFPs	7–10 years	1
	More than 10 Years	5
Belief that SPR should be assured	Yes	2
	No	0
	Maybe	4
Preferred level of assurance	Full audit	1
	Limited review	2
	Agreed-upon procedures	1
	Other	2
Factors influencing SPR assurance	Quality of Data	2
	Internal controls	1
	Standards or guidelines	2
	Other	1
Adaptations needed for assurance	Update assurance standards	4
	Improve auditor training	4
	Increase regulatory oversight	1

The demographic information for the auditors in this study revealed diverse roles and experience levels within the assurance sector. Of the six respondents, 33% (2) identified as external auditors, while 67% (4) were internal auditors. When it comes to the type of assurance services provided, the majority (67%) offer financial audits, while 33% provide compliance results assurance. In terms of prior experience with service performance disclosures, 25% of auditors had previous experience in assuring service performance disclosures, while 75% had not. The respondents also varied in terms of the length of time they have been assuring nonprofit organisations, with the majority having over 10 years of experience.

This demographic information highlights the varied roles, expertise, and perspectives of auditors regarding service performance reporting and its assurance.

Regulators

Thirteen regulators participated in the focus group; however, only nine engaged with the emailed survey. The survey included four closed-ended demographic questions, and the responses, summarised in Table A2.12, offer valuable insights into the participants' roles and experience within the regulatory environment.

Table A2.12. Demographic Information of Regulatory Body Representatives

Category	Response	Number of respondents
Role in regulatory body	Policy and standards development	4
	Compliance and enforcement	3
	Other	2
Length of time regulating NFPs	1–3 years	2
	4–6 years	2
	7–10 years	2
	More than 10 years	3
Type of regulatory body represented	National	4
	State/territory	3
	Local government	1
	Other	1
Level of involvement in non-financial reporting	High	4
	Moderate	4
	Low	1

The regulatory body representatives in this study bring a diverse range of expertise and experience, which is highly relevant to the research project on service performance reporting. With varying levels of involvement in both policy and standards development as well as compliance and enforcement, the participants are well-positioned to offer valuable insights into the regulatory aspects of service performance disclosures. The group includes individuals with over a decade of experience in regulating NFP organisations, ensuring that their perspectives are informed by extensive knowledge of regulatory practices. The representation of both national and state/territory regulators, along with a mix of high and moderate levels of involvement in non-financial reporting, enhances the robustness of the data, making the focus group a well-rounded and appropriate cohort for understanding the challenges and expectations in regulating service performance reporting within the NFP sector.

Peak Bodies

Five representatives from peak bodies participated in the focus groups, and all responded to the emailed survey questions. The survey for this group included five closed-ended demographic questions, such as "What role does your organisation play in nonprofit reporting and governance?" and "How long have you been working with nonprofit organisations?" The demographic information is summarised in Table A2.13.

Table A2.13. Demographic Information: Peak Body Representatives

Category	Response	Number of respondents
Peak body	ACOSS	1
	Other	4
Role in NFP reporting and governance	Advocacy	2
	Policy	1
	Governance	1
	Other	1
Experience working with NFPs	4–6 years	1
	More than 10 years	4

The peak body focus group comprised five representatives, all of whom participated in the survey. The demographic data highlights that the majority of participants have extensive experience in working with NFPs, with four of the five having more than 10 years of experience in the sector. The roles of participants varied, with two involved in advocacy, one in policy, one in governance, and one in other

functions. In terms of the organisations represented, most participants were from bodies other than ACOSS, with only one participant identifying as part of ACOSS. This group's extensive experience with nonprofit organisations provides a robust foundation for understanding the dynamics of nonprofit reporting and governance.

Development of Focus Group Questions

The development of the focus group questions followed a structured and consultative process to ensure their clarity, relevance, and alignment with the study's objectives, particularly in exploring the relevance and implications of SPR in the Australian context.

An initial draft of the interview questions was prepared by the CI and reviewed by a senior academic colleague on the research team. Feedback from this review informed the refinement of both the wording and sequencing of the questions to ensure accessibility and coherence for a diverse range of participants.

The revised draft was subsequently reviewed by colleagues at the AASB, including the Research Director. This step ensured that the questions were not only comprehensible to practitioners from different stakeholder groups but also addressed issues of direct relevance to the AASB. Questions identified as having particular regulatory importance were prioritised during the focus group sessions.

The finalised set comprised 15 questions (see Appendix 7 for a full list of the focus group questions). These were circulated to all confirmed participants one week prior to their scheduled focus group, allowing time for preparation and reflection (see Appendix 8 for a copy of the email sent to participants). During each session, the questions were presented in a consistent format, with the facilitator guiding participants through each item and encouraging open discussion.

This design approach ensured the questions met ethical, professional, and research standards, while also supporting the practical aims of the funding body in informing the development of a potential reporting framework.

Focus Group Format

To ensure a consistent and accessible understanding of the term *service performance reporting*, participants were provided with a plain-language explanation in the email survey prior to the focus group sessions. This shared framing helped establish a common foundation for discussion across diverse stakeholder groups. The explanation described performance reporting as a way for an organisation to show what it is doing and how well it is doing it, encompassing two key components: *outputs*, which refer to the specific services or programs the organisation delivers, and *outcomes*, which relate to the broader goals or impacts the organisation seeks to achieve in alignment with its mission.

Each focus group session began with an open-ended introductory question: "*What is the first thing that comes to mind when you consider service performance information?*" This question was intended to prompt initial reflections and establish a baseline understanding of the concept among participants. Following this, a structured sequence of questions was used to explore participants' perceptions, experiences, and expectations related to service performance reporting. These questions were thematically grouped into five main areas: (1) *Conceptual Understanding and Relevance*, which probed

participants’ interpretations of SPR and how outputs and outcomes relate to their performance evaluation practices; (2) *Usefulness and Stakeholder Needs*, which explored who uses service performance information and what types are considered most valuable; (3) *Challenges and Barriers*, which investigated difficulties associated with current reporting practices, particularly in relation to outputs and outcomes; (4) *Expectations and Improvements*, which encouraged participants to articulate what high-quality SPR would look like and suggest enhancements; and (5) a final *Wrap-Up* question that invited any additional thoughts on the understanding, use, or communication of service performance information.

This design allowed for the elicitation of rich, diverse perspectives from a broad range of stakeholders, including donors, philanthropists, peak bodies, preparers, directors, auditors, and regulators. It encouraged both critical reflection on current practices and forward-looking ideas about how SPR could evolve.

Analysis Process of Interview Transcripts¹¹

All focus group discussions were transcribed using Microsoft Word, and each transcript was subsequently checked manually against the original audio recordings by the Chief Investigator (CI) to ensure accuracy. The total volume of transcription data amounted to 45,215 words, as summarised in Table A2.14. Some transcripts exceeded 8,500 words, with an average length of 6,459 words.

Table A2.14. Focus Group Transcript Word Counts

<i>Focus group category</i>	<i>Word count</i>
<i>Individual Donors & Philanthropists*</i>	9,032
<i>Directors</i>	4,878
<i>Professional Accounting Bodies</i>	6,323
<i>Preparers</i>	8,570
<i>Auditors</i>	4,831
<i>Regulators</i>	5,649
<i>Peak Bodies</i>	5,932
<i>Total</i>	45,215

**Group conducted over two sessions due to scheduling constraints.*

To analyse this dataset, a hybrid approach combining manual thematic analysis and Generative AI (GenAI)-assisted analysis was employed (Perkins and Roe, 2024; Prescott et al., 2024). ChatGPT

¹¹ This subsection is the same as in Project 4.

version 4 (OpenAI) was used for AI-assisted coding. This version requires a paid subscription and provides noticeable improvements in coherence and reliability over the free version (Lee et al., 2024).

Transcripts were divided into manageable segments of approximately 600 words each to maintain contextual integrity. Each segment was chosen carefully to avoid splitting responses midstream or across thematically distinct sections. This segmentation was not necessitated by AI token limits, but to improve the accuracy and interpretive depth of theme extraction.

Each GenAI output was critically reviewed by the CI and refined as necessary. The use of 600-word segments significantly reduced typical GenAI limitations such as hallucinations, repetition, or irrelevant outputs (Lee et al., 2024). Numerous prompt iterations were tested to enhance clarity and consistency in theme generation. The final prompt used for analysis was:

"The above is a transcript of an interview for a research report on service performance reporting. Conduct a thematic analysis using the provided codes and include as many quotes as possible. Make the quotes stand out and keep them elaborate. Make any comment that relates to New Zealand participants stand out. This group relates to [donors] focus group. Refer to them when referring to a quote rather than participant."

The final themes developed from the analysis were: (1) donor expectation and the need for integrated reporting, (2) accessibility, audience needs and the strategic use of SPR, (3) navigating placement: balancing visibility, credibility and assurance, and (4) practical barriers and system-level implications.

Only de-identified transcripts were input into ChatGPT. De-identification was verified across three rounds by the CI using a combination of manual review and Microsoft Word-based checks. A final check by a research assistant, in line with ethics protocols, confirmed full removal of identifying information.

Manual thematic analysis was also conducted by the CI on approximately 30% of the total dataset. This involved reading each transcript multiple times, annotating emerging patterns, and identifying preliminary themes such as accountability, transparency, audit challenges, and implementation complexity. These manual results were then compared with GenAI-generated outputs.

The comparison found over 90% agreement between the two approaches across 8,319 words from seven transcripts, validating the reliability of the GenAI-assisted analysis. Following this, GenAI was used to analyse the remaining transcripts. Each focus group was analysed independently before themes were consolidated across all groups.

To preserve the integrity and holistic message of each group, the CI revisited both the AI-generated outputs and the original transcripts. The thematic analysis followed Braun and Clarke's (2006) six-phase approach, widely used for its flexibility and depth (Perkins & Roe, 2023).

ChatGPT was used strictly as a complementary tool. Its outputs were reviewed and validated by the CI and further reviewed by a team member with qualitative research expertise, before being circulated to the broader research team. Given the limitations of the AI's context window, a new session was initiated for each focus group, with all outputs manually verified.

A worked example of GenAI-assisted coding is shown in Table A2.15, illustrating how quotes were allocated across multiple themes. This process combined AI-generated suggestions with manual thematic validation to ensure contextual accuracy and semantic alignment.

Table A2.15. Transcript Excerpt and Thematic Allocation

<i>Transcript segment</i>	Allocated theme(s)	Rationale
<i>"You're touching those lives... it's about the number of people that you can reach."</i>	Understanding SPR; User Needs; Integration Challenges	Frames SPR as a measure of reach rather than intensity; underscores the role of metrics in service coverage rather than depth of impact.
<i>"Because if you didn't reach them... they would be left to their own device."</i>	Service Performance Reporting and Accountability	Highlights the sector's accountability to vulnerable populations and the ethical obligation to demonstrate social contribution.
<i>"It's not about measuring the quantum, it's about the fact that a person has been supported."</i>	Best Practices in SPR; Cost and Benefit; Audit and Assurance	Rejects intensive outcome measurement in favour of simple, meaningful metrics that reflect actual service provision.
<i>"We need to be clear on what we're trying to state as the social impact reporting is going to be about."</i>	Mandating SPR; Presentation and Placement	Emphasises the need for definitional clarity in SPR requirements.
<i>"We're there and we're touching those peoples' lives—not to the degree that we're touching those people's lives."</i>	Strategic Communication Tool; Link Between Financial and Non-financial	Points to the symbolic role of SPR in articulating presence and mission alignment, not just performance outputs.

The full thematic analysis process, comparing traditional and GenAI-assisted methods, is summarised in Table A2.16.

Table A2.16. Comparative Overview of Manual and GenAI-Assisted Thematic Analysis

Step	Traditional analysis	GenAI-assisted analysis
Familiarisation with data	Read and re-read transcripts, noting initial ideas	Not applicable. Familiarisation occurs prior to AI use.
Generate initial codes	Manually code transcripts line-by-line	Not applicable
Search for themes	Group similar codes into preliminary themes	Refine prompt instructions to guide AI theme identification
Review themes	Examine internal coherence and match with data	Cross-check AI themes against transcript context
Define and name themes	Refine scope and assign clear names	Re-run prompts to test consistency and definition accuracy
Compare and contrast results	Compare manual and AI themes for convergence	Integrated with manual review process
Finalise themes	Confirm final themes through team discussion	Final validation by research team

GenAI was applied in this study as an assistive mechanism rather than a standalone analytic agent, consistent with evolving qualitative research methodologies (Lee et al., 2024; De Paoli, 2023). Its capacity to process complex contextual data and deliver thematically structured insights proved instrumental in expanding the breadth of analysis. Importantly, the tool enabled the surfacing of varied stakeholder viewpoints and enriched interpretations across the dataset.

Together, these methodological components create a robust evidentiary base for evaluating the current and potential future role of SPR in Australia. The combination of literature synthesis, empirical reporting data, and rich qualitative input ensures that the findings are both conceptually grounded and practically informed. This approach not only identifies existing strengths and limitations in SPR but also provides a foundation for recommendations that are responsive to stakeholder needs and sectoral realities. The following section presents the results of the study, highlighting key themes, stakeholder insights, and jurisdictional comparisons that inform the development of a fit-for-purpose SPR framework.

Thematic Analysis of Interview Transcripts

All focus group discussions were transcribed using Microsoft Word, and each transcript was manually reviewed against the original audio recordings by the Chief Investigator (CI) to ensure accuracy. The total volume of transcription data amounted to 45,215 words, as summarised in Table A2.17. The average length of each transcript was 6,459 words.

To ensure rigour in the analysis, the CI read all transcripts in full to develop a detailed understanding of the key issues raised by participants. A manual thematic analysis was then conducted to identify and classify core themes and subthemes across stakeholder groups, drawing on participant insights and aligning with the study’s research objectives.

Following initial coding, the emergent themes and subthemes were reviewed by the broader research team to validate interpretations, ensure consistency across stakeholder categories, and refine the thematic framework. This collaborative review process enhanced the reliability of the analysis and supported the development of nuanced, cross-cutting themes reflective of diverse sector perspectives.

After several iterations and collaborative discussions among the research team, the final set of themes was agreed upon. These themes were identified as best representing the focus group data and directly addressing the study’s overarching research objective. The final themes provide a structured and coherent interpretation of the sector’s views on service performance reporting.

Table A2.17. Focus Group Transcript Word Counts

<i>Focus group category</i>	Word count
<i>Individual Donors & Philanthropists*</i>	9,032
<i>Directors</i>	4,878
<i>Professional Accounting Bodies</i>	6,323
<i>Preparers</i>	8,570
<i>Auditors</i>	4,831
<i>Regulators</i>	5,649
<i>Peak Bodies</i>	5,932
Total	45,215

To support in-depth analysis while preserving contextual integrity, transcripts were segmented into manageable units of approximately 600 words. Segmentation was carefully undertaken to avoid splitting participant responses midstream or across thematically distinct sections. This approach was adopted not due to technical constraints (e.g., AI token limits), but to enhance the interpretive accuracy and consistency of theme extraction.

GenAI-assisted coding was conducted using ChatGPT-4 (OpenAI), selected for its improved coherence and reliability compared to earlier versions (Lee et al., 2024). Each AI-generated output was critically reviewed and, where necessary, refined by the Chief Investigator (CI). The segmentation strategy also helped to mitigate common limitations of generative AI, including hallucinations, redundancy, and irrelevant content. Multiple prompt iterations were tested to optimise clarity, thematic precision, and the integration of participant quotes.

Only de-identified transcripts were input into the AI system. De-identification was confirmed through three rounds of manual verification by the CI, using a combination of close reading, Microsoft Word-based search functions, and final validation by a research assistant in accordance with ethics protocols.

Manual thematic analysis was also undertaken on approximately 30% of the dataset. This involved iterative reading, detailed annotation, and the identification of preliminary themes such as accountability, transparency, audit challenges, and implementation complexity. These manually derived themes were then compared with the AI-assisted outputs.

The comparison revealed over 90% thematic alignment across a sample of 8,319 words from seven transcripts, confirming the reliability of the GenAI-assisted approach. Following this validation, ChatGPT-4 was used to code the remaining transcripts. Each focus group was analysed independently before cross-group themes were consolidated.

To ensure analytical depth and fidelity to participant meaning, the CI revisited both the GenAI outputs and the original transcripts. This process adhered to Braun and Clarke's (2006) six-phase framework for thematic analysis, recognised for its flexibility and methodological rigour (Perkins & Roe, 2023).

The prompt used for GenAI-assisted coding was:

"The above is a transcript of an interview for a research report on service performance reporting. Conduct a thematic analysis using the provided codes and include as many quotes as possible. Make the quotes stand out and keep them elaborate. Make any comment that relates to New Zealand participants stand out. This group relates to [donors] focus group. Refer to them when referring to a quote rather than participant."

Emergent themes and subthemes were subsequently reviewed by the broader research team to validate interpretations, ensure consistency across stakeholder categories, and refine the thematic framework. This collaborative process enhanced the reliability of the analysis and supported the identification of nuanced, cross-cutting insights.

After several rounds of review and team discussion, a final set of themes was confirmed. These themes provide a structured and coherent interpretation of stakeholder perspectives on service performance reporting and directly inform the study's overarching research aims.

Table A2.18. Transcript Excerpt and Thematic Allocation

<i>Transcript segment</i>	<i>Allocated theme(s)</i>	<i>Rationale</i>
<i>"You're touching those lives... it's about the number of people that you can reach."</i>	Understanding SPR; User Needs; Integration Challenges	Frames SPR as a measure of reach; focuses on service coverage rather than impact intensity.
<i>"Because if you didn't reach them... they would be left to their own device."</i>	Service Performance Reporting and Accountability	Highlights ethical accountability to vulnerable populations.
<i>"It's not about measuring the quantum, it's about the fact that a person has been supported."</i>	Best Practices in SPR; Cost and Benefit; Audit and Assurance	Prioritises meaningful service over granular measurement.
<i>"We need to be clear on what we're trying to state as the social impact reporting is going to be about."</i>	Mandating SPR; Presentation and Placement	Emphasises the need for definitional and structural clarity.
<i>"We're there and we're touching those peoples' lives—not to the degree that we're touching those people's lives."</i>	Strategic Communication; Link Between Financial and Non-Financial	Highlights the symbolic and narrative function of SPR.

Justification for the Use of Different Tools Across Analyses

Different software tools were used across the study to ensure that each method (textual analysis, survey administration, and qualitative focus group/interview analysis) was supported by tools best suited to its data type and analytical goals. Using a single software platform for all tasks would have compromised analytical precision, interpretive integrity, or ethical compliance. The method-specific use of software was therefore a deliberate strategy to enhance research rigour and relevance.

For the textual analysis of annual reports, Leximancer was initially tested but excluded due to its inability to identify meaningful service performance reporting themes. Notebook LM, a generative AI tool, was then employed to identify relevant content based on a custom prompt. Its thematic outputs were manually validated against a purposive sample of 50 organisations to ensure reliability and interpretive accuracy. This hybrid approach enabled scalable analysis while maintaining human oversight.

The stakeholder survey was conducted using Microsoft Forms, selected for its branching logic, secure data handling, and compatibility with institutional governance protocols. This ensured targeted, high-quality data collection across diverse stakeholder groups.

For focus groups and interviews, recordings were transcribed using Microsoft Word's transcription function, and transcripts were manually reviewed and de-identified in line with ethics protocols. To assist with the identification of initial patterns in interview data, ChatGPT was used to generate a set of

preliminary themes and summaries. These AI-generated outputs were not used in isolation; they were critically assessed and refined by the CI to ensure consistency with the broader qualitative dataset. This enhanced interpretive clarity while maintaining fidelity to participants' narratives.

Using different tools for different components allowed the research team to optimise data quality, analytical appropriateness, and compliance with ethical standards. This approach strengthened the overall validity, depth, and practical relevance of the findings.

Limitations and Further Directions

This study provides a robust evidence base for understanding current performance-related reporting practices across jurisdictions; however, several limitations should be acknowledged in interpreting the findings.

First, while the comparative analysis offers insights into sector-specific trends and reporting maturity, the lack of consistency between subsectors—both within the Australian context and across international jurisdictions—limits the extent to which cross-country comparability can be fully achieved. This variability reflects not only differences in regulatory environments and reporting obligations but also the absence of a comprehensive, centralised register of not-for-profit (NFP) organisations in many jurisdictions. The resulting sampling challenges constrained the ability to ensure full representativeness across all subsectors, particularly when analysing disclosure practices at scale.

Second, the analysis of the Australian sector excluded faith-based organisations, particularly basic religious charities, due to their exemption from financial reporting requirements under current regulatory frameworks. As a result, the findings do not fully capture the reporting practices or perspectives of this significant subsector within Australia. Future research would benefit from targeted efforts to examine faith-based organisational reporting practices in more detail, where data access permits.

Third, in the qualitative strand of the research, efforts to include representatives of beneficiary groups in focus groups were unsuccessful. While the study captured insights from donors, directors, preparers, auditors, regulators, and peak bodies, the perspectives of service users themselves—those most directly affected by NFP performance—are absent. This is a meaningful omission, given the increasing recognition of beneficiaries as primary stakeholders in accountability frameworks. Future research should prioritise inclusive recruitment strategies that enable direct beneficiary participation, recognising the ethical and logistical challenges involved.

Finally, the use of multiple software tools across different components of the study (textual analysis, survey administration, and focus group data analysis) may present some limitations in terms of methodological integration and replicability. While each tool was deliberately selected to align with the specific data type and analytical objective, this approach required additional validation to ensure consistency and coherence across datasets. For instance, AI-assisted tools such as Notebook LM and ChatGPT were used to support content identification and theme generation but were not relied upon in isolation; all outputs were manually reviewed and critically interpreted. Although this method-specific use of technology enhanced analytical precision and ethical compliance, future studies may benefit from

more integrated analytical platforms or documented workflows to support greater transparency and reproducibility.

Taken together, these limitations point to several areas for further inquiry. Future studies could explore performance reporting practices among faith-based organisations in Australia through alternative methodologies, such as case study analysis or interviews with umbrella bodies. Additional work is also needed to develop more standardised approaches to sampling and categorising NFPs across jurisdictions to support stronger international benchmarking. Finally, participatory research approaches that centre the voices of beneficiaries (potentially through co-design or community-based methods) could enrich understanding of what constitutes meaningful accountability from a user perspective.

Appendix 3 – Initial List of Not-for-profit Organisations

Australian Private Not-for-Profits

Education

1. The Smith Family
2. Australian Red Cross
3. St Vincent de Paul Society
4. Lifeline Australia
5. Berry Street
6. Youth Off The Streets
7. Mission Australia
8. OzHarvest
9. Wesley Mission
10. Australian Conservation Foundation
11. Australian Institute of Music
12. Teach For Australia
13. STEM Professionals in Schools
14. Australian Literacy and Numeracy Foundation
15. Scholarships for Australian Students
16. University of the Third Age (U3A)
17. Education and Training International
18. Youth Development Australia
19. Montessori Australia Foundation
20. Australian Science Innovations

Health

11. Cancer Council Australia
12. Beyond Blue
13. Mental Health Foundation Australia
14. Royal Flying Doctor Service
15. Kidney Health Australia
16. Cystic Fibrosis Australia
17. Heart Foundation
18. Alzheimer's Australia
19. Diabetes Australia
20. The Asthma Foundation

21. Mental Health Australia
22. The National Heart Foundation
23. SANE Australia
24. The Butterfly Foundation
25. Epilepsy Foundation of Australia
26. The Maternity Coalition
27. Prostate Cancer Foundation of Australia
28. Australian Rheumatology Association
29. Rare Voices Australia
30. Health Promotion Agency

Community Services

21. Anglicare Australia
22. Good Shepherd Australia New Zealand
23. Carers Australia
24. Foodbank Australia
25. Starlight Children's Foundation
26. Salvation Army Australia
27. Housing Trust
28. Aged & Community Services Australia
29. Samaritans
30. Australian Indigenous Education Foundation
31. Crisis Support Services
32. Community Housing Limited
33. Community Legal Centres Australia
34. Food Rescue Australia
35. The Community Services Industry Alliance
36. The Brotherhood of St Laurence
37. Inner West Community Health Service
38. Cultural and Linguistic Diversity Network
39. LGBTIQ+ Health Australia
40. No to Violence

Environment

31. World Wildlife Fund Australia (WWF)
32. BirdLife Australia
33. Landcare Australia
34. Keep Australia Beautiful
35. Clean Up Australia
36. Australian Marine Conservation Society
37. Nature Conservation Council
38. The Wilderness Society
39. Planet Ark
40. Greenpeace Australia Pacific
41. Australian Wildlife Conservancy
42. Environment Victoria
43. Australian Conservation Foundation (ACF)
44. Nature Foundation SA
45. Greening Australia

46. Australian Rainforest Conservation Society
47. Friends of the Earth Australia
48. Parks Victoria
49. Nature Play QLD
50. Ecosystem Restoration Camp

Arts and Culture

41. The Australia Council for the Arts
42. Creative Partnerships Australia
43. National Gallery of Australia
44. Melbourne Symphony Orchestra
45. Sydney Opera House Trust
46. The Australian Ballet
47. The Queensland Art Gallery
48. Australian National Maritime Museum
49. The National Museum of Australia
50. Art Gallery of New South Wales
51. The Australian Theatre for Young People
52. Australian Film Institute
53. The Australian National Opera
54. Australian Writers' Guild
55. Artlink
56. The Indigenous Literary Foundation
57. National Aboriginal and Islanders Skills Development Association (NAISDA)
58. Australian Art Orchestra
59. Artspace
60. Playwriting Australia

International Aid

51. World Vision Australia
52. Oxfam Australia
53. Caritas Australia
54. Australian Red Cross
55. Save the Children Australia
56. Compassion Australia
57. Plan International Australia
58. Act for Peace
59. Australian Volunteers International
60. Mediciens Sans Frontieres (Doctors Without Borders)
61. Australian Council for International Development (ACFID)
62. International Justice Mission Australia
63. Austcare
64. Global Citizen Australia
65. Australian Humanitarian Partnership
66. ChildFund Australia
67. Friends of the Earth Australia
68. Mercy Ships Australia
69. Plan International
70. Australian Red Cross Blood Service

Sports and Recreation

61. Sport Australia
62. Australian Sports Foundation
63. Special Olympics Australia
64. Surf Life Saving Australia
65. Australian Paralympic Committee
66. Netball Australia
67. Rugby Australia
68. Football Federation Australia
69. Australian Institute of Sport
70. Cycling Australia
71. Australian Fitness Network
72. Inclusion Solutions
73. Sporting Schools
74. Sports Community
75. Community Sports Australia
76. Women in Sport Australia
77. Australian Surf Life Saving Championships
78. Aussie Hoops
79. Sports Volunteers Australia
80. Paddle Australia

Human Rights and Advocacy

71. Australian Human Rights Commission
72. Amnesty International Australia
73. The Refugee Council of Australia
74. Equality Australia
75. Human Rights Law Centre
76. ACON Health
77. Australian Council for International Development
78. Law Council of Australia
79. Australian Council of Trade Unions
80. Women's Electoral Lobby
81. Australian National Commission for UNESCO
82. Youth Activism Project
83. Women's Health Victoria
84. Australian Council for Women and Policing
85. The Disability Trust
86. The National Foundation for Australian Women
87. Centre for Multicultural Youth
88. Women's Legal Service Australia
89. Refugee and Immigration Legal Centre
90. Stop the Traffik Australia

Family and Youth

81. Barnardos Australia
82. Families Australia
83. Kids Help Line
84. Big Brothers Big Sisters Australia
85. Headspace
86. Relationships Australia
87. Save the Children
88. Youth Futures
89. Australian Child Protection Alliance
90. Bridges Health and Community Care
91. Family Relationships Australia
92. Goodstart Early Learning
93. Australian Childhood Foundation
94. The Parenting Research Centre
95. The Reach Foundation
96. Youth Action
97. The Australian Council of State School Organisations (ACSSO)
98. The Fathering Project
99. Young Women's Christian Association (YWCA) Australia
100. Raising Children Network

Disabilities

91. Disability Advocacy Network Australia
92. National Disability Services
93. Down Syndrome Australia
94. Blind Citizens Australia
95. Deaf Australia
96. Autism Spectrum Australia (Aspect)
97. Disability Sports Australia
98. Disability Resources Centre
99. Brain Injury Australia
100. Spinal Cord Injuries Australia
101. Australian Network on Disability
102. Down Syndrome NSW
103. Australian Federation of Disability Organisations
104. Disability Information Service
105. Autism Association of Western Australia
106. Disability Advocacy Network
107. Disability Support Services
108. Special Needs Planning
109. Disability Employment Services
110. Disability Sports Australia

New Zealand Private Not-for-Profits

Health

1. Cancer Society of New Zealand
2. Mental Health Foundation of New Zealand
3. Heart Foundation New Zealand
4. Alzheimer's New Zealand
5. Diabetes New Zealand
6. Hepatitis Foundation of New Zealand
7. Kidney Health New Zealand
8. Asthma and Respiratory Foundation New Zealand
9. The Stroke Foundation of New Zealand
10. Cystic Fibrosis New Zealand

Education

11. Save the Children New Zealand
12. Te Kura (The Correspondence School)
13. The Todd Foundation
14. The Wellington Region Community Trust
15. Literacy Aotearoa
16. The New Zealand Federation of Women's Institutes
17. KidsCan Charitable Trust
18. Te Puni Kōkiri
19. The New Zealand Association for Environmental Education
20. International Institute of New Zealand

Community Services

21. Volunteer Wellington
22. Youthline New Zealand
23. The Salvation Army New Zealand
24. Auckland City Mission
25. Family Works
26. Oxfam New Zealand
27. The Methodist Mission
28. The Women's Refuge
29. Community Networks Aotearoa
30. The NZ Red Cross

Environment

31. Forest and Bird
32. Sustainable Business Network
33. Environmental Defence Society
34. The New Zealand Conservation Authority
35. The NZ Marine Conservation Society
36. Pure Advantage
37. WasteMINZ
38. Wildlife Protection Association

39. EcoMatters Environment Trust
40. The Green Party of Aotearoa New Zealand

Arts and Culture

41. Creative New Zealand
42. The New Zealand Film Commission
43. New Zealand Music Commission
44. The Arts Foundation of New Zealand
45. The New Zealand Society of Authors
46. Toi Māori Aotearoa
47. New Zealand Theatre Federation
48. New Zealand International Arts Festival
49. The Auckland Philharmonia Orchestra
50. The Wellington City Gallery

International Aid

51. World Vision New Zealand
52. UNICEF New Zealand
53. TEAR Fund New Zealand
54. Habitat for Humanity New Zealand
55. Caritas Aotearoa New Zealand
56. Compassion New Zealand
57. Doctors Without Borders (Médecins Sans Frontières) NZ
58. Aid and Development Education Programme (ADEP)
59. Friends of the Earth New Zealand
60. The Peace Foundation

Human Rights and Advocacy

61. Human Rights Commission New Zealand
62. The NZ Council of Christian Social Services
63. The Office of Ethnic Communities
64. The Equal Employment Opportunities Trust
65. Rainbow Youth
66. The New Zealand Federation of Ethnic Councils
67. Sustainable Coastlines
68. Child Poverty Action Group
69. The New Zealand Law Foundation
70. Women's Refuge New Zealand

Family and Youth

71. Barnardos New Zealand
72. Parenting Place
73. Auckland Women's Centre
74. The New Zealand Child and Family Protection Society
75. The National Council of Women of New Zealand
76. Little Sprouts
77. The Family Centre

78. Kids' Health
79. Wellington Community Law
80. The Parenting Research Centre

Disabilities

81. IHC New Zealand
82. The Disability Rights Commissioner
83. CCS Disability Action
84. Deaf Aotearoa
85. Blind Foundation
86. Spinal Cord Society of New Zealand
87. Autism New Zealand
88. Disability Support Network
89. The New Zealand Federation of Disability Information Centres
90. The New Zealand Society for the Intellectually Handicapped

Miscellaneous

91. The New Zealand Endurance Sports Association
92. St John New Zealand
93. Surf Life Saving New Zealand
94. The New Zealand Blood Service
95. The Wellington Free Ambulance
96. The NZ Veterinary Association
97. The Young New Zealanders' Foundation
98. The Royal New Zealand Plunket Society
99. The NZ Institute of Architects
100. The New Zealand Society for the Prevention of Cruelty to Animals (SPCA)

UK Private Not-for-Profits

Health

1. Cancer Research UK
2. British Heart Foundation
3. Alzheimer's Society
4. Mind (Mental Health Charity)
5. Macmillan Cancer Support
6. National Society for the Prevention of Cruelty to Children (NSPCC)
7. Diabetes UK
8. The Royal British Legion
9. Oxfam
10. MS Society

Education

11. The Prince's Trust
12. Teach First
13. The Education Endowment Foundation

14. The National Literacy Trust
15. Shelter
16. Big Brothers Big Sisters UK
17. Children in Need
18. The Children's Society
19. The Royal National Institute of Blind People (RNIB)
20. Youth Sport Trust

Community Services

21. The Salvation Army
22. Age UK
23. Crisis
24. Shelter
25. St John Ambulance
26. Samaritans
27. The Trussell Trust
28. Turning Point
29. Action for Children
30. Relate

Environment

31. Greenpeace UK
32. WWF (World Wildlife Fund) UK
33. The National Trust
34. Friends of the Earth
35. The Royal Society for the Protection of Birds (RSPB)
36. The Marine Conservation Society
37. The Woodland Trust
38. Earthwatch Institute
39. The UK Centre for Ecology & Hydrology
40. Sustainable Energy Association

Arts and Culture

41. The Arts Council England
42. The British Museum
43. The National Gallery
44. English Heritage
45. The Tate
46. The Royal Academy of Arts
47. The Royal Shakespeare Company
48. The London Symphony Orchestra
49. The Royal Opera House
50. The British Film Institute

International Aid

51. World Vision UK
52. ActionAid UK

53. Save the Children UK
54. CARE International UK
55. Tearfund
56. Mercy Corps UK
57. War Child UK
58. Oxfam GB
59. Christian Aid
60. Islamic Relief UK

Human Rights and Advocacy

61. Amnesty International UK
62. Liberty (National Council for Civil Liberties)
63. The Equality Trust
64. The Human Rights Action Centre
65. Stonewall
66. The Young Women's Trust
67. The Refugee Council
68. Women's Aid Federation
69. The Fawcett Society
70. Innocence Project UK

Family and Youth

71. Barnardo's
72. The Family Action
73. Families First
74. Kids Company
75. Family Lives
76. The National Association of Toy and Leisure Libraries
77. The Princess Royal Trust for Carers
78. YoungMinds
79. The National Youth Agency
80. The Prince's Trust

Disabilities

81. Scope
82. The National Autistic Society
83. Disability Rights UK
84. Sense (for deafblind people)
85. Action on Hearing Loss
86. The Brain Injury Association
87. Mencap
88. Alzheimers Research UK
89. The Royal National Institute of Blind People (RNIB)
90. Deafblind UK

Miscellaneous

91. British Red Cross

92. UK Youth
93. The National Union of Students (NUS)
94. The Prince's Trust
95. The National Trust for Places of Historic Interest or Natural Beauty
96. The Scouts
97. Girlguiding UK
98. Rotary International in Great Britain & Ireland
99. The Open University
100. The UK's National Lottery Community Fund

Canada Private Not-for-Profits

Health

1. Canadian Cancer Society
2. Heart and Stroke Foundation of Canada
3. Alzheimer Society of Canada
4. Canadian Mental Health Association
5. Diabetes Canada
6. Kidney Foundation of Canada
7. Canadian Red Cross
8. MS Society of Canada
9. Canadian Liver Foundation
10. Hearing Foundation of Canada

Education

11. The Learning Partnership
12. Canadian Literacy and Learning Network
13. Big Brothers Big Sisters of Canada
14. Kids Help Phone
15. Indspire
16. The Institute for Canadian Citizenship
17. The Conference Board of Canada
18. The Canadian Education Association
19. The Royal Canadian Geographical Society
20. Canadian Association of University Teachers

Community Services

21. United Way Canada
22. Crisis Services Canada
23. Food Banks Canada
24. The Salvation Army Canada
25. Catholic Social Services
26. Canadian Women's Foundation
27. St. John Ambulance
28. Hope Mission
29. Canadian Red Cross
30. Covenant House

Environment

31. World Wildlife Fund Canada (WWF)
32. Environmental Defence Canada
33. The Nature Conservancy of Canada
34. The Canadian Parks and Wilderness Society
35. Clean Air Champions
36. EcoAction Community Fund
37. Canadian Environmental Law Association
38. David Suzuki Foundation
39. Green Communities Canada
40. Friends of the Earth Canada

Arts and Culture

41. Canada Council for the Arts
42. The Art Gallery of Ontario
43. The National Gallery of Canada
44. The Royal Canadian Academy of Arts
45. Canadian Museums Association
46. The Canadian Arts Coalition
47. The Toronto Symphony Orchestra
48. The Vancouver Symphony Orchestra
49. The Shaw Festival
50. The Stratford Festival

International Aid

51. World Vision Canada
52. Save the Children Canada
53. Oxfam Canada
54. Plan International Canada
55. CARE Canada
56. Developing World Connections
57. GlobalMedic
58. Humanity & Inclusion (HI) Canada
59. Canadian Feed The Children
60. Mennonite Central Committee Canada

Human Rights and Advocacy

61. Amnesty International Canada
62. Canadian Civil Liberties Association
63. The Canadian Centre for Policy Alternatives
64. The Canadian Association for Community Living
65. The Refugee Centre
66. Women's Rights Action Network Canada
67. The LGBTQ+ Community Centre
68. Black Lives Matter Canada
69. Canadian Human Rights Commission
70. The Indigenous Advocacy Centre

Family and Youth

71. Children's Aid Foundation of Canada
72. Family Service Canada
73. The Family Centre
74. Youth Canada
75. The Canadian Centre for Child Protection
76. The Children's Trust
77. Boys and Girls Clubs of Canada
78. Youth Empowerment and Support Services
79. The Prince's Trust Canada
80. The Canadian Parent Association

Disabilities

81. Canadian National Institute for the Blind (CNIB)
82. Spinal Cord Injury Canada
83. Canadian Association for the Deaf
84. Down Syndrome Association of Canada
85. Autism Canada
86. The Canadian Hard of Hearing Association
87. Disability Alliance British Columbia
88. The Inclusive Design Research Centre
89. The Ontario Federation for Cerebral Palsy
90. Canadian Down Syndrome Society

Miscellaneous

91. The Canadian Chamber of Commerce
92. The Canadian Club
93. The Ontario Nonprofit Network
94. Imagine Canada
95. The Volunteer Canada
96. The Canadian Environmental Grantmakers Network
97. The Canadian Fundraising and Philanthropy Network
98. The Canadian Social Enterprise Network
99. The Canadian Public Relations Society
100. The Canadian Association of Fundraising Professionals

US Private Not-for-Profits

Health

1. American Red Cross
2. American Cancer Society
3. Alzheimer's Association
4. National Alliance on Mental Illness (NAMI)
5. American Heart Association
6. Diabetes Association
7. Multiple Sclerosis Society
8. National Stroke Association

9. Cystic Fibrosis Foundation
10. Susan G. Komen for the Cure

Education

11. Teach For America
12. Khan Academy
13. The United Negro College Fund (UNCF)
14. Boys & Girls Clubs of America
15. The College Board
16. National Education Association (NEA)
17. The Education Trust
18. Reading Is Fundamental
19. The Carnegie Corporation
20. DonorsChoose.org

Community Services

21. United Way
22. Crisis Text Line
23. Goodwill Industries International
24. Habitat for Humanity
25. The Salvation Army
26. Meals on Wheels
27. The National Urban League
28. Feeding America
29. YWCA USA
30. Local Initiatives Support Corporation (LISC)

Environment

31. World Wildlife Fund (WWF)
32. The Nature Conservancy
33. Sierra Club
34. Environmental Defense Fund
35. National Audubon Society
36. Earthjustice
37. Friends of the Earth
38. Natural Resources Defense Council (NRDC)
39. Clean Water Action
40. Greenpeace USA

Arts and Culture

41. The National Endowment for the Arts (NEA)
42. American Museum of Natural History
43. The Smithsonian Institution
44. The Getty Trust
45. The National Gallery of Art
46. The American Red Cross of the Arts
47. The Academy of Motion Picture Arts and Sciences

48. The Metropolitan Museum of Art
49. The American Film Institute
50. The National Performing Arts Center

International Aid

51. Doctors Without Borders (Médecins Sans Frontières)
52. Oxfam America
53. Save the Children
54. CARE USA
55. World Vision USA
56. Heifer International
57. GlobalGiving
58. Mercy Corps
59. International Rescue Committee (IRC)
60. Partners In Health

Human Rights and Advocacy

61. American Civil Liberties Union (ACLU)
62. Human Rights Campaign
63. Southern Poverty Law Center
64. Equality Federation
65. The Leadership Conference on Civil and Human Rights
66. Amnesty International USA
67. The Trevor Project
68. ACLU Foundation
69. Lambda Legal
70. Women's Rights Project

Family and Youth

71. Children's Defense Fund
72. Big Brothers Big Sisters of America
73. National Parent Teacher Association (PTA)
74. Family Promise
75. Child Welfare League of America
76. The National Runaway Safeline
77. Boys Town
78. The Family Institute
79. The Youth Project
80. The Children's Home Society

Disabilities

81. National Organization on Disability
82. American Association of People with Disabilities
83. The Arc
84. Autism Speaks
85. National Federation of the Blind
86. Disability Rights Advocates

87. National Down Syndrome Society
88. Epilepsy Foundation
89. The National Association of the Deaf
90. Special Olympics

Miscellaneous

91. The American Legion
92. The National Council of Nonprofits
93. The American Heart Association
94. The United Nations Association of the USA
95. The National Council on Aging
96. Volunteers of America
97. The National Network for Youth
98. National Council for Behavioral Health
99. The National Association of Social Workers
100. The National Center for Learning Disabilities

South Africa Private Not-for-Profits

Health

1. South African Red Cross Society
2. Cancer Association of South Africa (CANSA)
3. Mental Health Federation of South Africa
4. Heart and Stroke Foundation South Africa
5. Diabetes South Africa
6. The AIDS Foundation of South Africa
7. South African Medical Research Council
8. HIVSA
9. The Rotary Health Foundation
10. Childhood Cancer Foundation South Africa (CHOC)

Education

11. The Department of Basic Education (DBE)
12. The South African Institute of Race Relations (SAIRR)
13. Read to Rise
14. Teach South Africa
15. The Ubuntu Education Fund
16. The National Education Collaboration Trust (NECT)
17. The Kagiso Trust
18. The South African College of Applied Psychology (SACAP)
19. The African Leadership Academy
20. The Mandela Institute for Development Studies

Community Services

21. United Nations Children's Fund (UNICEF) South Africa
22. The Nelson Mandela Foundation
23. Community Chest of the Western Cape

24. Gift of the Givers
25. South African Social Security Agency (SASSA)
26. Operation Smile South Africa
27. The Salvation Army South Africa
28. The Society of St. Vincent de Paul South Africa
29. The National Lotteries Commission (NLC)
30. The Siyakha Trust

Environment

31. WWF South Africa
32. Greenpeace Africa
33. The South African National Biodiversity Institute (SANBI)
34. Environmental Monitoring Group (EMG)
35. The Wildlife and Environment Society of South Africa (WESSA)
36. The Endangered Wildlife Trust
37. The South African Institute for Environmental Affairs
38. GroundWork
39. Earthlife Africa
40. The South African Bird Atlas Project

Arts and Culture

41. The South African National Arts Council
42. The Market Theatre Foundation
43. The South African Museum
44. The National Gallery of South Africa
45. The Cape Town Opera
46. The Arts & Culture Trust
47. The Soweto Theatre
48. The Johannesburg Art Gallery
49. The Baxter Theatre Centre
50. The South African Film and Television Awards (SAFTAs)

International Aid

51. Doctors Without Borders (Médecins Sans Frontières)
52. Oxfam South Africa
53. World Vision South Africa
54. CARE South Africa
55. The International Federation of Red Cross and Red Crescent Societies
56. ActionAid South Africa
57. Plan International South Africa
58. Save the Children South Africa
59. World Wildlife Fund (WWF) South Africa
60. Christian Aid South Africa

Human Rights and Advocacy

61. Human Rights Watch South Africa
62. Amnesty International South Africa

63. The South African Human Rights Commission
64. Equal Education
65. The Black Sash
66. Gender Links
67. Women's Legal Centre
68. The Legal Resources Centre
69. The South African Gender Based Violence and Femicide Response Fund
70. The South African LGBTQIA+ Alliance

Family and Youth

71. Child Welfare South Africa
72. The South African Society of Psychiatrists (SASOP)
73. Boys and Girls Clubs of South Africa
74. Teddy Bear Clinic
75. The National Association of Child Care Workers (NACCW)
76. The Children's Hospital Trust
77. The Parent Centre
78. Youth Development Trust
79. StreetSmart South Africa
80. The National Youth Development Agency (NYDA)

Disabilities

81. Disabled People South Africa (DPSA)
82. The National Council for Persons with Physical Disabilities in South Africa (NCPDPSA)
83. Autism South Africa
84. The South African Federation for Mental Health
85. The South African Disability Alliance
86. Blind South Africa
87. The National Institute for the Deaf
88. The Spina Bifida and Hydrocephalus Association of South Africa
89. The South African Disability Rights Movement
90. DeafSA

Miscellaneous

91. The South African National Parks (SANParks)
92. The Nelson Mandela Children's Fund
93. The Foundation for Professional Development
94. The South African Nonprofit Organisation Coalition (SANPOC)
95. The Community Development Resource Association
96. The South African Institute of Fundraising (SAIF)
97. The Johannesburg Development Agency
98. The South African Institute for Aquatic Biodiversity
99. The South African Biodiversity Institute
100. The National Council of Societies for the Prevention of Cruelty to Animals (NSPCA)

Appendix 4 – Finalised List of Not-for-profit Organisations

Australian Private Not-for-Profits

	Name of NFP	Category
1	The Smith Family	Education
2	Australian Red Cross	Education
3	St Vincent de Paul Society	Education
4	Lifeline Australia	Education
5	Mission Australia	Education
6	OzHarvest	Education
7	Australian Conservation Foundation	Education
8	Cancer Council Australia	Health
9	Beyond Blue	Health
10	Mental Health Foundation Australia	Health
11	Royal Flying Doctor Service	Health
12	Kidney Health Australia	Health
13	Cystic Fibrosis Australia	Health
14	Heart Foundation	Health
15	Alzheimer's Australia	Health
16	Diabetes Australia	Health
17	Anglicare Australia	Community Services
18	Starlight Children's Foundation	Community Services
19	Salvation Army Australia	Community Services
20	Samaritans	Community Services
21	Australian Indigenous Education Foundation	Community Services

	Name of NFP	Category
22	World Wildlife Fund Australia (WWF)	Environment
23	BirdLife Australia	Environment
24	Australian Marine Conservation Society	Environment
25	Greenpeace Australia Pacific	Environment
26	The Australia Council for the Arts	Arts and Culture
27	Creative Partnerships Australia	Arts and Culture
28	National Gallery of Australia	Arts and Culture
29	Melbourne Symphony Orchestra	Arts and Culture
30	Sydney Opera House Trust	Arts and Culture
31	The Australian Ballet	Arts and Culture
32	The Queensland Art Gallery	Arts and Culture
33	Australian National Maritime Museum	Arts and Culture
34	The National Museum of Australia	Arts and Culture
35	Art Gallery of New South Wales	Arts and Culture
36	World Vision Australia	International Aid
37	Oxfam Australia	International Aid
38	Caritas Australia	International Aid
39	Australian Red Cross	International Aid
40	Save the Children Australia	International Aid
41	Compassion Australia	International Aid
42	Plan International Australia	International Aid
43	Act for Peace	International Aid
44	Australian Volunteers International	International Aid

	Name of NFP	Category
45	Medicins Sans Frontieres (Doctors Without Borders)	International Aid
46	Australian Sports Foundation	Sports and Recreation
47	Surf Life Saving Australia	Sports and Recreation
48	Australian Paralympic Committee	Sports and Recreation
49	Netball Australia	Sports and Recreation
50	Rugby Australia	Sports and Recreation
51	Football Federation Australia	Sports and Recreation
52	Australian Institute of Sport	Sports and Recreation
53	Australian Human Rights Commission	Human Rights and Advocacy
54	The Refugee Council of Australia	Human Rights and Advocacy
55	Human Rights Law Centre	Human Rights and Advocacy
56	ACON Health	Human Rights and Advocacy
57	Barnardos Australia	Family and Youth
58	Families Australia	Family and Youth
59	Kids Help Line	Family and Youth
60	Headspace	Family and Youth
61	Bridges Health and Community Care	Family and Youth
62	National Disability Services	Disabilities
63	Down Syndrome Australia	Disabilities
64	Blind Citizens Australia	Disabilities
65	Autism Spectrum Australia (Aspect)	Disabilities
66	Disability Sports Australia	Disabilities
67	Disability Resources Centre	Disabilities

	Name of NFP	Category
68	Spinal Cord Injuries Australia	Disabilities
69	STEM Professionals in Schools	Education
70	Mental Health Australia	Health
71	The National Heart Foundation	Health
72	The Butterfly Foundation	Health
73	Rare Voices Australia	Health
74	Community Housing Limited	Community Services
75	The Brotherhood of St Laurence	Community Services
76	Cultural and Linguistic Diversity Network	Community Services
77	LGBTIQ+ Health Australia	Community Services
78	No to Violence	Community Services
79	Australian Wildlife Conservancy	Environment
80	Environment Victoria	Environment
81	Australian Conservation Foundation (ACF)	Environment
82	Friends of the Earth Australia	Environment
83	Parks Victoria	Environment
84	The Australian Theatre for Young People	Arts and Culture
85	The Australian National Opera	Arts and Culture
86	National Aboriginal and Islanders Skills Development Association (NAISDA)	Arts and Culture
87	Australian Council for International Development (ACFID)	International Aid
88	International Justice Mission Australia	International Aid
89	ChildFund Australia	International Aid
90	Mercy Ships Australia	International Aid

	Name of NFP	Category
91	Plan International	International Aid
92	Australian Red Cross Blood Service	International Aid
93	Community Sports Australia	Sports and Recreation
94	Australian Surf Life Saving Championships	Sports and Recreation
95	Women's Health Victoria	Human Rights and Advocacy
96	Goodstart Early Learning	Family and Youth
97	Australian Childhood Foundation	Family and Youth
98	Youth Action	Family and Youth
99	The Fathering Project	Family and Youth
100	Australian Network on Disability	Disabilities
101	Australian Federation of Disability Organisations	Disabilities
102	Disability Sports Australia	Disabilities

New Zealand Private Not-for-Profits

	Name of NFP	Category
1	Cancer Society of New Zealand	Health
2	The Stroke Foundation of New Zealand	Health
3	Cystic Fibrosis New Zealand	Health
4	Save the Children New Zealand	Education
5	KidsCan Charitable Trust	Education
6	Te Puni Kōkiri	Education
7	The New Zealand Association for Environmental Education	Education
8	Volunteer Wellington	Community Services

	Name of NFP	Category
9	The Salvation Army New Zealand	Community Services
10	Family Works	Community Services
11	The Women's Refuge	Community Services
12	Forest and Bird	Environment
13	Sustainable Business Network	Environment
14	The New Zealand Conservation Authority	Environment
15	Creative New Zealand	Arts and Culture
16	The New Zealand Film Commission	Arts and Culture
17	New Zealand Music Commission	Arts and Culture
18	Toi Māori Aotearoa	Arts and Culture
19	The Auckland Philharmonia Orchestra	Arts and Culture
20	The Wellington City Gallery	Arts and Culture
21	World Vision New Zealand	International Aid
22	UNICEF New Zealand	International Aid
23	TEAR Fund New Zealand	International Aid
24	Caritas Aotearoa New Zealand	International Aid
25	Doctors Without Borders (Médecins Sans Frontières) NZ	International Aid
26	Friends of the Earth New Zealand	International Aid
27	Human Rights Commission New Zealand	Human Rights and Advocacy
28	The Office of Ethnic Communities	Human Rights and Advocacy
29	Rainbow Youth	Human Rights and Advocacy
30	The New Zealand Federation of Ethnic Councils	Human Rights and Advocacy
31	Sustainable Coastlines	Human Rights and Advocacy

	Name of NFP	Category
32	Child Poverty Action Group	Human Rights and Advocacy
33	Women's Refuge New Zealand	Human Rights and Advocacy
34	Barnardos New Zealand	Family and Youth
35	Auckland Women's Centre	Family and Youth
36	The Disability Rights Commissioner	Disabilities
37	Deaf Aotearoa	Disabilities
38	St John New Zealand	Miscellaneous
39	The New Zealand Blood Service	Miscellaneous
40	The Wellington Free Ambulance	Miscellaneous
41	The NZ Veterinary Association	Miscellaneous
42	The Royal New Zealand Plunket Society	Miscellaneous
43	The New Zealand Society for the Prevention of Cruelty to Animals (SPCA)	Miscellaneous

UK Private Not-for-Profits

	Name of NFP	Category
1	Cancer Research UK	Health
2	British Heart Foundation	Health
3	Alzheimer's Society	Health
4	Macmillan Cancer Support	Health
5	Diabetes UK	Health
6	The Royal British Legion	Health
7	Oxfam	Health
8	MS Society	Health
9	The Prince's Trust	Education
10	Teach First	Education
11	The Education Endowment Foundation	Education

	Name of NFP	Category
12	Shelter	Education
13	Children in Need	Education
14	The Royal National Institute of Blind People (RNIB)	Education
15	The Salvation Army	Community Services
16	Age UK	Community Services
17	Crisis	Community Services
18	St John Ambulance	Community Services
19	Samaritans	Community Services
20	The Trussell Trust	Community Services
21	Action for Children	Community Services
22	Greenpeace UK	Environment
23	WWF (World Wildlife Fund) UK	Environment
24	Friends of the Earth	Environment
25	The Royal Society for the Protection of Birds (RSPB)	Environment
26	The Marine Conservation Society	Environment
27	Earthwatch Institute	Environment
28	The Arts Council England	Arts and Culture
29	The British Museum	Arts and Culture
30	English Heritage	Arts and Culture
31	The Royal Academy of Arts	Arts and Culture
32	The Royal Shakespeare Company	Arts and Culture
33	The London Symphony Orchestra	Arts and Culture
34	The Royal Opera House	Arts and Culture
35	The British Film Institute	Arts and Culture
36	World Vision UK	International Aid
37	Tearfund	International Aid
38	Mercy Corps UK	International Aid
39	War Child UK	International Aid
40	Oxfam GB	International Aid
41	Islamic Relief UK	International Aid
42	The Equality Trust	Human Rights and Advocacy

	Name of NFP	Category
43	Stonewall	Human Rights and Advocacy
44	The Young Women's Trust	Human Rights and Advocacy
45	The Refugee Council	Human Rights and Advocacy
46	The Fawcett Society	Human Rights and Advocacy
47	The Family Action	Family and Youth
48	Family Lives	Family and Youth
49	YoungMinds	Family and Youth
50	The National Youth Agency	Family and Youth
51	The Prince's Trust	Family and Youth
52	The National Autistic Society	Disabilities
53	Disability Rights UK	Disabilities
54	Sense (for deafblind people)	Disabilities
55	Mencap	Disabilities
56	Alzheimer's Research UK	Disabilities
57	The Royal National Institute of Blind People (RNIB)	Disabilities
58	British Red Cross	Miscellaneous
59	UK Youth	Miscellaneous
60	The Prince's Trust	Miscellaneous
61	Girlguiding UK	Miscellaneous
62	The UK's National Lottery Community Fund	Miscellaneous

Canada Private Not-for-Profits

	Name of NFP	Category
1	Alzheimer Society of Canada	Health
2	Canadian Mental Health Association	Health
3	Diabetes Canada	Health
4	Kidney Foundation of Canada	Health
5	Canadian Red Cross	Health
6	MS Society of Canada	Health

	Name of NFP	Category
7	Canadian Liver Foundation	Health
8	Hearing Foundation of Canada	Health
9	Big Brothers Big Sisters of Canada	Education
10	Kids Help Phone	Education
11	Indspire	Education
12	The Institute for Canadian Citizenship	Education
13	The Canadian Education Association	Education
14	The Royal Canadian Geographical Society	Education
15	Canadian Association of University Teachers	Education
16	United Way Canada	Community Services
17	Food Banks Canada	Community Services
18	The Salvation Army Canada	Community Services
19	Catholic Social Services	Community Services
20	Canadian Women's Foundation	Community Services
21	Hope Mission	Community Services
22	Canadian Red Cross	Community Services
23	Covenant House	Community Services
24	World Wildlife Fund Canada (WWF)	Environment
25	Environmental Defence Canada	Environment
26	The Nature Conservancy of Canada	Environment
27	The Canadian Parks and Wilderness Society	Environment
28	Canadian Environmental Law Association	Environment
29	David Suzuki Foundation	Environment
30	Green Communities Canada	Environment
31	Canada Council for the Arts	Arts and Culture
32	The Art Gallery of Ontario	Arts and Culture
33	The National Gallery of Canada	Arts and Culture

	Name of NFP	Category
34	World Vision Canada	International Aid
35	Save the Children Canada	International Aid
36	Oxfam Canada	International Aid
37	Plan International Canada	International Aid
38	CARE Canada	International Aid
39	Developing World Connections	International Aid
40	GlobalMedic	International Aid
41	Humanity & Inclusion (HI) Canada	International Aid
42	Canadian Feed The Children	International Aid
43	Canadian Civil Liberties Association	Human Rights and Advocacy
44	The Canadian Association for Community Living	Human Rights and Advocacy
45	Family Service Canada	Family and Youth
46	The Family Centre	Family and Youth
47	The Children's Trust	Family and Youth
48	Youth Empowerment and Support Services	Family and Youth
49	Imagine Canada	Miscellaneous
50	The Volunteer Canada	Miscellaneous
51	The Canadian Fundraising and Philanthropy Network	Miscellaneous

US Private Not-for-Profits

	Name of NFP	Category
1	American Red Cross	Health
2	Alzheimer's Association	Health
3	National Alliance on Mental Illness (NAMI)	Health
4	Multiple Sclerosis Society	Health
5	Cystic Fibrosis Foundation	Health

	Name of NFP	Category
6	Susan G. Komen for the Cure	Health
7	Boys & Girls Clubs of America	Education
8	Reading Is Fundamental	Education
9	The Carnegie Corporation	Education
10	Habitat for Humanity	Community Services
11	The Salvation Army	Community Services
12	Meals on Wheels	Community Services
13	Local Initiatives Support Corporation (LISC)	Community Services
14	World Wildlife Fund (WWF)	Environment
15	The Nature Conservancy	Environment
16	Environmental Defense Fund	Environment
17	National Audubon Society	Environment
18	Friends of the Earth	Environment
19	Natural Resources Defense Council (NRDC)	Environment
20	The National Performing Arts Center	Arts and Culture
21	Doctors Without Borders (Médecins Sans Frontières)	International Aid
22	Oxfam America	International Aid
23	CARE USA	International Aid
24	Heifer International	International Aid
25	Mercy Corps	International Aid
26	Partners In Health	International Aid
27	American Civil Liberties Union (ACLU)	Human Rights and Advocacy
28	Human Rights Campaign	Human Rights and Advocacy

	Name of NFP	Category
29	Amnesty International USA	Human Rights and Advocacy
30	ACLU Foundation	Human Rights and Advocacy
31	The Arc	Disabilities
32	National Down Syndrome Society	Disabilities
33	The National Council on Aging	Miscellaneous

South Africa Private Not-for-Profits

	Name of NFP	Category
1	Cancer Association of South Africa (CANSA)	Health
2	Mental Health Federation of South Africa	Health
3	Heart and Stroke Foundation South Africa	Health
4	Diabetes South Africa	Health
5	The AIDS Foundation of South Africa	Health
6	South African Medical Research Council	Health
7	Childhood Cancer Foundation South Africa (CHOC)	Health
8	The Department of Basic Education (DBE)	Education
9	The South African Institute of Race Relations (SAIRR)	Education
10	The National Education Collaboration Trust (NECT)	Education
11	The Kagiso Trust	Education
12	The African Leadership Academy	Education
13	The Nelson Mandela Foundation	Community Services
14	The Salvation Army South Africa	Community Services
15	WWF South Africa	Environment

16	Greenpeace Africa	Environment
17	The South African National Biodiversity Institute (SANBI)	Environment
18	The Endangered Wildlife Trust	Environment

Appendix 5 – Survey Instrument

Service Performance Research Project - Focus Groups

Performance reporting is a way for an organisation to show what it's doing and how well it's doing it. It includes two key parts:

1. **Outputs:** These are the specific things the organisation does, like services or programs it runs. It's about what they produce or deliver.
2. **Outcomes:** These are the bigger goals the organisation wants to achieve, based on its mission. It's about the difference or impact the organisation hopes to make.

So, performance reporting is about both **what** the organisation is doing and **how well** it's achieving its goals.

1. Please enter your email address.

"Your email will be used only for focus group scheduling and will be kept confidential."

2. Which of the following best describes your role?

- Regulator
- Peak Body Representative
- Preparer of financial statements
- Auditor
- Individual donor
- Media
- Accounting Professional Body Representative

3. What is your role within your regulatory body?

- Policy & Standards Development
- Compliance & Enforcement
- Other

4. How long have you been involved in regulating not-for-profit and/or charitable organisations?

- Less than 1 year
- 1-3 years
- 4-6 years
- 7-10 years
- More than 10 years

5. What type of regulatory body do you represent?

- National
- State/Territory
- Local Government
- Other

6. What level of involvement does your organisation have in non-financial reporting?

- High
- Moderate
- Low
- None

7. Which peak body do you represent?
 - ACOSS
 - Philanthropy Australia
 - ACFID
 - AICD
 - Other
8. What role does your organisation play in nonprofit reporting and governance?
 - Advocacy
 - Policy
 - Best Practices
 - Accounting Standards
 - Governance
 - Other
9. How long have you been working with nonprofit organisations?
 - Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
10. What role should peak bodies play in shaping service performance reporting?
11. As a peak body representative, how do you use service performance reporting in your role with nonprofit organisations?
12. What is your role in assurance?
 - External Auditor
 - Internal Auditor
 - Compliance Auditor
 - Other
13. What type of assurance services do you provide?
 - Financial audit
 - Compliance results
 - Performance audits
 - Other
14. Have you previously assured service performance reporting disclosures?
 - Yes
 - No
15. How long have you been assuring nonprofit organisations (including charities)?
 - Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
16. Do you believe that service performance reporting information should be assured?
 - Yes
 - No
 - Maybe

17. If service performance reporting information is assured, what level of assurance should be required?
- Full audit
 - Limited review
 - Agreed-upon procedures
 - No assurance needed
 - Other
18. What factors most influence the assurance of service performance disclosures?
- Quality of Data
 - Internal controls of nonprofit organisations
 - Standards or guidelines available for assurance
 - Regulatory requirements
 - Other
19. How would the auditing profession need to adapt to provide meaningful assurance over service performance reporting?
- Update assurance standards to include service performance reporting
 - Improve training for auditors on service performance reporting
 - Increase regulatory oversight
 - No adaption needed
 - Other
20. What is your role in financial reporting?
- CFO/Finance Director
 - Financial Accountant
 - Management Accountant
 - Consultant
 - Other
21. What type(s) of nonprofit organisations do you prepare financial statements for?
- Small nonprofit organisation (Annual revenue under \$500, 000).
 - Medium nonprofit organisation (Annual revenue of \$500, 000 or more, but under \$3 million).
 - Large nonprofit organisation (Annual revenue of \$3 million or more).
22. How long have you been preparing financial statements for nonprofit organisations?
- Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
23. Are you currently involved in preparing service performance disclosures?
- Yes
 - No
 - Maybe
24. Where do you **include** service performance disclosures?
- Within financial statements
 - Separate from financial statements
 - Both
25. What challenges do you encounter in preparing service performance disclosures?
- Data collection and measurement difficulties
 - Cost of preparation
 - Lack of guidance/ standardised metrics

- Integration with financial reports
 - Other
26. In your opinion, how do regulators wish to use service performance information?
27. What regulatory challenges do you anticipate in implementing service performance reporting?
28. What is your age group?
- 18-25
 - 26-35
 - 36-45
 - 46-55
 - 56+
29. What is your primary reason for supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Personal connection to cause
 - Tax benefits
 - Social responsibility
 - Other
30. How frequently do you support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Monthly
 - Every few months
 - Annually
 - Less than once a year
31. Do you review financial before or after supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Always
 - Sometimes
 - Rarely
 - Never
32. Do you review service performance information before or after supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Always
 - Sometimes
 - Rarely
 - Never
33. What type of information is most important to you when deciding to support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Financial efficiency (use of funds)
 - Impact and outcomes of programs
 - Transparency and governance
 - Other
34. What sources of information do you do consider important when evaluating the performance of nonprofit organisations (including charities) before support then with resources (financial, in-kind, time, etc.)?
- Nonprofit's own reports
 - Word of Mouth

- Media Coverage
 - Independent ratings/reviews
 - Other
35. Do you use service performance disclosure to inform your decision(s) to support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
36. Do you feel you have power in accessing or requesting information that is most relevant/ important to their decision making?
37. In the absence of this information, what do you do about it?
38. What type of media organisation do you work for?
- Newspaper
 - Television
 - Online News Platform
 - Social media/ blogging
 - Other
39. How frequently do you report on not-for-profit organisations (including charities) financial or service performance?
- Regularly (at least once a month)
 - Occasionally (a few times a year)
 - Rarely
 - Never
40. Which accounting body do you represent?
- CAANZ
 - CPA
 - Other
41. What is your role within the organisation?
- Standard-setting
 - Accounting
 - Auditor
 - Ethics
 - Policy and Research
 - Member Training/Education
 - Other
42. How long have you been involved in nonprofit reporting?
- Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years

Appendix 6 – Focus Group Participant Information Sheet

Participant Information Sheet – Service Performance Reporting & Connectivity between financial and non-financial disclosures.

Project Title: Service Performance Reporting & Connectivity between financial and non-financial disclosures. (H16570)

Project Summary:

You are invited to participate in a research project led by Dr. Ushi Ghoorah and a team of 10 academics from various universities, which examines service performance reporting and the connectivity between financial and non-financial information. The aim is to enhance transparency and accountability in nonprofit organisations. The project is funded by the Australian Accounting Standards Board (AASB).

How is the study being paid for?

The study is being funded by the Australian Accounting Standards Board (AASB). This funding supports the research on service performance reporting and the connectivity between financial and non-financial information in nonprofit organisations.

What will I be asked to do?

As a participant in this study, you will be asked to take part in an online interview, conducted via Zoom or Teams, which will last approximately 45 to 60 minutes. During the interview, you will be asked questions about service performance reporting in nonprofit organisations, focusing on the connection between financial and non-financial information. Your responses will help us better understand the challenges and opportunities in nonprofit reporting. Participation is voluntary, and you can withdraw at any time without any consequences.

How much of my time will I need to give?

Approximately 45 – 60 minutes.

What benefits will I, and/or the broader community, receive for participating?

While there are no direct personal benefits for participating in this study, your involvement will contribute to important research aimed at improving service performance reporting in nonprofit organisations. The insights gained from the interviews will help enhance the transparency and accountability of nonprofit reporting practices, which could lead to more effective decision making and stronger trust between nonprofits and their stakeholders. This research may also inform policy changes and better regulatory frameworks that benefit the broader nonprofit sector and the communities they serve.

Will the study involve any risk or discomfort for me? If so, what will be done to rectify it?

There are no anticipated risks in participating in this research, aside from the minor inconvenience of taking time out of your day for the focus group. The study is designed to minimise any risks or discomfort to participants. The focus group discussion will centre on service performance reporting in nonprofit organisations and should not involve any sensitive or distressing topics. However, if at any point you feel uncomfortable or prefer not to answer a question, you are free to skip that question or withdraw from the focus group entirely without any consequences.

Additionally, all responses will be kept confidential, and your participation is voluntary. If you experience any discomfort during the discussion, you may take a break or leave the session at any time. The research team is committed to ensuring a respectful and supportive environment for all participants.

How do you intend to publish or disseminate the results?

Only Dr. Ushi Ghoorah will have access to the identities of those participating in the focus group. All research team members will access the data in a de-identified format to maintain confidentiality. The de-identification process will involve removing all personally identifiable information, such as names and

contact details, and replacing them with unique codes. Any references that could indirectly identify participants will also be reviewed and anonymised to ensure privacy.

The results of the study will be disseminated through a combination of industry forums, a summary document emailed to those who have expressed interest, and publication on the University's website. This approach ensures that both academic and professional audiences, as well as nonprofit organisations and regulatory bodies, have access to key insights that can inform policy and practice in service performance reporting.

All data will be securely stored on a locked OneDrive account, with access restricted to Dr. Ushi Ghoorah. Research team members will only access de-identified data to ensure participant confidentiality.

Will the data and information that I have provided be disposed of?

Dr. Ushi Ghoorah will have access to data about the focus group's identity. The research team will only have access to de-identified data. The data may be used in other related projects for an extended period of time. Once transcribed, the audio record of the focus group will be deleted, with only the anonymised transcription stored for five years to support future academic research and publications.

To the best of our ability, your comments in the focus group transcript will be attributed using a pseudonym, which will be known only to you and Dr. Ushi Ghoorah. This ensures confidentiality while allowing for accurate representation of your contributions. If you choose to review the transcript, you will have the opportunity to verify your responses and request any necessary clarifications before the final analysis. This process helps maintain accuracy and ensures your insights are appropriately reflected in the research.

Can I withdraw from the study?

Participation is entirely voluntary, and you are not obliged to be involved. If you do participate you can withdraw at any time without giving reason by expressing this to the researcher. If you do choose to withdraw any information that you have provided will be permanently deleted from the research study.

What if I require further information?

Please contact Dr. Ushi Ghoorah should you wish to discuss the research further before deciding whether to participate.

Dr. Ushi Ghoorah
Lecturer, Accounting
Western Sydney University
Phone: 9685 9224
Email: ushi.gh@westernsydney.edu.au

Privacy Notice

Western Sydney University staff and students conduct research that may require the collection of personal and/or health information from research participants.

The University's Privacy Policy and Privacy Management Plan set out how the University collects, holds, uses and discloses personal or health information. Further details about the use and disclosure of this information can be found on the [Privacy at Western Sydney webpage](#).

What if I have a complaint?

If you have any complaints or reservations about the ethical conduct of this research, you may email the Ethics Committee through Research Services: humanethics@westernsydney.edu.au.

Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome. If you agree to participate in this study, you may be asked to sign the Participant Consent Form. The information sheet is for you to keep, and the consent form is retained by the researcher/s.

This study has been approved by the Western Sydney University Human Research Ethics Committee. The Approval number is H16570.

Explanation of Consent

What will happen to my information if I agree to it being used in other projects?

Thank you for considering being a participant in a university research project. The researchers are asking that you agree to supply your information (data) for use in this project and to also agree to allow the data to potentially be used in future research projects.

This request is in line with current University and government policy that encourages the re-use of data once it has been collected. Collecting information for research can be an inconvenience or burden for participants and has significant costs associated with it. Sharing your data with other researchers gives potential for others to reflect on the data and its findings, to re-use it with new insight, and increase understanding in this research area.

You have been asked to agree to extended consent.

What does this mean?

When you agree to extended consent, it means that you agree that your data, as part of a larger dataset (the information collected for this project) can be re-used in projects that are:

- an extension of this project
- closely related to this project
- in the same general area of this research.

The researchers will allow this data to be used by the chief investigator for additional publications. To enable this re-use, your data will be held at the University in its data repository and managed under a Data Management Plan. The stored data available for re-use will not have information in it that makes you identifiable. The re-use of the data will only be allowed after an ethics committee has agreed that the new use of the data meets the requirements of ethics review. The researchers want to keep the data for 5 years for possible re-use. After this time the data will be securely destroyed.

You are welcome to discuss these issues further with the researchers before deciding if you agree. You can also find more information about the re-use of data in research in the National Statement on Ethical Conduct in Human Research – see Sections 2.2.14 - 2.2.18.

<https://www.nhmrc.gov.au/about-us/publications/national-statement-ethical-conduct-human-research-2007-updated-2018>

Appendix 7 – Focus Group Questions

1. What is the first thing that comes to mind when you consider service performance information?
2. Do service performance reporting matter for nonprofit accountability?
3. Who do you think are the primary users of service performance information?
 - ☐ Donors
 - ☐ Regulators
 - ☐ Nonprofit boards
 - ☐ The public
 - ☐ Other
4. How should SPR disclosures be presented to best serve user needs?
5. Do you think not-for-profit entities should be required (i.e., mandated) to report consistent and comparable service performance information in the annual reports? Why/ why not?
6. Do you believe that the requirements for providing Service Performance Reporting (SPR) information should vary based on the size of the entity? Specifically, should smaller entities be subject to less stringent reporting requirements compared to larger entities?
7. How should performance disclosures be provided?
 - ☐ Within financial statements
 - ☐ Separate from financial statements
 - ☐ Combination of both
 - ☐ No opinion (*Note: Are service performance reporting and financial reporting distinct?*)
8. What are your views on whether service performance information provides additional context for evaluating financial data or the overall performance of the entity (i.e., connectivity)?
9. How important is the link between service performance information and financial disclosures for decision-making?
10. What factors influence the link between financial and non-financial disclosures?
11. What challenges might preparers / auditors face in integrating financial and non-financial disclosures?
12. What type of decision would service performance reporting assist with?
 - ☐ Resource Allocation
 - ☐ Budgeting and Strategic Planning
 - ☐ Accountability and Reporting
 - ☐ Stakeholder Engagement and Communication
 - ☐ Other (please specify): _____
13. What are considered best practices in terms of service performance disclosures?
 - a. How does SPR reporting work in other jurisdictions (e.g., NZ, UK)?
 - b. What lessons can be learned from these jurisdictions (e.g., the NZ experience)?
14. What accounting, presentation or calculation issues do you foresee impacting the process of service performance reporting?
15. Considering the long-term implications, how do you perceive the balance between the value generated by SPR information and the resources required to produce it? [i.e., benefits outweigh costs or vice versa)

Appendix 8 – Email Requesting Participation

Dear «First_Name»

You are warmly invited to participate in a research focus group that is part of a national study funded by the Australian Accounting Standards Board (AASB).

The research, led by Dr. Ushi Ghoorah and a team of academics, seeks to understand whether it is worthwhile, and how best, to introduce service performance reporting in Australia, including the connection between financial and non-financial disclosures in nonprofit reporting. Focus group sessions will be held online (via Zoom or Teams), and will last approximately 45–60 minutes, scheduled this month at a time that suits you.

All sessions will be recorded for transcription purposes only, and your personal information will be de-identified and kept strictly confidential. Only anonymised data will be used in the analysis and reporting.

Your contribution will support the development of more effective reporting standards and frameworks that benefit the wider nonprofit sector and its stakeholders.

To help us organise the focus groups, we kindly ask that you complete this **very short survey (2–3 minutes)** by the **end of this week**:

👉 [AASB Service Performance Reporting Research Project Survey](#)

If you have any questions or would like to know more before deciding to participate, feel free to contact the lead researcher:

Dr. Ushi Ghoorah

Lecturer, Accounting, Western Sydney University

✉ ushi.gh@westernsydney.edu.au | ☎ 0404 534 241

We truly appreciate your time and consideration, and we hope you will consider sharing your valuable perspective in this important research.

Kind regards,

Ushi

AASB Working Paper
AASB Research Forum
(November 2025)

Connectivity of Non-financial and Financial Information

Dr. Ushi Ghoorah, Western Sydney University

Professor David Gilchrist, University of Western Australia

Associate Professor Craig Furneaux, Queensland University of Technology

Professor Phil Hancock, University of Western Australia

Dr. Nikki Schönfeldt, University of Western Australia

Executive Summary

About the Report

This research report investigates the connectivity between financial and non-financial information in the Australian not-for-profit (NFP) private sector, with a particular focus on the relevance and application of service performance reporting (SPR). The report draws on literature reviews, annual report analysis, surveys, and stakeholder focus groups to evaluate current reporting practices, stakeholder perceptions and practical pathways for improving integration, accessibility, and credibility of SPR across the sector. Key messages include:

- Connectivity between financial and non-financial information remains fragmented across the NFP sector, with limited integration and inconsistent terminology.
- Stakeholders (including donors, regulators, preparers, auditors, and directors) recognise the value of SPR but highlight challenges around implementation costs, capacity constraints, assurance gaps, and the need for flexible reporting guidance.
- International case studies (e.g., New Zealand, United Kingdom, Canada) illustrate varied models of SPR, offering insights into balancing comparability, contextualisation, and proportionality.

A successful SPR framework for Australia must be scalable, principles-based, and informed by stakeholder perspectives to ensure it is both credible and context-sensitive.

Main Findings

- **Literature Review:** Six major themes emerged, namely, accountability, donor trust, reporting frameworks, performance measurement, stakeholder needs, and sustainability. The literature

identifies a disconnect between formal transparency and functional usability, highlighting the need for principles-based frameworks that reflect the diversity of NFP missions and governance capacities.

- **Annual Report Analysis:** Leximancer analysis of 1,545 reports from 309 organisations across six countries showed that 'finance' emerged as the most dominant theme. Terms such as 'performance', 'impact', and 'outcomes' were inconsistently applied, often varying by sector. New Zealand reports demonstrated stronger integration between financial and non-financial domains, positioning 'performance' as a bridging construct, whereas Australian reports showed more compartmentalised approaches.
- **Survey and Focus Groups:** Donors prioritise trust, mission alignment, and ethical reputation over formal disclosures. Preparers cited difficulties in data collection, standardisation, and communicating impact meaningfully. Auditors raised concerns about assurance infrastructure for narrative disclosures. Peak bodies and regulators emphasised proportionality and practical implementation, while directors and professional bodies advocated for governance, integrated disclosures, and sector-specific language flexibility.

Recommendations

This report calls for the development of a robust, scalable, and context-sensitive SPR framework for the Australian NFP sector¹, underpinned by five key recommendations.

1. Adopt a principles-based, proportional framework

Introduce a flexible, tiered approach (similar to New Zealand's model) that reflects organisational size and capacity. Clear differentiation between minimum requirements and aspirational best practices will enhance comparability while reducing undue burden.

2. Enable integration of financial and non-financial data using linked formats

Position SPR in a "linked but distinct" section within annual reports to ensure accessibility and clarity without embedding disclosures within audited financial statements². Provide guidance on scalable assurance options to enhance trust and move towards embedding in the annual report.

3. Promote user-focused and flexible presentation styles

Support layered, narrative, and visual reporting formats tailored to diverse stakeholder needs. Include templates and examples to encourage accessibility and meaningful engagement while supporting consistency.

¹ While this report primarily analyses disclosures from NFPs operating in the private sector, many of the findings may be relevant to the NFP public sector. However, any extrapolation should be treated with caution, given the differences in reporting obligations, governance structures, and funding models between the two subsectors.

² In New Zealand, service performance disclosures are embedded within audited financial statements. This report reflects current Australian practice, but further consultation is needed to determine whether a similar approach is feasible or appropriate in the Australian context.

4. Allow flexibility in language and performance descriptors

Permit the use of sector-relevant terms such as “impact,” “outcomes,” or “client change” to reflect the diversity of service contexts and enhance stakeholder resonance.

5. Strengthen auditability through scalable verification pathways

Offer guidance on proportionate assurance options, from internal review to external audit, to support credibility across different organisational contexts and stakeholder uses.

These recommendations collectively aim to improve transparency, stakeholder trust, and reporting quality, while ensuring feasibility and relevance across Australia’s diverse NFP landscape.

Structure of Report

The report is structured into five sections:

- Introduction – Outlines the purpose and scope of the report
- Background – Provides context and reviews relevant literature
- Research Method Summary – Summarises the study’s design and methodology.
- Results – Presents the key findings from the analysis
- Discussion and Recommendations – Synthesises insights and offers practical guidance

1. Introduction

The growing complexity of the not-for-profit (NFP) sector and increasing expectations for transparency and accountability have intensified calls for a more integrated approach to financial and non-financial reporting (Adams & Simnett, 2011; Cordery et al., 2019; Palmer, 2013). Traditional financial statements alone are insufficient for conveying the full scope of an NFP's performance, particularly its impact on beneficiaries and the community (Connolly & Hyndman, 2013a; Ghoorah et al., 2021). Stakeholders, including donors, regulators, and the public, require a more holistic view of organisational effectiveness, one that links financial results with service performance outcomes (Adams & Simnett, 2011; Buchheit & Parsons, 2006; Cordery & Simpkins, 2016).

Integrated or service performance reporting (SPR) seeks to bridge this information gap by aligning financial disclosures with non-financial indicators such as outputs, outcomes, and social impact (Hooks & Stent, 2020; McConville & Cordery, 2022). In practice, however, this integration remains uneven. Many NFPs face barriers including limited regulatory guidance, inconsistent stakeholder expectations, and capacity constraints (Gilchrist et al., 2023; Breen et al., 2018; Palmer, 2013). Furthermore, while jurisdictions like New Zealand have adopted a structured SPR framework requiring the disclosure of service performance data for registered charities, Australia continues to rely on fragmented, voluntary approaches (Cordery & Simpkins, 2016; Hooks & Stent, 2020).

The academic literature underscores both the potential and the complexity of achieving meaningful connectivity between financial and non-financial reporting. On one hand, donors perceive enhanced transparency and trust when disclosures include performance achievements and outcome data (Buchheit & Parsons, 2006; Connolly & Hyndman, 2013a; Ghoorah et al., 2021; Ghoorah et al., 2025). On the other hand, the lack of sector-specific performance reporting frameworks and practical implementation guidance limits the comparability (Ghoorah, 2017) and utility of such reports (Palmer, 2013; Ryan, Mack et al., 2014). Indeed, the integration of narrative and numerical information raises conceptual challenges about materiality, relevance, and stakeholder alignment (Lakshan, Low, & de Villiers, 2022; Manetti & Toccafondi, 2014).

This research explores how financial and service performance disclosures can be more effectively connected to support decision-usefulness, accountability, and sector legitimacy (Adams & Simnett, 2011; Cordery et al., 2019). Drawing on a multi-source research design, including stakeholder focus groups, a survey of sector participants, and analysis of annual reports, this study integrates multiple sources of evidence to assess existing practices, stakeholder expectations, and regulatory innovations. This multi-method approach reflects prior calls to deepen understanding of sustainability and performance reporting through empirical engagement with preparers and users across the sector (Farneti & Guthrie, 2009; McConville & Cordery, 2022). By combining qualitative and quantitative insights, the report provides a robust basis for evaluating how a more coherent and responsive SPR framework might be developed for the Australian NFP sector.

2. Background

There is increasing recognition that traditional financial reporting alone does not fully capture the performance or value generated by NFPs. As purpose-driven organisations, NFPs must demonstrate not only financial stewardship but also whether and if so, how their services achieve mission objectives, create social value, achieve mission objectives, and contribute to long-term impact. This has led to greater emphasis on SPR, which provides contextual and outcomes-based information that complements financial statements (CA ANZ, 2021a).

In the Australian context, the regulatory framework for financial reporting is well developed, yet the formalisation of SPR remains limited. The Australian Accounting Standards Board (AASB) has issued AASB 1060 for simplified disclosures by Tier 2 general purpose financial statements, and work is underway to reform the broader NFP financial reporting framework (CA ANZ, 2021b). However, the integration of non-financial disclosures, especially those relating to service performance, into financial reports is still largely voluntary, fragmented, and lacking consistency.

This gap is particularly salient given recent regulatory advancements in sustainability reporting. The AASB released AASB S1 (voluntary) and AASB S2 (mandatory), which require disclosures relating to governance, strategy, risk, metrics, and targets associated with climate-related risks and opportunities (KPMG, 2025; AASB, 2024). These standards explicitly promote the connectivity between financial and sustainability-related information, aligning with international expectations under IFRS S1 and S2.

As the Australian Sustainability Reporting Standards (commonly referred to as ASRS) regime develops, with mandatory reporting beginning for some entities from 1 January 2025 and reasonable assurance requirements phased in by 2030, there is a broader shift toward integrated reporting frameworks that connect financial performance with non-financial drivers of organisational value (KPMG, 2025). While these standards are currently targeted at medium to large for-profit entities, their conceptual approach has implications for NFPs, which are also increasingly expected to account for their environmental, social, and governance (ESG) responsibilities (AICD, 2024).

New Zealand offers a notable case study in embedding SPR into financial reporting for NFPs. Since 1 January 2022, Tier 1 and Tier 2 public benefit entities have been required to comply with PBE FRS 48, a SPR standard issued by the New Zealand External Reporting Board (XRB). The standard requires entities to explain why they exist, what they aim to achieve, and what they did during the reporting period to advance those aims. It balances narrative flexibility with minimum disclosure expectations, ensuring the information is useful for accountability and decision-making (Crowe NZ, 2022; CA ANZ, 2021c).

These developments are echoed in sector commentary and governance insights. The [2024–25 Not-for-Profit Governance and Performance Study](#) conducted by the Australian Institute of Company Directors (AICD) highlighted that directors are increasingly focused on mission effectiveness, climate governance, and ESG disclosures. There is growing pressure from funders and regulators for organisations to articulate their outcomes, not just their activities or inputs (AICD, 2024). Such shifts

demand improved integration between financial and non-financial reporting to reflect holistic performance and value delivery.

Guidance from professional bodies such as Chartered Accountants Australia and New Zealand (CA ANZ) reinforces this view. Their 2021 reporting guides advocate for clearer, user-focused reporting frameworks that reflect the diverse structures and goals of NFPs. These publications recommend aligning performance and financial disclosures to provide stakeholders with a coherent narrative that supports transparency, comparability, and sector legitimacy (CA ANZ, 2021a; CA ANZ, 2021b).

Collectively, these trends indicate a critical transition point for the Australian NFP sector. With mandatory sustainability standards embedding integration principles into financial reports, and international models demonstrating how SPR can be meaningfully implemented, there is a growing case for Australia to adopt a formal, scalable SPR framework. Such a framework would enhance the quality of disclosure, improve stakeholder trust, and support the sector's ability to demonstrate its contribution to social impact.

3. Research Method Summary

This study employed a mixed-methods design to evaluate the quality, integration, and stakeholder perceptions of performance reporting across Australian and international NFPs. The research drew on four core components: (1) a structured literature review, (2) a five-year longitudinal analysis of NFP annual reports, (3) a national stakeholder survey, and (4) structured focus groups with sector representatives.

The literature review established a conceptual and regulatory foundation, mapping key themes across international jurisdictions such as New Zealand and the United Kingdom. The objective was to identify recurring concepts and frameworks that underpin the connection between financial and non-financial information in NFP reporting. The analysis focused on abstracts and keyword-rich sections of each paper, using NVivo software to support the inductive coding process. A word cloud, generated from stemmed and synonymous terms, visually reinforced the thematic frequency and distribution across the dataset. It identified gaps in existing scholarship and contextualised Australia's reporting landscape within broader global efforts.

Empirical analysis of annual reports was conducted on a final sample of 309 organisations across six countries (Australia, New Zealand, UK, Canada, USA, and South Africa), resulting in 1,545 reports spanning 2019 to 2023. Reports were analysed using Leximancer software to identify key concepts and their co-occurrence, enabling a structured comparison of reporting maturity and connectivity between financial and non-financial information.

Stakeholder perspectives were captured through a national survey and follow-up focus groups with 85 participants, including donors, directors, auditors, regulators, and peak bodies. Demographic information was collected as part of the invitation to participate in the study (these are reported in Appendix 1, Table A1.4). The collection of demographic information aimed to provide a clearer understanding of the participant group and ensure a balanced representation across different sectors

and roles. However, data regarding participants' specific locations was not collected in the survey to maintain participant privacy and minimise potential biases arising from regional differences. The Chief Investigator holds information about participants' locations, which are mentioned when relevant in citing quotes from the focus groups later in the report. This approach ensures that location-specific context is provided where necessary, while maintaining the focus on broader regional perspectives without compromising privacy.

Focus groups were conducted via Zoom or Teams and analysed using a hybrid thematic method that combined manual coding with GenAI-assisted techniques (ChatGPT-4). This enabled rigorous cross-validation of themes such as donor trust, auditability, proportionality, and strategic communication.

This multi-method synthesis ensured analytical depth, practical insight, and cross-validation across data sources. Full methodological details, including sampling protocols, analytical frameworks, and coding procedures, are provided in Appendix 1.

4. Analysis and Interpretation of Results

4.1 Thematic Analysis of Literature

This section presents the results of a thematic analysis of 63 peer-reviewed papers examining SPR³ in the NFP sector. Six dominant themes were identified: (1) accountability for performance in NFPs, (2) donor trust, motivation and fundraising, (3) NFP financial reporting frameworks and standards, (4) NFP performance measurement, (5) stakeholder involvement and user needs, and (6) sustainability reporting in NFPs. Together, these themes offer a conceptual foundation for understanding current reporting practices and the potential for enhancing SPR frameworks in Australia. The distribution of the 63 reviewed papers across these thematic categories is summarised in Table 1.

Table 1. Themes Identified in the Literature⁴

<i>Themes</i>	<i>Papers</i>
<i>Accountability for Performance in NFPs</i>	Adams et al., 2014; Breen et al., 2018; Carnegie & West, 2005; Connolly & Hyndman, 2013a; Connolly & Hyndman, 2013b; Cordery, Belal, et al., 2019; Cordery & Deguchi, 2018; Crawford et al., 2018; Cummings et al., 2010; Dhanani & Connolly, 2012; Ebrahim, 2003; Flack & Ryan, 2005; Guthrie et al., 2010; Hooks & Stent, 2020; Kilcullen et al., 2007; Kober et al., 2021; Palmer, 2013; Ryan et al., 2014; Saxton et al., 2012; Wen et al., 2025; Yang & Northcott, 2019; Hsiai et al., 2024a.

³ While 63 peer-reviewed papers were reviewed in this study, relatively few directly examine SPR in the NFP sector. Most studies focus more broadly on accountability, performance measurement, or non-financial reporting, with only a limited number addressing SPR as a distinct reporting practice.

⁴ For an annotated bibliography of these studies, refer to Appendix 2.

<i>Donor Trust, Motivation and Fundraising</i>	Buchheit & Parsons, 2006; Connolly & Hyndman, 2013a; Connolly & Hyndman, 2013b; Cordery, Belal, et al., 2019; Cordery, Crawford, et al., 2019; Ghoorah et al., 2021; Huang & Hooper, 2011; Johansson et al., 2022; Neuman et al., 2015
<i>NFP Financial Reporting Frameworks and Standards</i>	Adams & Simnett, 2011; Breen, 2009; Breen et al., 2018; Breen et al., 2008; Calabrese, 2011; Connolly & Hyndman, 2013a; Connolly & Hyndman, 2013b; Cordery, Belal, et al., 2019; Cordery, Crawford, et al., 2019; Cordery et al., 2017; Cordery & Simpkins, 2016; Crawford et al., 2018; Dumay et al., 2016; Ebrahim, 2003; Falk, 1992; Gilchrist et al., 2023; Hodges & Mellett, 2003; Hooks & Stent, 2020; Hyndman & McConville, 2018; Jones, 1992; Kilcullen et al., 2007; Kober et al., 2021; Laswad & Redmayne, 2015; McConville & Cordery, 2022; Neuman et al., 2015; Palmer, 2013; Ryan & Irvine, 2012; Ryan et al., 2014; Van Staden & Heslop, 2009; Verbruggen et al., 2011; Wen et al., 2025; Yang et al., 2017; Yang & Simnett, 2020; Hsiai et al., 2024a; Hsiai et al., 2024b.
<i>NFP Performance Measurement</i>	Adams et al., 2014; Connolly & Hyndman, 2013a; Connolly & Hyndman, 2013b; Cordery, Belal, et al., 2019; Friesner & Brajcich, 2023; Gamble & Moroz, 2014; Ghoorah et al., 2021; Hooper et al., 2007; Huang & Hooper, 2011; Hume & Hume, 2008; Hunter, 2006; Laswad & Redmayne, 2015; McConville & Cordery, 2022; Parsons, 2007; Hsiai et al., 2024b.
<i>Stakeholder Involvement and User Needs</i>	Connolly & Hyndman, 2013a; Cordery & Simpkins, 2016; Gilchrist et al., 2023; Hooks & Stent, 2020; Hooper et al., 2007; Howieson, 2013; Hyndman & McMahon, 2010; Kilcullen et al., 2007; Kober et al., 2021; Manetti & Toccafondi, 2014; Phillips, 2013; Saxton et al., 2012; Wen et al., 2025; Yang et al., 2017; Yang & Northcott, 2019; Hsiai et al., 2024a; Hsiai et al., 2024b.
<i>Sustainability Reporting in NFPs</i>	Adams et al., 2014; Dumay et al., 2010; Farneti & Guthrie, 2009; Guthrie et al., 2010; Howieson, 2013; Jones & Mucha, 2014; Manes-Rossi et al., 2020; Manetti & Toccafondi, 2014; Simaens & Koster, 2013; Williams et al., 2011; Yang, 2021; Chen & Scott, 2025; Hsiai et al., 2024a.

4.1.1 Accountability for Performance in NFPs

Accountability requires a clear understanding of to whom the NFP is accountable and what form that accountability should take (Connolly & Hyndman, 2013b). NFP organisations must navigate pressures to demonstrate impact and uphold transparency, often balancing the tension between upward accountability to regulators and donors, focused on meeting financial and fiduciary reporting requirements, and downward accountability to beneficiaries, who expect social responsibility (Breen et al., 2018; Crawford et al., 2018; Cordery, Belal, et al., 2019). In the literature, accountability is conceptualised not merely as a matter of compliance, but as a strategy to enhancing trust and legitimacy (Cordery & Deguchi, 2018; Connolly & Hyndman, 2013a; Crawford et al., 2018; Kober et al., 2021; Yang & Northcott, 2019). While the introduction of new reporting requirements can present implementation challenges, they can improve governance and accountability (Hooks & Stent, 2020). In contrast, voluntary disclosure regimes have proven to not be an effective approach for promoting public

accountability (Saxton et al., 2012). Outdated reporting practices, such as the tiered reporting system in Australia, reduce transparency around organisational performance (Wen et al., 2025). The current thresholds are seen as outdated, failing to account for inflation and rising operational costs. While the principle of tiered reporting remains broadly supported for its practicality, there is growing recognition that charity size alone is insufficient, and that additional risk-based criteria should be considered (Wen et al., 2025).

4.1.2 Donor Trust, Motivation and Fundraising

Donor perception, trust and engagement is critical for NFP success and are intertwined with accountability practices. Donors are the most salient stakeholder group for NFPs (Connolly & Hyndman, 2013a) and exert significant influence on accountability practices, often overshadowing the needs of beneficiaries and the NGO's mission (Cordery, Belal, et al., 2019). Transparent reporting, which include decision-useful financial and non-financial disclosures, enhance donor and funder intention (motivation) to contribute (Buchheit & Parsons, 2006; Ghoorah et al., 2021; Johansson et al., 2022). A persistent gap exists between the information needs of donors and the disclosures made in annual reports, and some donors prioritise performance-related information, such as measures of output and efficiency, and key people (Connolly & Hyndman, 2013b; Huang & Hooper, 2011), where others, such as government and philanthropic funders, prioritise financial accountability (Yang et al., 2017). NPOs relying more heavily on donations and grants file reports more promptly (Neuman et al., 2015).

4.1.3 NFP Financial Reporting Frameworks and Standards

There is broad consensus in the literature that the NFP sector requires tailored reporting frameworks that ensure comparability, accountability, and sector relevance (e.g., Cordery et al., 2019; Crawford et al., 2018; Ryan et al., 2014). Sector-neutral accounting standards have been criticised as being misaligned with the sector's social purpose, failing to produce information that meets the need of public sector users (Cordery et al., 2017; Cordery, Belal, et al., 2019; Gilchrist et al., 2023; Wen et al., 2025). Standardised financial reports are often insufficient to meet accountability demands, resulting in NFPs adopting informal, locally relevant reporting mechanisms (Cordery & Simpkins, 2016). Key funders use coercive, normative, and mimetic pressures to ensure they receive appropriate accountability information (Yang et al., 2017). The case of New Zealand illustrates how principles-based authoritative guidance, such as PBE FRS 48, has influenced the type of service performance indicators disclosed by public benefit entities (including universities) though without necessarily improving outcome-based reporting or enhancing decision usefulness (Hsiao et al., 2024a; Hsiao et al., 2024b). This suggests that while regulatory intervention promotes alignment with national strategies, it does not automatically lead to richer performance insights. The diversity of jurisdictional requirements has resulted in fragmentation in NFP reporting across regions, complicating the development of globally comparable standards. For example, after adopting IFRS in 2002, New Zealand introduced a new multi-standards framework in 2014 to better meet the needs of public sector users (Cordery, Belal, et al., 2019). In Australia, there has been a growing trend among large-registered charities toward GPFS–Tier 2 reporting, reflecting the sector's preference for reduced disclosure regimes (Yang & Simnett, 2020).

Stricter regulatory environments (e.g., the UK) are associated with better reporting practices but also higher compliance burdens (McConville & Cordery, 2022). Jurisdictions with well-established NFP reporting frameworks question the practicality and cost-effectiveness of adopting global standards, whereas stakeholders in developing countries, where reporting frameworks are less established, tend to express strong support for international standards (Breen et al., 2018). This divergence highlights the importance of balancing international harmonisation with domestic relevance when developing global NFP reporting frameworks.

The challenge for regulators is to develop policies and purpose-fit reporting guidance that better reflect the unique context of NFPs and ease the compliance burden, particularly for smaller NFPs, without compromising accountability expectations (Hooks & Stent, 2020; Palmer, 2013).

4.1.4 NFP Performance Measurement

NFP organisations are increasingly expected to demonstrate effectiveness, impact, and accountability through both financial and non-financial performance metrics. While financial disclosures dominate annual reports, they often lack performance-related insights that donors prioritise, such as measures of output and efficiency (Connolly & Hyndman, 2013b). There are limitations in using financial ratios as proxies for performance (McConville & Cordery, 2022).

Some preparers believe that the benefits of financial reporting outweigh the costs; however, many perceive financial reports as less relevant for operational decision-making (Laswad & Redmayne, 2015). Donors regard transparent financial disclosures as signals of an organisation's reputation and trustworthiness, with empirical evidence indicating that prior donors are more likely to contribute when such information is available, as it provides reassurance about the effective and responsible use of funds (Ghoorah et al., 2021; Parsons, 2007).

However, evidence from NZ higher education institutions (HEIs) shows that even under mandatory reporting frameworks, performance indicators tend to focus on inputs and processes rather than on impacts or long-term outcomes. While early adopters of PBE FRS 48 included more contextualised indicators, they did not significantly improve the evaluation of effectiveness (Hsiai et al., 2024b). This raises concerns about whether existing performance measurement frameworks capture mission success in meaningful ways.

The growing importance of non-financial performance measures in NFP reporting is also evident. Although non-financial disclosures may not directly influence donation decisions, they play an important role in enhancing donor confidence and perceptions of organisational credibility (Parsons, 2007) and can significantly affect the comparability of financial data (Friesner and Brajcich, 2023). Australian public sector departments placed greater reliance on cost-efficiency and quality measures compared to others, such as sustainability performance measures (Adams et al., 2014).

4.1.5 Stakeholder Involvement and User Needs

Stakeholder involvement and preparers' responsiveness to user needs are important to ensure NFP financial reporting is relevant, accessible, and impactful. Yet, achieving this remains an ongoing process (Cordery & Simpkins, 2016).

Regulators are key stakeholders and play a central role in shaping reporting practices. However, tensions often arise between regulatory objectives and organisational autonomy. Open data policies, while aimed at improving transparency and enhancing accountability, mean NFPs have less control over how their data is repurposed, which increases the risk of misinterpretation or misuse by third parties (Phillips, 2013). Preparers of the Performance Report for New Zealand registered Tiers 3 and 4 charities, question the motivation for the regulatory change and the extent to which they will be used (Hooks & Stent, 2020).

Within organisations, directors and preparers play a central role in shaping how reporting is used and understood. However, concerns are raised that NFP directors lack sufficient financial literacy and that the concept of financial profitability is being misunderstood. Furthermore, accounting standards, particularly those related to revenue recognition, are often seen as overly complex, reducing the usefulness of the financial reports (Gilchrist et al., 2023).

Externally, a wide range of stakeholders, such as donors and government and philanthropic funders, rely on NFP reporting to support accountability and decision-making (Connolly & Hyndman, 2013a; Cordery, Belal, et al., 2019; Ghoorah et al., 2021; Kober et al., 2021). However, there are limited insights into the relative importance of these different stakeholder groups and whether disclosures effectively meet their information needs (Connolly & Hyndman, 2013a; Howieson, 2013; Yang et al., 2017). Some key stakeholders, however, engage in 'institutional work' to ensure that their accountability information needs are met (Yang et al., 2017). Charities that shift from compliance-focused reporting to voluntary, outcomes-based practices are more successful in engaging the public and showing the impact of their work (Yang & Northcott, 2019).

Nonetheless, as shown in the New Zealand university sector, the early adoption of principles-based service performance standards has had only marginal influence on the quality of disclosures. Performance information still tends to emphasise operational processes rather than stakeholder-relevant outcomes, and there is often a lack of alignment between what is reported and what users find most useful (Hsiao et al., 2024a; Hsiao et al., 2024b).

4.1.6 Sustainability Reporting in NFPs

NFPs are increasingly recognising the value of integrating sustainability and non-financial information into their reporting practices, as it improves accountability and transparency and enhances public trust (Jones & Mucha, 2014). While such disclosures align with the sector's mission-driven goals, uptake of sustainability reporting remains limited when reporting is voluntary (Adams et al., 2014). A lack of sector-specific guidelines further limits the consistency and comparability of NFP reports (Jones & Mucha, 2014; Manes-Rossi et al., 2020). When reported, the focus area in sustainability reporting is social sustainability rather than environmental impact (Simaens & Koster, 2013; Williams et al., 2011) with a tendency to report outputs and short-term outcomes, rather than long-term societal impact (Yang, 2021).

Recent evidence from Hsiao et al. (2024a) highlights that sustainability disclosures across public institutions such as universities are often driven by coercive and normative institutional pressures,

including regulatory mandates and funding requirements. Even where sustainability performance indicators (SPIs) are disclosed, the focus remains predominantly on economic and social dimensions, while environmental SPIs are typically absent unless mandated (Hsiao et al., 2024a). This suggests that unless requirements are explicitly embedded into standards, sustainability reporting may lack depth and diffusion across the sector.

Stakeholder engagement in the sustainability reporting process tends to be superficial, often limited to consultation rather than genuine participation (Manetti & Toccafondi, 2014). The COVID-19 pandemic highlighted the interdependence between impact measurement and collaboration, revealing the need for greater collaboration among NFPs, businesses, and government agencies. These collaborations require shared goals and are essential for developing common impact measurement frameworks (Yang, 2021).

Moreover, the cost implications of mandating non-financial reporting and its assurance are becoming increasingly salient. Empirical analysis from New Zealand indicates that requiring assurance of service performance information leads to significant increases in audit fees, especially for larger NFPs (Chen & Scott, 2025). While these costs may be partially mitigated by the adoption of specialised assurance standards, they raise important considerations about the trade-off between enhanced accountability and financial burden for NFPs. This reinforces the need for scalable, proportionate approaches when integrating sustainability and service performance into mainstream reporting (Chen & Scott, 2025).

4.1.1 Summary of SPR in the NFP Sector Literature

The thematic analysis of the literature reveals NFPs are facing increasing demands for accountability, transparency, comparability, and relevance in both financial and non-financial disclosures. While the importance of service performance information is widely acknowledged, there remains a persistent disconnect between stakeholder expectations and current reporting practices. Key themes, such as accountability frameworks, donor information needs, performance measurement, stakeholder engagement, and sustainability disclosures, highlight the complexity and fragmentation of existing reporting approaches.

The literature identifies several systemic challenges, including the inadequacy of sector-neutral standards, limited stakeholder responsiveness, inconsistent donor expectations, and the underdevelopment of sustainability and impact reporting. These limitations are further compounded by the absence of tailored, purpose-fit reporting frameworks that reflect the diverse missions, governance capacities, and regulatory environments of NFP organisations.

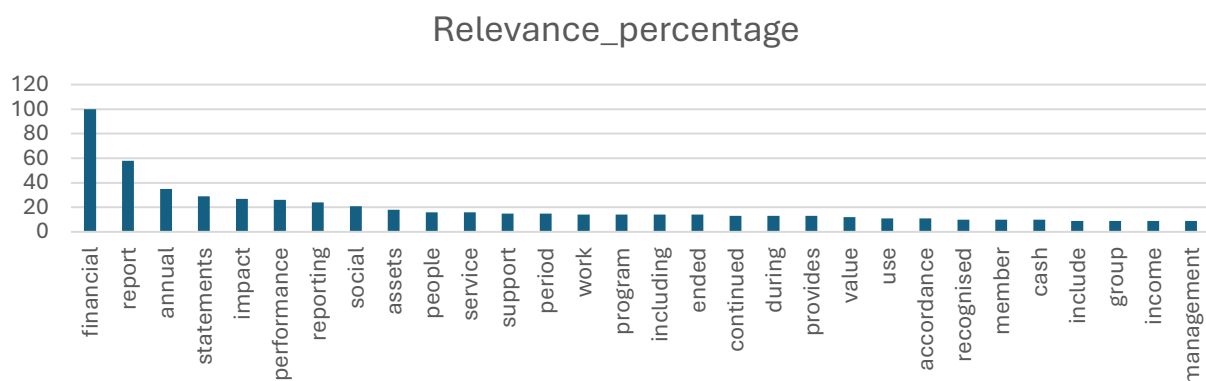
Collectively, these insights underscore the need for a future SPR framework that is both principles-based and user-informed. Such a framework should support transparency and impact, enhance comparability, and remain proportionate to organisational capacity, ensuring that reporting is meaningful, accessible, and aligned with the sector's unique accountability requirements.

4.2 Textual Analysis of Annual Reports

This section presents the results of a Leximancer-assisted analysis of 1,545 annual reports from NFPs across six countries: Australia, New Zealand, the United Kingdom, Canada, the United States, and South Africa. The objective was to explore the thematic structure of these reports and examine how financial and non-financial information, particularly concepts related to service performance and impact, are represented in practice. Leximancer was selected for its ability to efficiently process large volumes of qualitative text and generate concept maps based on the frequency and co-occurrence of terms. The analysis was conducted across four stages: a national-level review (Australia), a trans-Tasman comparison (Australia and New Zealand), a Commonwealth analysis (CANZUK), and an expanded cross-country comparison including the US and South Africa. By visualising both the prominence and interrelationships of key reporting themes, the analysis provides insight into how SPR is embedded (or in some cases, absent) from current NFP disclosure practices, and how these patterns vary across jurisdictions.

Following the use of Leximancer in accounting research, (Crofts & Bisman 2010), the results are displayed in two ways – thematic frequency, or the main themes in the text, and then a graph that maps each theme in relationship to other themes (co-occurrence). The following figures illustrate the thematic prominence and co-occurrence patterns identified in the annual reports using Leximancer.

Figure 1. Theme prominence in Australian data



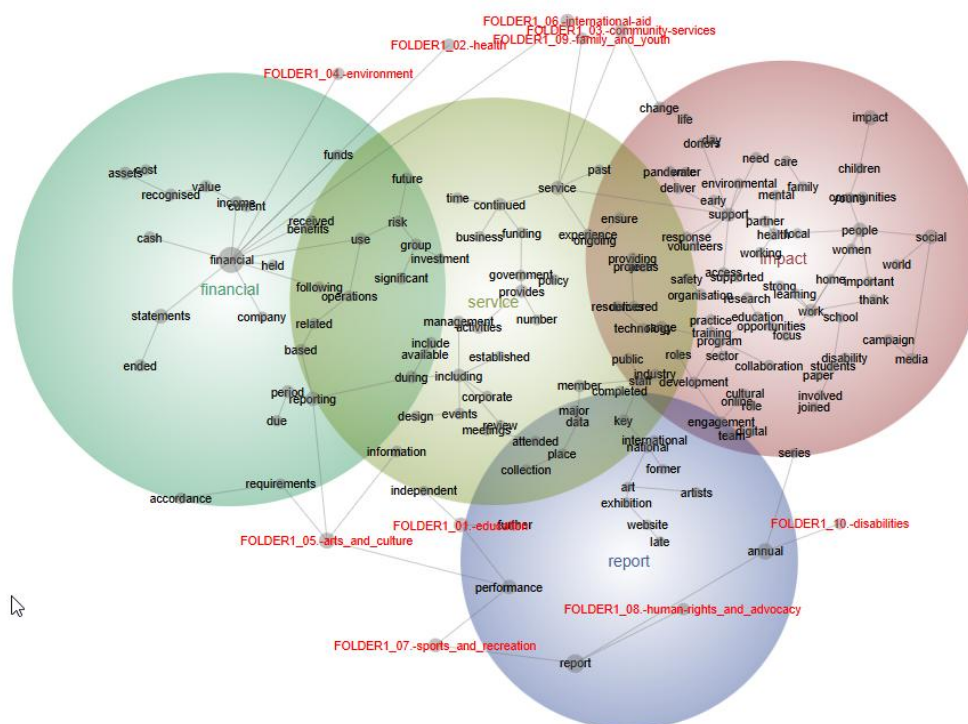
As shown in Figure 1, 'Finance' emerged as the dominant theme, appearing in 100% of the annual reports analysed, followed by 'report'. Other key themes, such as 'impact', 'performance', and 'social', were identified in 20% or more of the reports.

Taken in isolation, this suggests that financial information remains the most consistently emphasised theme across the sample, while references to performance, social factors, and impact are comparatively less prevalent. However, to gain a deeper understanding of the narrative structure within the reports, it is necessary to examine the relationships between 'finance' and these other themes, rather than considering frequency alone.

So, this first report from Leximancer examines the frequency of occurrence. Leximancer, however, also provides reports on the intersection of the different themes and how they relate to each other. This is similar in quantitative data to showing demographic information about a variable and then providing correlations (how the individual themes relate to each other). Both are needed for a proper analysis.

4.2.1 Case 1: Australia - Analysis by Sector

Figure 2. Leximancer Analysis of Annual Reports (including Sector)



Firstly, it is important to understand how to interpret the semantic map presented in Figure 2 above. While Figure 1 reported the frequency of concepts, this graph focuses on the connection between the concepts and their themes. As Ward, West, Smith et al. (2014, n.p.) explain: “The coloured circles indicate the thematic space of a theme with the label of that theme at the centre. The words in black are the concepts, and the lines between them are links that indicate which concepts are semantically connected.” The red tags on the map represent the folders in which the documents were located, providing contextual markers. The large, coloured circles are clusters of concepts which have co-occurred and are clustered together into themes. While each analysis is given the same seed concepts as a starting point, only those which are statistically relevant in that dataset are displayed. As will be seen in later graphs, other themes become more prominent in other datasets. Accordingly, the relationship of each sub-sector to the overarching themes is visually mapped. It should be noted that, as this graph is built on a co-occurrence matrix, every concept is related to some extent. To avoid visual clutter, only those relationships between concepts that are above a statistical threshold are shown with a line between them.

In Figure 2, four main themes were identified: *financial*, *service*, *report*, and *impact*. Unsurprisingly, *financial* emerged as a dominant theme, encompassing concepts such as income, assets, costs, statements, and other standard financial elements. Within the *service* theme, associated concepts included management, government services, meetings, events, and design. Interestingly, *impact* and *report* appeared as distinct themes rather than overlapping with one another. The *impact* theme clustered around stakeholder-related concepts such as families, communities, and women, as well as programmatic elements including safety and support services.

The intersection between *financial* and *service* themes in Figure 2, revealed concepts such as operations, risk, future, available, and significant. This is consistent with expectations, as reports addressing both service provision and financial information are likely to discuss operational planning and risk management.

In terms of *performance* reporting in Figure 2, it is notable that this theme was most closely associated with the sport and recreation, education, and arts sub-sectors. This alignment reflects the contextual relevance of the term 'performance', for example, in reference to school achievement, team success, or artistic productions. However, the concept of *performance* was not strongly connected to other sub-sectors in the dataset, such as disability services, health, family, or community services. In these contexts, terms such as *impact* or *service provision* appear to be more appropriate and resonant, as it is less conceptually meaningful to refer to the 'performance' of a patient, a family, or a support service.

This case highlights the importance of linguistic sensitivity when developing frameworks for SPR. While the term *performance* may be meaningful in certain sub-sectors, in others, alternative constructs such as *impact* or *service delivery* may better capture organisational objectives and stakeholder outcomes. These findings have important implications for the design and implementation of SPR frameworks, particularly in ensuring that terminology is appropriate and relevant across the diverse landscape of NFP operations.

4.2.2 Case 2: Australia and New Zealand Comparison

The top 30 themes identified by Leximancer shifted notably once the New Zealand annual reports were introduced into the dataset. As Figure 3 shows, while *financial* remained the most prominent theme, it was followed closely by *service* and *report*, which emerged as the next most frequently occurring and contextually significant themes.

Figure 3. Theme Prominence in Annual Reports (Australia and New Zealand)

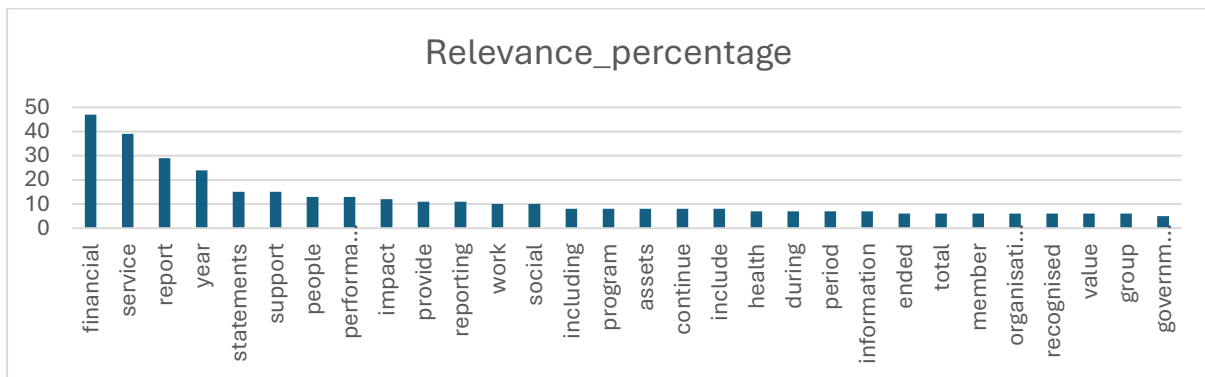
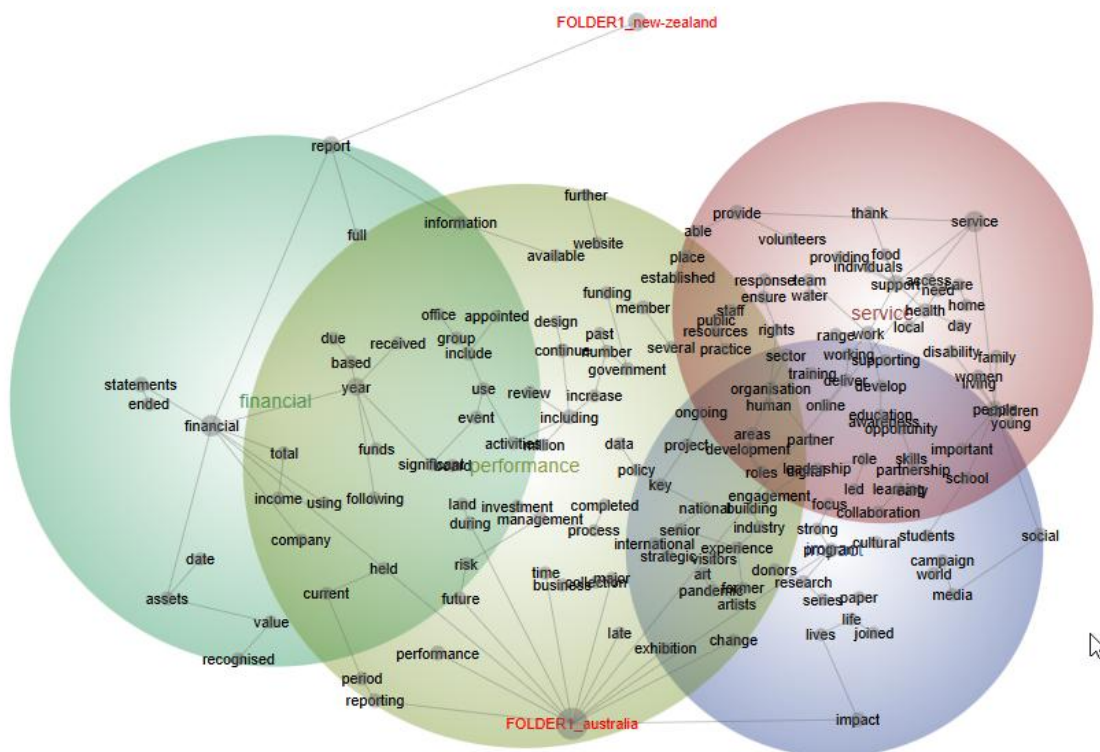


Figure 4. Leximancer Cluster Analysis of Annual Reports (Australia and New Zealand)



4.2.2.1 Thematic Intersections and Sectoral Differences in Australia and New Zealand

The network visualisation in Figure 4, revealed that performance occupies a central position in the concept map when comparing themes across the Australian and New Zealand datasets. In the Australian data, performance initially appeared only as a concept, likely reflecting its contextual relevance in specific sub-sectors. However, with the inclusion of annual reports from New Zealand, performance emerged as a central theme. This shift highlights the integrative role that performance plays in connecting multiple thematic domains within both countries' approaches to service and financial reporting.

The intersection between performance and service in Figure 4 is characterised by concepts such as staff, place, practice, and resources, suggesting that performance is often framed in operational terms. In these contexts, performance appears to reflect the organisational capacity and resource structures underpinning service delivery.

In contrast, the intersection between performance and financial themes in Figure 4 includes concepts such as funds, income, activities, and events. This indicates that, within financial domains, performance is closely associated with revenue generation, financial viability, and the effectiveness of resourced initiatives.

Notably, performance themes that do not intersect with either service or financial domains tend to cluster around concepts such as data, websites, management, and processes. This suggests that when discussed independently, performance is linked to internal organisational functions, particularly those involving data management, digital infrastructure, and reporting systems that support accountability and transparency.

Together, these findings underscore the multidimensional nature of performance in the NFP context and illustrate how its interpretation varies depending on whether it is linked to service delivery, financial outcomes, or internal governance processes. This has important implications for the design of SPR frameworks, particularly in ensuring that terminology and measurement approaches resonate across a diverse range of sectors.

The theme of impact primarily centres on concepts such as cultural outcomes, research, and campaigns, indicating that impact is often viewed as a broader and more long-term outcome of service provision; distinct from the immediate operational concerns associated with service delivery. The intersection between impact and performance includes concepts such as nation building, art, strategy, experience, engagement, and change. This suggests that impact is closely tied to strategic intent, stakeholder engagement, and transformational goals, as well as to specific sub-sectoral priorities such as the arts, advocacy, and cultural development.

The intersection between service and impact in Figure 4 is characterised by concepts such as partnership, skills, collaboration, and training. These connections highlight the critical role of human resources and capacity-building in both delivering services and achieving meaningful outcomes. This relationship underscores the importance of professional development, workforce capability, and organisational collaboration in driving long-term impact.

Moreover, the intersection of impact, service, and performance collectively foregrounds the importance of human and organisational development. This convergence reflects the idea that achieving sustained impact depends not only on what services are delivered, but also on the capacity and maturity of the organisations and individuals involved. In this way, impact is positioned not simply as an outcome, but as a function of strategic alignment, resource development, and long-term investment in people and systems.

4.2.2.2 *Performance and Impact: Sectoral Differences and Overlaps*

As highlighted in Section 4.2.1, the concept of performance resonates differently across different sectors. This is also true when comparing Australia and New Zealand, the distinctions and overlaps between performance and impact are central to understanding how these themes are interpreted and reported. The language often oriented around service delivery, advocacy, and social outcomes often contrasts with the language of accounting, which typically emphasises financial metrics, compliance, and operational efficiency. This divergence underscores the need for reporting frameworks that bridge these two discourses, enabling the representation of both financial and operational performance alongside broader social impact measures that align with the mission-driven nature of NFPs.

The comparative analysis between the Australian and New Zealand contexts further illustrates how performance and impact are deployed in complementary, yet distinct ways. While both countries recognise the importance of impact, Australian reporting often foregrounds financial and service delivery outcomes, whereas the New Zealand context places stronger emphasis on integrating performance and impact within a unified narrative that links financial and non-financial information more holistically.

The thematic intersections between performance and impact (particularly where they overlap with service and financial themes) offer important insights into the varied understandings and applications of these concepts across sectors. These intersections reveal that performance may signify operational capability, resource utilisation, or financial sustainability, while impact is more closely aligned with strategic direction, stakeholder engagement, and long-term social change.

Understanding these nuanced relationships is essential for the development of SPR frameworks that are fit for purpose. Such frameworks must accommodate sector-specific priorities, reconcile the technical language of accounting with the practical realities of service delivery, and support a more comprehensive understanding of organisational effectiveness. The comparison between Australia and New Zealand reinforces the importance of flexibility and contextual sensitivity in SPR design, ensuring that reporting practices reflect the diverse missions, values, and goals of NFPs across different regulatory and cultural environments.

4.2.3 **Case 3: CANZUK**

In Case 3, annual reports from Canada and the United Kingdom were added to the dataset, and the analysis was re-run. As Figure 5 shows, this produced a number of key themes, with service, report, and year appearing in the same order as in the Australia–New Zealand (ANZ) case; however, their relevance percentages increased notably.

Category	Relevance Percentage
financial	88
service	60
report	55
year	43
statements	37
support	27
impact	27
people	24
work	20
annual	20
provide	18
performan...	18
social	18
community	17
including	17
include	16
income	15
reporting	15
assets	13
group	13
activities	12
information	12
during	11
fund	11
total	10
program	10
health	10
accordance	10
ended	9
period	9

[illegible]

The inclusion of data from Canada and the United Kingdom significantly altered the comparative analysis between Australia and New Zealand. While Case 2 initially highlighted differences in reporting practices between the two countries, these distinctions became less pronounced when viewed within the broader context of Commonwealth reporting. Once the full Commonwealth dataset was analysed, as showing in Figure 6, Australia and New Zealand emerged as closely aligned in their reporting approaches, particularly in contrast to the UK and Canada. Notably, both Australia and New Zealand

tended to emphasise service provision and performance outcomes rather than broader concepts of impact.

The United Kingdom demonstrated a reporting style that leaned heavily towards financial themes. This was likely influenced by the inclusion of full financial statements in most of the UK annual reports analysed, in contrast to other jurisdictions where financial disclosures were often partial or less detailed. The dominance of financial content in UK reports indicates a stronger emphasis on traditional accounting metrics, which may shape how service performance and organisational outcomes are communicated.

By contrast, as shown in Figure 6, Canada was more closely associated with the theme of impact. This alignment may reflect a national or sectoral emphasis on broader social outcomes, consistent with the Canadian NFP sector's focus on long-term change, advocacy, and community engagement. Canadian reports tended to prioritise impact-oriented disclosures, often relying on qualitative, narrative-driven data rather than detailed financial reporting. This suggests a preference for articulating outcomes through storytelling and strategic framing, highlighting a more values-based approach to accountability.

Together, these findings underscore the influence of national reporting traditions and sectoral expectations in shaping how service performance and impact are represented. They also highlight the need for international comparability frameworks to remain sensitive to jurisdictional differences, while promoting shared principles that support transparency and relevance across borders.

4.2.3.2 Intersections Between Finance, Performance, Service, and Impact

The thematic intersections between finance, performance, and service revealed notable areas of overlap, particularly between service and performance. In both Australia and New Zealand, the intersection of finance and performance was characterised by concepts such as grants, investment income, expenditure, funds, activities, and risk. This suggests that financial dimensions of service delivery are closely tied to the availability of funding, the costs associated with delivering programs, and the financial risks inherent in managing organisational operations.

The overlap between performance and service was evident in concepts such as industry and projects, indicating a focus on specific service sectors or initiatives that require project-based performance measurement and monitoring. Meanwhile, the intersection between performance and impact revealed themes of process, policy, data, and donors, highlighting the importance of strategic decision-making, data-informed outcomes, and stakeholder engagement in shaping performance narratives and evidencing impact.

A particularly strong overlap emerged between service and impact, with common themes including leadership, engagement, partnership, opportunity, and organisation. This suggests that effective service delivery is intrinsically linked to organisational leadership and the relationships and opportunities that drive capacity and long-term success. The close interplay between service and impact highlights the importance of strategic stakeholder engagement and community collaboration in achieving both operational and social outcomes.

The comparison of Australia and New Zealand with Canada and the United Kingdom provides further insight into how performance, service, and impact are understood and reported across different national contexts. While Australia and New Zealand exhibited comparable emphases on service delivery and operational performance, the United Kingdom’s reporting tended to prioritise financial information, likely influenced by the inclusion of comprehensive financial statements. In contrast, Canada placed greater emphasis on impact, reflecting a stronger orientation towards long-term social outcomes and qualitative, narrative-based reporting.

These cross-national variations underscore the importance of designing reporting frameworks that are both flexible and context-sensitive. While financial accountability remains essential, countries differ in the extent to which they incorporate service, performance, and impact into their reporting practices. A robust SPR framework must accommodate these differences, enabling meaningful reporting that reflects national priorities, sector-specific practices, and diverse stakeholder expectations.

4.2.4 Case 4: Expanded Cross-country Analysis - Australia, New Zealand, UK, Canada, US and South Africa

As in Case 3, the most prominent themes in the expanded dataset were finance, service, report, and year.

Figure 7. Theme Prominence in Annual Reports (Australia, Canada, South Africa, UK, US and New Zealand)

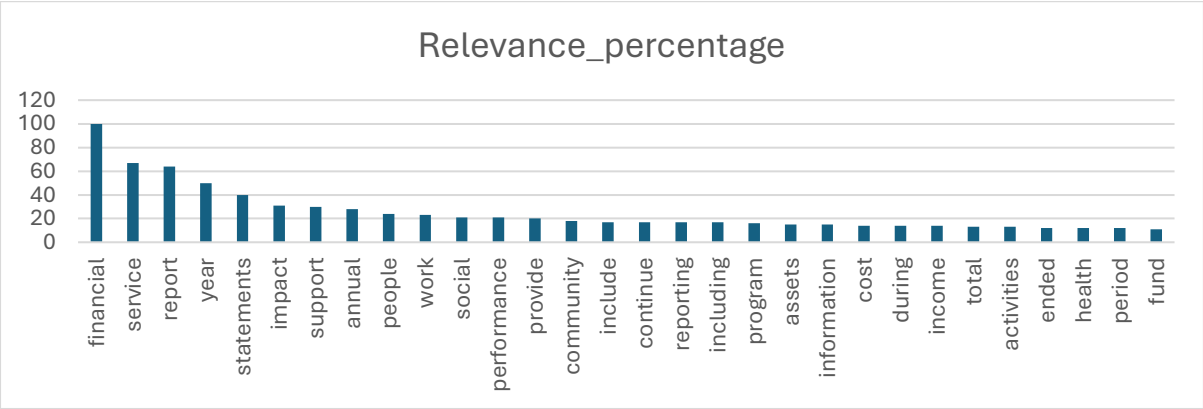
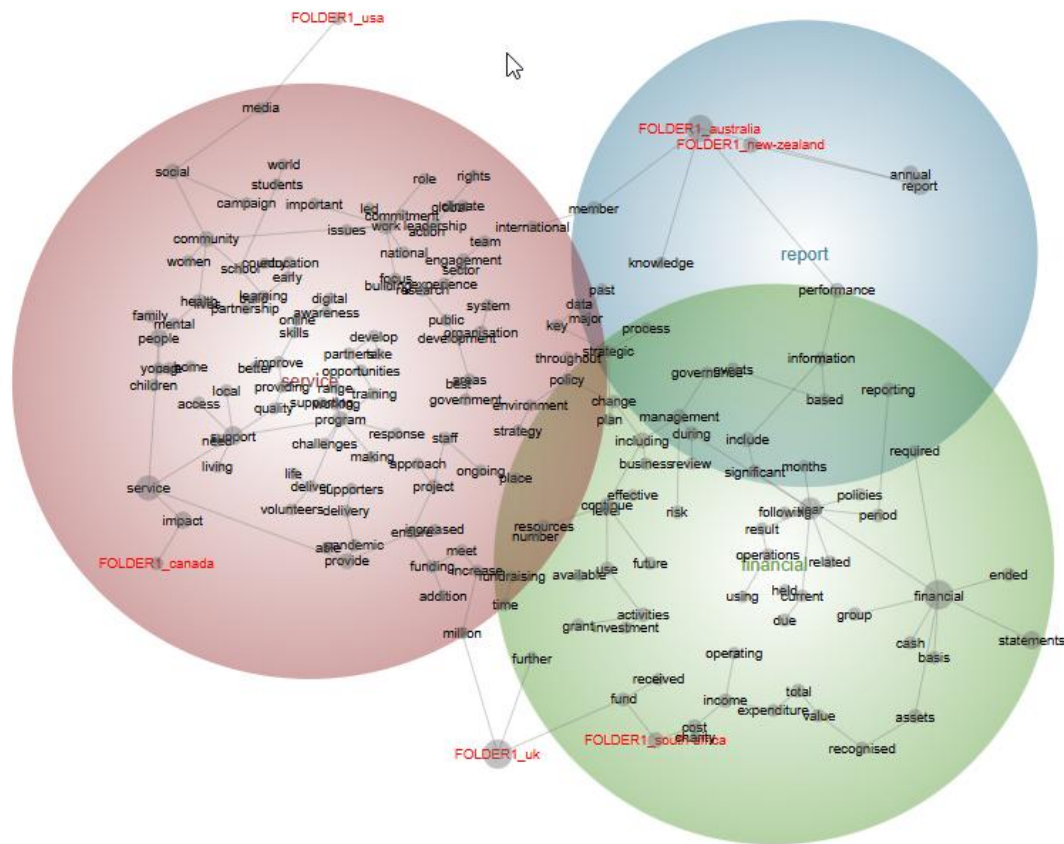


Figure 8. Leximancer Cluster Analysis of Annual Reports (Australia, Canada, South Africa, UK, US and New Zealand)



This case incorporated additional data from the United States and South Africa, enabling a broader cross-jurisdictional comparison of NFP reporting practices across six countries. As illustrated in Figure 8, Australia and New Zealand remained closely aligned in their reporting approaches, while the United Kingdom and South Africa clustered together, particularly in their emphasis on financial disclosures. By contrast, Canada and the United States diverged from the other jurisdictions, each exhibiting distinctive thematic profiles with greater emphasis on service provision and narrative content.

Notably, in this expanded dataset, the themes of performance and impact no longer emerged as cohesive concepts. Instead, they appeared as fragmented, individual terms, suggesting that, unlike finance and service, these constructs are not consistently embedded across national contexts. Australia and New Zealand continued to cluster around the theme of reporting, while the UK and South Africa were more strongly associated with financial content. The US and Canada showed closer alignment with the service theme, with Canada in particular positioned near the concept of impact in the thematic map.

The finance theme encompassed terms such as “financial”, “grants”, “risk”, “cash”, “assets”, “income”, “investments”, and “activities”. In contrast, the service theme reflected greater diversity, including references to “programmes”, “partnerships”, specific beneficiary groups (e.g., “community”, “women”, “family”), and operational elements such as “staff”, “funding”, and “government”.

Compared to earlier cases, thematic overlap across jurisdictions was markedly reduced. The intersection between finance and service was limited, primarily linked through shared concepts like “resources”, “time”, and “policy”. A stronger overlap was observed between finance and reporting, centred on concepts such as “information”, “management”, “governance”, and “process”.

This expanded analysis reinforces the importance of contextual sensitivity in the development of performance-related reporting frameworks. While themes of finance and service appear relatively stable and widely reported, the constructs of performance and impact are less universally adopted. Their diminished coherence across jurisdictions reflects differences in sectoral norms, reporting expectations, and cultural interpretations of accountability and value.

Australia and New Zealand demonstrated the closest alignment in reporting patterns, likely reflecting their shared institutional infrastructure, including common professional standards and overlapping accounting bodies. This thematic cohesion was particularly evident in the earlier Commonwealth-focused analysis, where financial, service, and reporting concepts intersected meaningfully. However, this alignment weakened when the broader dataset was included, revealing increased divergence and reduced thematic convergence.

The Leximancer analysis highlights significant variation in how NFP annual reports convey financial and non-financial information across jurisdictions. While finance and reporting remained dominant themes, the presence and coherence of service, performance, and impact varied substantially. Australia and New Zealand showed a balanced focus on both financial and performance-related reporting. In contrast, the UK and South Africa leaned toward more traditional financial disclosures, while Canada and the US emphasised narrative-driven accounts of service delivery and community outcomes.

Thematic intersections also revealed important linguistic and sector-specific nuances. For instance, “performance” carried strong relevance in the education, arts, and sport sectors but was less applicable in health and disability services, where terms such as “impact” and “service delivery” held greater resonance. These findings point to the need for sector- and culture-appropriate terminology in any future reporting framework.

As the dataset expanded, the diminishing coherence of impact and performance as unified themes underscores the challenge of developing universally applicable frameworks. The findings highlight the need for flexible, user-informed models that are grounded in sector realities yet allow for international comparability. Ultimately, better integration of financial and non-financial disclosures will support transparency, enhance stakeholder engagement, and improve the overall quality and credibility of NFP reporting.

4.3 Survey

This section presents qualitative insights gathered from survey responses across four stakeholder groups: individual donors, preparers, auditors, and representatives of peak bodies. The open-ended survey questions aimed to supplement the focus group data by eliciting deeper reflections on

participants' experiences with and expectations of SPR. For individual donors, the questions explored how performance information influences giving behaviour and the extent to which they feel empowered to access such data. Preparers were invited to share views on how regulators are likely to use SPR and what challenges they anticipate in its implementation. Peak body representatives were asked to reflect on their strategic role in shaping SPR practices, while no open-ended survey questions were posed to auditors due to the structured focus group design tailored to their technical expertise. Collectively, these responses provide a richer understanding of stakeholder perspectives on SPR, highlighting both practical concerns and opportunities for reform.

4.3.1 Individual donors

Participants were invited to reflect on three open-ended questions aimed at eliciting deeper insights into their engagement with service performance information and the actions they take in its absence. The responses highlighted the interplay between trust, access to information, and adaptive decision-making practices.

4.3.1.1 Use of Service Performance Disclosures

When asked whether they use service performance disclosures to inform their decisions to support NFPs, most participants acknowledged the relevance of such information but indicated that it is typically not the primary basis for decision-making. Instead, responses pointed to a stronger emphasis on organisational mission, perceived reputation, and efficiency of resource use.

"Mission is important."

"There is a larger issue of reputation that is not captured."

"What they have achieved, how they will use the donation to achieve their missions, and whether they are spending too much on administration and advertising."

These responses suggest that qualitative judgments, such as alignment with purpose and trust in leadership, often take precedence over formal performance data when assessing NFP effectiveness.

4.3.1.2 Perceived Power to Access Relevant Information

In response to a question about whether they feel empowered to access or request information relevant to their decision-making, only one-third of participants (4 out of 12) expressed confidence in their ability to do so. The majority did not feel they had meaningful access or influence, even when information was technically available.

"Information is publicly available on the public register."

"I have tried to do that, but I think it might not be easy."

"I don't know. I even don't think about this."

These insights reveal a gap between the formal availability of performance information and the perceived capacity of stakeholders to locate, interpret, or use it effectively. This lack of perceived power may serve as a barrier to informed engagement and accountability.

4.3.1.3 *Actions Taken in the Absence of Information*

Participants were also asked what actions they typically take when service performance information is unavailable. Responses revealed a variety of adaptive strategies. Several participants reported engaging directly with organisations:

“Speak to someone I trust in the organisation.”

“Enter dialogue.”

Others relied on publicly available materials:

“Read annual reports.”

“Search media and find any other information that can be taken as reliable and is publicly available.”

Some adopted alternative approaches altogether:

“Search and support other organisations.”

“Establish a personal connection.”

Importantly, a subset of participants indicated that the absence of formal performance disclosures did not necessarily deter their support:

“Happy to support them.”

“Not relevant.”

These findings indicate that in the absence of structured SPR, donors often rely on trust-based and informal approaches to guide their support. While such strategies reflect donor resourcefulness and adaptability, they also highlight the limitations of relying solely on voluntary or informal mechanisms for transparency and accountability.

The open-ended responses offered deeper insight into the decision-making processes of individual donors. When asked whether service performance disclosures influenced their decision to support NFPs, most participants (8 out of 12) indicated that other factors (such as organisational mission, reputation, and perceived integrity) were more influential than formal performance data. Donors frequently emphasised the importance of understanding how an organisation intended to use donated funds, its broader achievements, and whether spending on overheads (particularly administration and advertising) was proportionate and justified.

On the question of whether participants felt empowered to access or request relevant information, responses were mixed. Only one-third (33%) reported feeling they had sufficient power or access, while the majority (67%) either did not feel empowered or had never considered seeking such information. This suggests a disconnect between information availability and stakeholder confidence or capacity to act on it.

When asked what actions they took in the absence of service performance information, participants described a range of adaptive strategies. These included reviewing annual reports, searching for

publicly available information, engaging in direct conversations with trusted contacts, or seeking out alternative organisations that appeared more transparent or aligned with their values. Notably, some respondents expressed a continued willingness to support organisations despite limited access to performance data, with several commenting that such information was not essential to their decision-making process.

Overall, these responses illustrate a prevailing reliance on relational trust and mission alignment over structured reporting. There was limited inclination to actively seek or request service performance information unless it was readily accessible. This underscores both the resilience of informal decision-making pathways and the potential need for more accessible and user-relevant performance disclosures to support informed donor engagement.

4.3.2 Preparers

Responses to the two open-ended survey questions - *“In your opinion, how do regulators wish to use service performance information?”* and *“What regulatory challenges do you anticipate in implementing service performance reporting?”* - provided valuable insights into preparers’ perceptions and concerns. On the use of service performance information by regulators, respondents suggested that regulators are likely to use SPR to:

- Measure outcomes and assess the value of grant funding,
- Evaluate how effectively NFPs utilise resources,
- Promote transparency and public trust,
- Support evidence-based funding decisions, and
- Provide insight into operational efficiency and impact.

One preparer noted:

“This helps users to understand the efficiency and effectiveness of operations in a less regulated environment. This can determine how future funds should be allocated.”

Regarding anticipated regulatory challenges, preparers cited a range of issues, including:

- Data quality and reliability,
- Cost of implementation,
- Lack of standardised frameworks,
- Complexities in providing assurance and audit, and
- Difficulties in summarising diverse program performance, particularly for organisations offering a wide range of services.

Additional concerns included limited sector readiness, board and management prioritisation, staff capability constraints, and the risk of over-emphasis on quantitative metrics. As one respondent observed:

“There is also a risk that reporting becomes overly focused on quantitative indicators at the expense of qualitative insights, which are equally important in understanding service quality and community impact.”

The dynamic nature of regulatory expectations, such as changes in reporting frameworks or audit requirements, was also noted as a challenge that may require frequent adaptation of internal systems and processes.

Responses to the two open-ended questions provided rich qualitative insights into preparers' perceptions of SPR and the anticipated regulatory challenges. When asked how regulators are likely to use SPR information, respondents frequently mentioned themes such as improving transparency, evaluating the effectiveness and efficiency of NFP operations, ensuring accountability for grant funding, and informing evidence-based funding decisions.

Several responses highlighted the importance of demonstrating real-world impact and fostering trust with stakeholders. In terms of regulatory challenges, participants identified a wide range of concerns, including difficulties with data quality and reliability, the cost and complexity of implementation, and the challenge of designing a reporting framework that accommodates the diversity of programs delivered by NFPs. Concerns were also raised about the risk of overemphasis on quantitative metrics at the expense of qualitative context, limited staff capability, and the need for clear, standardised guidance to support compliance. These open-ended responses suggest that while preparers recognise the potential value of SPR, they also foresee significant operational and conceptual barriers that will need to be addressed for successful implementation.

4.3.3 Auditors

No open-ended questions were included in the survey questionnaire for this focus group, unlike those used with other participant groups. This was because the key issues relevant to the auditor cohort, such as assurance feasibility, data reliability, and audit scope, were comprehensively explored during the focus group discussion itself. In contrast, open-ended survey questions were used in other focus groups to supplement the discussion and gather additional insights into participants' perceptions of SPR, particularly given time or discussion scope was more limited for each focus group session.

4.3.4 Peak Bodies

Two open-ended questions were posed to this group: *What role should peak bodies play in shaping service performance reporting?* and *As a peak body representative, how do you use service performance reporting in your role with NFPs?* All five participants provided responses.

For the first question, common themes emerged, with comments focusing on the balance between data collection and client needs. One participant emphasised the importance of ensuring that data collation does not unnecessarily drive service delivery processes, citing the burdensome and often invasive data requirements that increase stress for clients and staff alike. Another comment highlighted the role of peak bodies in monitoring the true costs of service delivery and facilitating better understanding of community needs across different government departments.

In response to the second question, participants discussed the ways in which SPR supports their roles. One participant noted that they assist in setting performance reporting standards and aligning reporting with outcomes, with an emphasis on the financial sustainability of services and the true cost of delivery. Other responses highlighted the importance of auditing non-financial performance, advocating for consistency in reporting data, and promoting greater use of qualitative outcomes reporting for trend analysis across organisations.

The open-ended responses revealed valuable insights into the role of peak bodies in shaping SPR. Participants highlighted concerns about the current data collation practices, with one respondent noting that excessive data collection can detract from service delivery and add stress to both staff and clients. The importance of monitoring the true costs of service delivery and fostering better coordination across government departments was also emphasised. Additionally, peak body representatives discussed their role in shaping performance reporting standards, advocating for greater consistency in reporting data, and promoting the use of qualitative outcomes to facilitate trend analysis across organisations. These insights underscore the peak bodies' strategic role in improving SPR and enhancing accountability within the NFP sector.

The open-ended survey responses offer critical insight into the nuanced expectations and practical realities faced by key stakeholder groups in relation to SPR. Donors emphasised trust, mission alignment, and informal channels of information over formal disclosures, signalling a gap between the availability of performance information and its practical use in decision-making. Preparers expressed strong support for the objectives of SPR but identified significant implementation challenges, including data quality, cost, and the risk of overly narrow metrics. Peak body representatives highlighted their intermediary role in balancing regulatory demands with frontline service realities and emphasised the importance of consistency and qualitative reporting. While auditors did not respond to open-ended questions, their input was addressed through targeted focus group discussions. These findings collectively reinforce the importance of developing SPR frameworks that are stakeholder-responsive, proportionate, and capable of addressing both operational constraints and accountability imperatives across the NFP sector.

4.4 Focus Group Interviews

This study involved focus groups with participants from Australia and New Zealand.

4.4.1 Focus Group Characteristics and Preliminary Data

4.4.1.1 *Individual Donors and Philanthropists*

A total of 12 individual donors participated in the survey and focus group. The following demographic and response data was collected to better understand their motivations, behaviours, and information needs related to NFP giving. All 12 participants reported their age group. The individual donor sample predominantly skewed older, with two-thirds (8 out of 12) of participants aged 56 and over, and only one participant under 35, as summarised in Table 2.

Table 2. Age Group of Individual Donors
Age group **Number of participants**

18-25	0
26-35	1
36-45	3
46-55	0
56+	8

Participants were asked about their primary reason for supporting NFPs (including charities) and the frequency of their support. They were also asked how often they review financial information before or after providing support, how often they review service performance information, their information priorities when deciding to support, and their important sources of information about an NFP. Their responses are summarised in Table 3 below.

Table 3. Individual Donors' Responses to Survey Questions

Motivations for supporting NFPs	Number of participants
<i>Personal connection to cause</i>	3
<i>Tax Benefits</i>	0
<i>Social Responsibility</i>	7
<i>Other</i>	2
Frequency	
<i>Monthly</i>	6
<i>Every few months</i>	2
<i>Annually</i>	4
Review of financial information	
<i>Always</i>	5
<i>Sometimes</i>	3
<i>Rarely</i>	2
<i>Never</i>	2
Review service performance information	
<i>Always</i>	2
<i>Sometimes</i>	6
<i>Rarely</i>	0
<i>Never</i>	4
Information priorities when deciding to support	
<i>Impact and outcomes of programs</i>	4
<i>Transparency and governance</i>	3
<i>Other</i>	1
<i>None</i>	4
Important sources of information	
<i>NFP's own reports</i>	7
<i>Other</i>	1

The primary motivation for supporting NFPs was social responsibility (7 out of 12), with a smaller proportion citing personal connection to the cause (3 participants), and no one selecting tax benefits. In terms of frequency, half of the donors (6 out of 12) reported giving monthly, while others contributed either annually (4) or every few months (2), with no one donating less than once a year. Financial information was not consistently reviewed before or after giving, with only 5 participants stating they always review financial disclosures, while others either sometimes (3), rarely (2), or never (2) did so.

Service performance information was similarly variably consulted, with only 2 participants always checking it, and 4 never doing so, while the majority (6) reviewed it inconsistently. When deciding which NFP to support, the most important factors were impact and outcomes (4) and transparency and governance (3), while no participant prioritised financial efficiency (e.g., use of funds), and 4 selected “none”. The primary source of information for evaluating NFPs was the organisation’s own reports (7), with no respondents relying on word of mouth, media, or independent ratings. This suggests a donor base that values ethical, impact-driven decisions over financial metrics or third-party evaluations.

None of the philanthropists completed the survey component of the study; however, all agreed to participate in the focus groups. Given the small number of philanthropist participants (n = 5), they were grouped with the Individual Donors focus group for the purposes of discussion. This grouping was considered appropriate, as both philanthropists and individual donors function as resource providers to NFPs, with overlapping interests in accountability, impact, and transparency.

In addition, one philanthropist who was overseas and unavailable during the scheduled focus group sessions was interviewed individually in June 2025 to ensure their perspectives were included in the study.

4.4.1.2 Professional Accounting Bodies & Directors

Eight representatives of professional accounting bodies agreed to participate in the focus groups, although one had to reschedule due to unavailability at the time of the focus group. The survey included three demographic questions: which accounting body they represented, their role within the organisation, and how long they had been involved in NFP reporting. The demographic information is summarised in Table 4.

Table 4. Professional Accounting Bodies Demographic Information

Demographic information		Number
Professional accounting body	CAANZ	2
	CPA	5
	Other	1
Role within organisation	Accounting	7
	Policy and research	1
	Less than 1 year	1

Demographic information		Number
Length involved in NFP reporting	4 to 6 years	2
	More than 10 years	5

The demographic information for the professional accounting bodies group reveals a diverse range of experience and roles within the sector. Of the 8 participants, the majority represented either CPA (5 participants) or CAANZ (2 participants), with 1 participant coming from another accounting body. In terms of roles, most participants were involved in accounting (7 participants), with only 1 participant working in policy and research, suggesting a strong focus on the technical aspects of financial and performance reporting within the group.

Regarding the length of involvement in NFP reporting, the majority had significant experience, with 5 participants having been involved for more than 10 years, 2 participants with 4 to 6 years of experience, and 1 participant with less than 1 year of experience. This indicates a wealth of experience in NFP reporting, with a clear concentration of expertise among those with over 10 years of experience. This demographic profile provides a solid foundation for understanding the perspectives of accounting professionals when it comes to NFP performance and financial reporting.

None of the directors completed the survey component of the study; however, all agreed to participate in the focus groups. Given the small number of director participants (n = 5), they were grouped with representatives from professional accounting bodies for the purpose of discussion. This grouping was considered appropriate, as both stakeholder groups play complementary and influential roles in the preparation, oversight, and interpretation of financial and performance reporting within the NFP sector.

4.4.1.3 Preparers

A total of 27 preparers responded to the survey, and all 27 also participated in the focus groups. The survey included seven closed-ended demographic questions and two open-ended questions. The demographic questions focused on the types of NFPs for which respondents prepare financial statements, their familiarity with SPR, their current involvement in preparing SPR disclosures, and the challenges they encounter in this process. A branching question explored the specific challenges faced by those currently involved in SPR preparation. The two open-ended questions asked participants:

1. *In your opinion, how do regulators wish to use service performance information?*
2. *What regulatory challenges do you anticipate in implementing service performance reporting?*

The demographic of preparers is summarised in Table 5.

Table 5. Preparers' Demographic Information

Demographic information	Number of respondents
<i>Type of NFP prepare financial statements for</i>	
Small NFP (Annual revenue under \$500, 000)	7
Medium NFP (Annual revenue of \$500, 000 or more, but under \$3 million)	6
Large NFP (Annual revenue of \$3 million or more)	14
<i>Experience preparing financial statements for NFPs</i>	
Less than 1 year	3
1-3 years	3
4-6 years	6
7-10 years	4
More than 10 years	11
<i>Current involvement in preparing SPR disclosures</i>	
Yes	19% (5)
No	30% (8)
Maybe	52% (14)
<i>Location of SPR disclosures (among those involved)</i>	
Within financial statements	0
Separate from financial statements	80% (4)
Both within and separate	20% (1)
<i>Challenges in preparing SPR disclosures</i>	
Data Collection	60% (3)
Integration with financial reports	20% (1)
Other	20% (1)

The demographic profile of the 27 preparer respondents indicates a broad representation across NFP sizes, with 26% preparing financial statements for small NFPs (annual revenue under \$500,000), 22% for medium-sized entities (between \$500,000 and \$3 million), and 44% for large organisations (over \$3 million). In terms of experience, over half of the respondents (56%) reported more than six years of experience preparing financial statements for NFPs, including 41% with over a decade of experience. This reflects a knowledgeable and seasoned cohort of professionals.

When asked about their current involvement in preparing SPR, only 19% confirmed active involvement, while 30% were not currently involved, and 52% indicated uncertainty or indirect involvement. Among those engaged in SPR, the majority (80%) reported disclosing information separately from the financial statements, with none reporting inclusion solely within the financial statements. The most frequently cited challenge in preparing SPR disclosures was data collection (60%), followed by integration with financial reports (20%) and other context-specific issues (20%). These findings highlight both the

varying levels of SPR engagement among preparers and the practical difficulties encountered in implementing meaningful disclosures.

4.4.1.4 Auditors

Nine participants identified as auditors and took part in the focus group, but only six of them responded to the survey questions. The survey included several closed-ended demographic questions, such as: *What type of assurance services do you provide? If service performance reporting information is assured, what level of assurance should be required? and What factors most influence the assurance of service performance disclosures?* A summary of the demographic information is provided in Table 6 below.

Table 6. Auditors' Demographic Information

Demographic information	Number of respondents
<i>Role in assurance</i>	
External auditor	33% (2)
Internal auditor	67% (4)
<i>Type of assurance services</i>	
Financial audits	67% (4)
Compliance results	33% (2)
<i>Prior experience assuring service performance disclosures</i>	
Yes	22% (1)
No	78% (5)
<i>Length of time been assuring NFPs</i>	
7-10 years	1
More than 10 years	5
<i>Belief whether SPR should be assured</i>	
Yes	2
No	0
Maybe	4
<i>Level of assurance</i>	
Full audit	1
Limited review	2
Agreed-upon procedures	1
Other	2
<i>Factors influencing assurance of service performance disclosures</i>	
Quality of data	2
Internal controls	1
Standard or guidelines	2
Other	1
<i>Adaptation needed for the auditing profession to provide assurance</i>	
Update assurance standards	4
Improve training for auditors	4
Increase regulatory oversight	1

The demographic information for the auditors in this study revealed diverse roles and experience levels within the assurance sector. Of the six respondents, 33% (2) identified as external auditors, while 67% (4) were internal auditors. When it comes to the type of assurance services provided, the majority (67%) offer financial audits, while 33% provide compliance results assurance. In terms of prior experience with service performance disclosures, 25% of auditors had previous experience in assuring service performance disclosures, while 75% had not. The respondents also varied in terms of the length of time they have been assuring NFPs, with the majority having over 10 years of experience.

Regarding the belief in whether SPR should be assured, most respondents were uncertain. The auditors seemed divided about their preference for level of assurance. Key factors influencing the assurance of service performance disclosures include the quality of data and the presence of standards or guidelines. Respondents also indicated that the auditing profession would need to update assurance standards and improve training for auditors to effectively provide assurance for service performance disclosures.

This demographic information highlights the varied roles, expertise, and perspectives of auditors regarding SPR and its assurance.

4.4.1.5 Regulators

From a total of 13 regulators participated in the focus group; however, only 9 engaged with the emailed survey. The survey included four closed-ended demographic questions, and the responses, summarised in Table 7, offer valuable insights into the participants' roles and experience within the regulatory environment.

Table 7. Regulators

Demographic information	Number of respondents
<i>Role in regulatory body</i>	
Policy and standards development	4
Compliance and enforcement	3
Other	2
<i>Length of time regulating NFPs</i>	
1-3 years	2
4-6 years	2
7-10 years	2
More than 10 years	3
<i>Type of regulatory body represented</i>	
National	4
State/territory	3
Local government	1
Other	1
<i>Level of involvement in non-financial reporting</i>	
High	4
Moderate	4
Low	1

The regulatory body representatives in this study bring a diverse range of expertise and experience, which is highly relevant to the research project on SPR. With varying levels of involvement in both policy and standards development as well as compliance and enforcement, the participants are well-positioned to offer valuable insights into the regulatory aspects of service performance disclosures. The group includes individuals with over a decade of experience in regulating NFPs, ensuring that their perspectives are informed by extensive knowledge of regulatory practices. The representation of both national and state/territory regulators, along with a mix of high and moderate levels of involvement in non-financial reporting, enhances the robustness of the data, making the focus group a well-rounded and appropriate cohort for understanding the challenges and expectations in regulating SPR within the NFP sector.

4.4.1.6 *Peak Bodies*

Five representatives from peak bodies participated in the focus groups, and all responded to the emailed survey questions. The survey for this group included five closed-ended demographic questions, such as "What role does your organisation play in nonprofit reporting and governance?" and "How long have you been working with nonprofit organisations?" The demographic information is summarised in Table 8.

Table 8. Demographic Information of Peak Bodies

Demographic information	Number of respondents
<i>Peak body</i>	
ACOSS	1
Other	4
<i>Role in NFP reporting and governance</i>	
Advocacy	2
Policy	1
Governance	1
Other	1
<i>Experience working with NFPs</i>	
4-6 years	1
More than 10 years	4

The peak body focus group comprised five representatives, all of whom participated in the survey. The demographic data highlights that the majority of participants have extensive experience in working with NFPs, with four of the five having more than 10 years of experience in the sector. The roles of participants varied, with two involved in advocacy, one in policy, one in governance, and one in other functions. In terms of the organisations represented, most participants were from bodies other than ACOSS, with only one participant identifying as part of ACOSS. This group's extensive experience with NFPs provides a robust foundation for understanding the dynamics of NFP reporting and governance.

4.4.2 Thematic Analysis

4.4.2.1 Donor Expectations and the Need for Integrated Reporting

Across the focus groups, participants emphasised that integrating financial and non-financial information is critical to building trust, improving usability, and acknowledging the operational diversity of NFPs. Donors were consistently identified as key users of this information, driving expectations for credibility, clarity, and coherence.

Participants stressed that effective integration was essential to donor confidence. Fragmented or disconnected data obscures the broader narrative of impact and risks eroding trust:

"There could be a detailed answer behind that one financial line—if it's not linked to service delivery, you lose the whole picture." — Director

Donors frequently use audited financial statements as a proxy for assessing organisational performance, even in the absence of contextual explanations:

"They will check that you've got a certain amount of money in the bank... and they do rely on the financial audited reports to achieve that." — Preparer

Participants suggested that stronger linkages between financial lines and service outcomes would increase the value of reports to donors and the broader public. However, there was a clear warning against reducing complex service delivery into oversimplified, quantitative metrics:

"There's no other organisation comparable... you've got such a unique blend of services that you know, who you're comparing what to." — Preparer

"I think there's a risk of it reducing it to numbers that don't really tell an accurate story." — Preparer

Striking the right balance between standardisation and contextual richness was seen as essential. Donors were described as seeking not only evidence of impact but also honest narratives that capture complexity and social outcomes.

Importantly, several participants noted that SPR could enhance internal alignment—encouraging greater collaboration between finance, service delivery, and communications teams:

"Finance gets the numbers, the comms get the full story, and operations just report on what happens. This [SPR] actually gets everybody thinking together about why the organisation exists." — Preparer

Donors were thus positioned not merely as information recipients, but as active drivers of integration, accountability, and strategic clarity.

4.4.2.2 Accessibility, Audience Needs, and Strategic Use of SPR

While donor expectations were a key focus of the previous section, participants consistently distinguished donors from the broader range of SPR users. This section shifts focus to the diverse audience needs beyond donors and explores how accessibility, presentation, and the strategic use of SPR influence engagement and comprehension across these varied stakeholder groups. Participants stressed that SPR must cater to a range of users and organisational contexts. For some, simplified or alternative formats were adopted to ensure accessibility for community members:

"Maybe in a newsletter or something, but not make a big deal of it, cause all the families are pretty exhausted to worry about anything that they don't need to know." — Director

"We do our annual reports in easy read so that our members can understand them. So, it's fairly simplistic reporting. But having said that, we could still say things that were valuable." — Director

Others described the difficulty of addressing diverse audience needs within a single report:

"We're a cancer support and research nonprofit. So, we have a number of audiences. We have an audience who are academics... interested in research... Other parts of our users are more involved in the services we provide for cancer patients... They wouldn't necessarily be too interested in the research, and the research people may not be too interested in the others. So, we have a mixed bag." — Preparer

The placement of SPR was also highlighted as a key factor influencing user engagement and perceived importance:

"It depends whether the financial statement is available on the website or elsewhere... The public and donors are key here. How the information is disclosed, where it's placed, that will decide the primary users." — Director

Participants cautioned against using default metrics that may distort the realities of certain organisations, especially smaller or volunteer-led entities:

"Their wages bill might be zero because they're all volunteers and 100% of their money goes on... so using a default metric, you know, in terms of how much money you spend on people costs... would not work for them." — Preparer

In highly regulated areas such as aged care, SPR was seen as crucial for demonstrating the long-term sustainability of services:

"They're making sure that providers actually have the working capital to be able to take on an aged care service and sustain that aged care service as they grow." — Preparer

Some participants advocated for a gradual, proportionate approach, beginning with basic impact-level reporting:

"If the reporting is at that level that you are having a social impact, that would be a good starting point." — Preparer

"We want to continue to have a vibrant and diverse charity sector within Australia... Everything has to be proportionate." — Preparer

Participants also called for more engaging and user-centred presentation formats:

"If you've just got screens of narrative or things that aren't presented in a particularly appealing way... people probably won't read it." — Director (New Zealand)

"Presentation must be tailored to users - dashboards, visual summaries, maybe infographics for the public." — Professional Body Representative

“Narrative explanations alongside metrics are essential.” — Regulator

A principles-based reporting framework was broadly supported, with emphasis on building on existing reporting rather than imposing new templates:

“Unless the standard says we don’t care how you give us the information - just give us what you already report to someone else - it’s going to be yet another template to fill out. But that is unlikely.” — Director

“That’s why it needs to be principles-based and not prescriptive, to enable entities to leverage what they’re already doing. Then it’s only an incremental extra effort to comply.” — Professional Body Representative

Finally, SPR was also viewed as a strategic communication tool beyond compliance:

“Some people use their annual reports as a branding and publicity document. They tell the story that supports their next iteration of strategy. There are even awards for this, based on the images, the story, the creativity. It’s not a compliance document in that case.” — Director

Collectively, participants viewed the integration and communication of SPR as central to donor trust, internal alignment, and organisational legitimacy, highlighting the importance of accessible design, meaningful placement, and proportional expectations.

4.4.2.3 Navigating Placement: Balancing Visibility, Credibility, and Assurance

The placement, presentation, and integration of SPR emerged as central concerns for stakeholders. Participants consistently emphasised that how and where SPR is positioned within organisational reporting significantly influences its perceived credibility, auditability, and utility. While there was broad agreement that SPR should align with financial disclosures to improve coherence, views diverged over whether it should be embedded in the financial statements, located in a linked section of the annual report, or provided as a separate document.

Some participants favoured a "linked but distinct" approach that maintains connection without diminishing clarity:

“It should be connected but not buried in financials. A separate but linked section works best.” — Regulator

Others warned that placing SPR outside of financial statements risks undermining its legitimacy and excluding it from audit and assurance processes:

“If it’s outside the financials, does it get assured? That’s a concern.” — Professional Body Representative

“I certainly like seeing the service performance report as part of the overall financial statements. Maybe because that’s what we’ve always had. The idea that we could take them out of there and therefore not subject them to the audit or assurance requirement... that’s an idea I hadn’t thought of before.” — Peak Body Representative

A commonly supported solution was to place SPR in a separate but clearly identifiable section within the annual report, ensuring it is linked to financial information while remaining user-friendly:

“I guess it depends on how to make the information more easily understandable to the users... if it is within the financial statement, it shouldn’t be buried somewhere that makes it difficult for users to find. Normally, it’s easiest for users if there is a separate section, say within the annual report, and it’s obvious.” — Peak Body Representative

“Within that section they can link some of the financial numbers to their achievements—what they’ve done and how they allocate their resources to certain areas.” — Peak Body Representative

Participants consistently highlighted the value of SPR in communicating organisational purpose and how financial resources are transformed into outcomes:

“It really does enable the entity to tell its full story with regards to connections... it speaks more to the quality of the reporting.” — Director

However, concerns about assurance remained prominent:

“I didn’t know because once it’s separate from your financial reporting, there’s no audit. So, anyone can tell anything.” — Professional Body Representative

Some noted that although SPR might fall outside the remit of accounting standards, assurance often occurs through alternative regulatory or sector-specific mechanisms:

“I don’t think it’s true that there’s no audit. The audit might happen from a different place... The quality assurance processes that organisations are required to sign up to, many of them have audit processes attached... not being done by the Accounting Standards Board... but they are still occurring.” — Director

New Zealand participants described an integrated narrative-quantitative model in which SPR complements and enhances financial reporting:

“It will be some text as a narrative, but also some pictorial and statistical information presented. So, it’s a mixture of qualitative and quantitative information, and it has to tie in with the financials.” — Regulator (New Zealand)

“It’s not completely isolated. It sits with the financials and complements them. It gives them meaning.” — Regulator

They also warned against allowing measurement convenience to drive reporting design:

“I don’t think that it’s best presented by resorting to things that can be counted. It’s that famous quote. Not everything that can be counted counts, and not everything that counts can be counted.’ And the whole point of it was that it was not about the numbers.” — Regulator (New Zealand)

4.4.2.4 Practical Barriers and System-level Implications

Despite strong support for integration, participants identified operational barriers such as inconsistent data formats, audit limitations, and the disconnection between financial and performance systems.

Auditors noted that while SPR content often appears alongside financial statements in annual reports, it typically falls outside the audit scope:

“In the annual report, you already have everything: financials, performance, and sustainability reporting... but we’re not auditing this.” — Auditor

“Once it’s separate from your financial reporting, there’s no audit. So, anyone can tell anything.” — Professional Body Representative

To address this, some suggested cross-referencing between financial and non-financial disclosures:

“Whether you can have some reference, like in the text, like a small reference saying ‘3’ and then that relates back to a specific line in the financial statements. Depending on the aggregation, it gets really tricky... but it’s a possibility.” — Director

“Someone giving a donation of 100,000 to 300,000 each year for three future years... the 100,000 [is] sitting in the P&L, the other 200 is coming in the provision... Linking the financial and non-financial disclosure from both angles... that is a key disclosure required.” — Preparer

Participants also discussed the disconnect between reporting formats. Financial statements are standardised and aggregated, whereas SPR data is often detailed, funder-specific, or tailored to unique stakeholder interests:

“The annual report is aggregated. It tells the big picture, whereas our performance reports are more granular, more case-specific. So, you’d either lose the detail or overload the annual report.” — Director

“Each stakeholder wants something different. The funder wants to see efficiency and spend. The board wants to understand alignment with mission. And the community wants to hear what impact was made. Those aren’t always connected in a single table or narrative.” — Professional Body Representative

“You’ve got different people asking for different things. The funder wants to see one set of outputs, the regulator asks about governance, and your board might want a completely different view. None of that sits neatly together.” — Director

Participants stressed that integration requires more than formatting: it demands structural and conceptual alignment. System-wide coordination, particularly by funders and government agencies, was viewed as essential to improve consistency and reduce duplication:

“Ultimately, I think the responsibility lies with the funders... If the funders are providing the money, then it should be their role to consolidate and report on the effectiveness of service provision at a community level.” — Preparer

Yet in practice, reporting systems remain fragmented:

“We have regular discussions... with the mental health commission here in WA... to look at our outcomes measurement framework... but it just doesn’t happen via the accounting stream. It happens through other streams.” — Preparer

“We’re doing it at the individual service level... but it’s just trying to find a way of reflecting the whole of all.” — Preparer

Proportionality and scalability were recurring themes, especially for smaller organisations:

“If the reporting is at that level that you are having a social impact, that would be a good starting point.” — Preparer

“We want to continue to have a vibrant and diverse charity sector within Australia... Everything has to be proportionate.” — Preparer

Participants warned that overly complex or mandatory reporting models could shift focus from mission to compliance, ultimately reducing effectiveness and eroding stakeholder trust.

Taken together, the focus group insights reveal a clear tension between standardisation and flexibility. While stakeholders agree that integrating financial and non-financial disclosures is central to accountability and transparency, successful implementation will depend on proportional design, credible audit alignment, and flexible formats tailored to diverse users. The strategic placement of SPR, whether in hybrid models, cross-referenced sections, or standalone chapters, should enable organisations to tell their full story, combining financial stewardship with meaningful impact.

5. Discussion and Recommendations

5.1 Discussion

This section presents a multi-source analysis that draws on four complementary sources: stakeholder focus groups, open-ended survey responses, a cross-jurisdictional Leximancer analysis of annual reports, and a thematic review of peer-reviewed literature, to evaluate the development of SPR in the Australian NFP sector. Collectively, these sources reveal a broad consensus on the need for integrated, stakeholder-relevant, and credible SPR, while also exposing important tensions that complicate practical implementation.

While there is strong convergence across sources on the core principles of integration and stakeholder relevance, the final themes that emerged from the focus groups differ notably from those derived from the literature. This divergence reflects the distinction between conceptual frameworks in academic discourse and the practical realities described by sector participants. Whereas the literature tends to categorise issues such as accountability, donor trust, and measurement as discrete themes, focus group participants viewed these as interdependent challenges embedded within implementation contexts, particularly system capability, data integration, and placement concerns. This difference in thematic emphasis has important implications: it signals that policy reform must be informed not only by normative models but also by operational perspectives. Bridging this gap between theory and practice is critical to designing a SPR framework that is both conceptually sound and practically viable.

There is clear and converging support across all sources for integrating financial and non-financial reporting to improve transparency, legitimacy, and trust. Stakeholders, especially donors and preparers, emphasised the strategic value of linking service outcomes to resource use, with a view to reinforcing organisational accountability. Focus group participants underscored that Australia's existing financial disclosure practices lack this linkage, creating a disconnect between funding and impact. These concerns align with the literature, which highlights integration as a cornerstone of contemporary accountability frameworks (Breen et al., 2018; Ghoorah et al., 2021).

This disconnection is also reflected in the Leximancer analysis of over 1,500 annual reports, which found that financial terms (such as "finance" and "report") dominated the Australian dataset, while terms associated with outcomes and impact (such as "performance" or "effectiveness") were far less frequent and highly sector-dependent. This finding suggests that financial accountability remains the primary focus, and that non-financial dimensions are inconsistently embedded or underdeveloped.

Internationally, integration takes multiple forms. In New Zealand, SPR is embedded in financial reports and aligned with strategic goals, while Canadian reports favour narrative-based impact disclosures. These models reflect different philosophies - structured versus story-driven - but both illustrate intentional efforts to communicate value in a holistic manner. The inclusion of New Zealand reports in the Leximancer analysis showed that the term "performance" gained more prominence and served as a bridge between financial and non-financial domains. This stands in contrast to the more compartmentalised treatment of financial and service-related information in Australian reports, reinforcing the value of New Zealand's integrated approach as a benchmark for Australia. However, Australia faces distinct operational constraints. Siloed systems limit organisational capability, and inconsistent regulatory guidance hinders integration efforts. Focus group and survey respondents alike indicated that while the intent exists, the mechanisms to support practical and scalable integration remain underdeveloped.

Concerns around placement, credibility, and assurance were also prominent. Where SPR is located - within financial statements, elsewhere in the annual report, or in a standalone document - matters significantly for both usability and trust. Australian participants generally favoured a "linked but distinct" format, which supports integration without conflating SPR with formal financial statements. However, many cautioned that locating SPR outside audited reports risks diminishing its credibility. Auditors and preparers noted the absence of clear assurance standards for non-financial information and questioned how audit or review procedures could apply to narrative disclosures. These challenges mirror concerns in the literature about the limited assurance infrastructure for performance data (Hooks & Stent, 2020). Comparative insights suggest no consensus: the UK tends to embed performance metrics within audit-scoped reports, while Canada provides unaudited, narrative content. The Leximancer findings further illustrate this diversity. For example, Canada's emphasis on "impact" contrasts with the UK's focus on "financials," while South Africa and the US show different emphases, reinforcing that while the principles of SPR may be shared across jurisdictions, their implementation is context-dependent. Australia's

intermediate model (i.e., SPR included in annual reports but outside financial audit) highlights the tension between accessibility and verifiability.

Across the data sources, tailoring SPR to meet diverse user needs emerged as another key challenge. Participants spoke of efforts to design layered formats or easy-read versions for different audiences, including clients, donors, researchers, and regulators. Despite this, survey responses revealed that many users struggle to access or interpret existing performance data. This aligns with literature critiques that reporting frameworks often achieve formal transparency without functional accessibility (Manetti & Toccafondi, 2014). Leximancer findings reinforced these insights, revealing that different sectors rely on distinct language: “performance” was common in reports from the education, arts, and sport sectors; meanwhile, health, disability, and family services used terms like “impact” and “service delivery.” These patterns suggest that rigid, uniform terminology risks alienating key users. Both literature and practice advocate for linguistic flexibility to enhance comprehension and engagement (Yang, 2021; Gilchrist et al., 2023). The challenge lies in maintaining comparability while allowing for varied, audience-appropriate expression.

Closely linked to user needs is the issue of proportionality, which emerged as a recurring theme across all data sources. Stakeholders strongly agreed that any future SPR framework must accommodate the diversity of the NFP sector. Focus group participants (particularly from small and mid-sized organisations) warned that overly prescriptive models risk shifting focus from service delivery to compliance. Survey responses echoed this concern, as did the literature, which critiques frameworks that prioritise upward accountability while neglecting operational capacity (Cordery, Belal, et al., 2019).

Tiered systems in New Zealand offer a promising counter-model, where reporting standards are scaled to organisational size and complexity. Leximancer findings also revealed this diversity, with smaller organisations often omitting detailed performance or impact narratives entirely, reflecting their capacity constraints. This pattern suggests that standard setters must design flexible frameworks that support both core compliance and aspirational reporting practices, adapting expectations to organisational size and maturity.

While all stakeholders agreed on the value of proportionality, their views diverged on how to implement it. Donors and peak bodies sought consistency and comparability, while preparers and auditors emphasised flexibility and resource constraints. This tension points to the need for scalable guidance and differentiated standards that support both minimum compliance and aspirational practice.

Finally, the multi-source research design findings revealed a persistent misalignment around terminology and conceptual framing. The term “performance” itself was contested, with many stakeholders indicating that it does not reflect the language or ethos of frontline service delivery. Terms like “outcomes,” “impact,” or “client change” were perceived as more authentic and mission-aligned. Leximancer analysis confirmed that language preferences differ significantly across sectors and jurisdictions. The literature also critiques the imposition of sector-neutral vocabulary, which may

obscure meaning and disengage stakeholders (Adams et al., 2014; Hooks & Stent, 2020). Importantly, the analysis suggests that a flexible, principles-based SPR framework, supported by illustrative guidance, examples, and sector-specific terminology, can enhance both uptake and relevance. Embedding definitional flexibility within the standard can reduce misinterpretation and allow organisations to articulate value in a way that aligns with their mission and stakeholder expectations.

In conclusion, the integrated findings from this multi-source analysis highlight broad agreement on the foundational principles of effective SPR: integration, accessibility, proportionality, and credibility. However, they also reveal the complexity of delivering on these principles in practice. Unresolved tensions around placement, auditability, language, and capability persist. The Leximancer analysis affirms that financial reporting remains dominant in Australia, but non-financial information (particularly relating to outcomes, effectiveness, and stakeholder impact) remains inconsistently embedded. International comparisons reinforce the feasibility and value of integrated SPR, particularly as demonstrated in New Zealand, but also caution against importing frameworks without local adaptation.

For Australia, the path forward involves more than regulatory reform: it requires a strategic shift that enables NFPs to communicate impact in ways that are meaningful, flexible, and trustworthy. A well-designed SPR framework must therefore balance structure with sensitivity, comparability with contextualisation, and assurance with authentic narrative. These insights also carry implications for global frameworks, such as IFR4NPO and IPSASB guidance, which aim to align principles of transparency and accountability with jurisdictional flexibility. A tiered, modular approach, supporting both baseline compliance and sector-specific innovation, may offer the most viable way forward. Only then can the sector fully realise the potential of SPR as a tool for accountability, insight, and impact.

5.2 Recommendations

Based on the multi-source analysis of stakeholder focus groups, open-ended survey responses, international reporting practices, and academic literature, the following recommendations are proposed to guide the development of a robust and context-sensitive SPR framework for the Australian NFP sector:

1) *Adopt a principles-based, proportional reporting framework*

Any future SPR framework should be scalable to organisational size and capacity. A tiered or flexible structure (similar to New Zealand's model) would support meaningful disclosure while avoiding undue reporting burdens, especially for small and mid-sized organisations. Guidance should differentiate between minimum compliance requirements and aspirational best practice, to accommodate varying capability levels while supporting comparability.

2) *Integrate financial and non-financial information using linked, accessible formats*

The framework should enable clear connections between service outcomes and financial data, without embedding SPR within audited financial statements. A “linked but distinct” section within annual reports would balance integration with audit boundary clarity. This approach supports usability and trust; but

should be accompanied by clear guidance on audit or assurance options for non-financial disclosures to strengthen credibility.

3) *Encourage audience-aware and flexible presentation styles*

Organisations should be supported to tailor disclosures to diverse stakeholders (e.g., donors, clients, regulators) using layered, visual, or narrative formats. This will improve accessibility and promote meaningful engagement without sacrificing comparability. To enhance accessibility, guidance should include illustrative templates or examples that reflect different user needs and communication approaches.

4) *Allow flexibility in language and performance descriptors*

The framework should accommodate sector-specific terminology such as “impact,” “outcomes,” or “client change,” rather than imposing a uniform definition of “performance.” This will ensure greater relevance, clarity, and ownership across diverse service contexts. Recognising sectoral diversity in language will ensure greater relevance, clarity, and stakeholder alignment, and reduce the risk of alienating frontline service providers or users.

5) *Support auditability and credibility through scalable assurance mechanisms*

While not all SPR disclosures need formal audit, the framework should outline scalable pathways for verification, ranging from internal review to limited or reasonable assurance. This will address credibility concerns raised by stakeholders and enable SPR to be trusted and usable in regulatory, funding, and donor contexts.

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7. Appendices

Appendix 1 - Research Method

This section outlines the multi-method research design employed to explore the application of SPR in the Australian NFP sector. To ensure rigour and depth, the study combined a review of the academic and grey literature, a large-scale analysis of annual reports using Leximancer, a stakeholder survey, and a series of structured focus groups. This multi-source research design approach enabled the research to capture both theoretical foundations and practical insights, drawing on empirical evidence and stakeholder perspectives across Australia and comparable international jurisdictions. The integration of these complementary methods supports a nuanced understanding of how SPR is currently practised, the challenges it presents, and opportunities for regulatory and practical improvement.

Existing Literature

The literature review strengthens the theoretical and comparative underpinnings of the study by situating Australia's SPR efforts within a broader global context. It draws on established principles of accountability, performance measurement, and stakeholder engagement, which are consistently highlighted in both academic and grey literature as foundational to effective SPR. The review also examines alternative regulatory models, such as those implemented in New Zealand and the United Kingdom. New Zealand's mandatory framework under PBE FRS 48 offers a more prescriptive approach to SPR, while the United Kingdom's principles-based guidance encourages outcome reporting as part of broader governance practices. These international comparisons provide valuable insights and cautionary lessons for Australian policymakers, particularly regarding the risks of overly rigid or insufficiently defined standards.

The literature review was conducted in two structured phases. The first phase focused on identifying peer-reviewed literature relevant to the research objectives. A keyword-driven search strategy was employed using the following search terms, grouped into thematic categories:

- Literature on connectivity of financial and non-financial disclosure
 - Performance information in NFPs
 - Financial disclosure in NFPs
 - NFPs accountability
 - Non-financial information needs in NFPs
- How is the connectivity applied or understood
 - NFPs' regulation in performance information
 - The Australian Tiered Reporting Framework
 - The accounting regulation for NFPs
 - The public mandated for NFPs
- Within and outside financial statements
 - NFPs' financial disclosures

- The financial reporting requirements for NFPs
- Sustainability vs service performance reporting
 - Sustainability and service performance reporting in NFPs

Searches were carried out across Google Scholar and OneSearch, with a particular emphasis on sourcing articles published in journals ranked by the Australian Business Deans Council (ABDC) journal quality list. The inclusion criteria were limited to journal articles published or accepted for publication between 1992 and 2025, ensuring both historical depth and contemporary relevance. The list of 63 reviewed papers identified is provided in Appendix 2.

The second phase involved a systematic content analysis using NVivo software (NVivo 14) to code and synthesise findings (Kraiwanit et al., 2023). NVivo was selected as the analytical tool for analysing the literature due to its capacity to analyse, sort and group similar ideas from the papers (Watling et al., 2012). A preliminary coding scheme was applied to article content focusing on abstracts. Sections were highlighted and inductively coded. The analysis followed a non-linear process, with codes being created, shifted and merged as the research progressed. Emergent themes were grouped into the following broader thematic clusters: (1) accountability for performance in NFPs, (2) donor trust, motivation and fundraising, (3) NFP financial reporting frameworks and standards, (4) NFP performance measurement, (5) stakeholder involvement and user needs, and (6) sustainability reports in NFPs. The process focused on mapping dominant discourses by analysing recurring conceptual patterns and the frequency of key terms, and the findings highlight areas of limited scholarly attention to SPR in the literature.

Annual Reports

Sample

A comprehensive sample population of NFPs is not readily available in a single database (or even across a few databases) for Australia⁵ or the other countries⁶ explored in this study. To generate an initial list of NFPs, a generative AI tool (ChatGPT 4) was employed. The tool was prompted to provide a list of 200 NFPs for Australia and 100 NFPs for each of five additional countries (New Zealand, UK, Canada, US, and South Africa). The specific commands used were: “Give me a list of 200 private not-for-profit organisations in Australia” and “Give me a list of 100 private not-for-profit organisations from

⁵ An initial Google search was conducted using various combinations of keywords, such as “Australian NFPs,” “list of not-for-profit organisations in Australia,” and “most common not-for-profit organisations.” However, these searches yielded fewer than 20 relevant names. Additional databases were also explored, including the list of accredited NGOs with the Australian Department, NGO Base, and Human Rights Careers websites, but none provided a comprehensive list of NFPs suitable for the study. The Australian Charities and Not-for-Profits Commission (ACNC) website was initially excluded to avoid limiting the sample to charitable organisations, ensuring the study encompassed a broader range of NFPs.

⁶ For each of the other countries (New Zealand, UK, Canada, US, and South Africa), a Google search for a list of NFPs was conducted, but no single database or comprehensive list of NFPs was found. As with the Australian context, the charity regulators’ websites in each of these countries were excluded to avoid restricting the sample to charitable entities only.

[Country context].” The generated lists categorised organisations into approximately 10 distinct sectors (see Appendix 1 for the full list).

For the Australian dataset, a subset of 100 organisations was extracted from the initial list of 200 generated via AI. This subset was selected to maximise diversity across identifiable sectors, including health, education, community services, legal and advocacy, arts and culture, and environment. However, religious organisations were deliberately excluded from the sampling frame. This decision was based on the distinct regulatory treatment of Basic Religious Charities (BRCs) under the Australian Charities and Not-for-profits Commission (ACNC) framework, which exempts BRCs from providing financial reports and limits the comparability of their disclosures with other NFPs (ACNC, 2024). Including religious organisations would have introduced inconsistencies and classification challenges, particularly given the varied financial and reporting obligations of faith-based charities in Australia.

To validate the reliability of the AI-generated data, a sample of ten organisations was randomly selected from the 100-organisation subset and assessed for duplication, operational status, online presence, and the availability of annual or financial statements. While the sample was confirmed as broadly reliable, the study acknowledges potential limitations in representation due to the absence of a centralised NFP database, the nature of AI-generated outputs, and the regulatory complexity surrounding certain sectors.

This validation process included:

1. Identifying and removing any duplicate from the list.
2. Conducting a Google search for each organisation to confirm its existence and operational status.
3. Reviewing the organisation’s website to gather information about its activities.
4. Checking the availability of annual and financial statements to assess transparency and legitimacy.

These steps confirmed the reliability of the generative AI output.

To ensure the legitimacy of the broader sample of 640 organisations (200 from Australia and 400 across the other countries, except for South Africa⁷), a quality control framework was implemented. In addition to the four validation steps outlined above (see **Error! Reference source not found.** 1 below), a fourth step was included: for those organisations that did not have any available annual or financial report, their

⁷ The South African sample was eventually restricted to 40 organisations primarily due to issues faced during the sampling phase, including: (i) non-availability of proper websites; (ii) annual reports not being publicly available and, in many instances, available annual reports dated pre-2019, as well as; (iii) websites and reports being exclusively in the local native language.

registration with their respective country regulatory body⁸ was verified and lodgement as well as availability of their annual and financial report(s) with the regulator was checked (see **Error! Reference source not found.** below). A sample of 518 organisations, across the six different countries, was refined. For each of these organisations, five-year annual reports (and financial statements) covering the financial years 2018/2019 to 2022/2023 were explored. The 2023/2024 reports could not be considered as the majority of the sampled organisations had not published these reports at the time of data collection (i.e., the last quarter of 2024). During this phase, it was observed that some of the 518 organisations either published only one report (annual or financial) or did not publish any reports (see **Error! Reference source not found.**). As a result, these organisations were excluded from the sample. To ensure a more robust trend analysis, a five-year period was considered instead of a three-year period, based on the availability of reports. Following these processes, the final sample comprised 309 organisations (for the full list, see Appendix 3) and a total of 1545⁹ reports.

Table A1.1. Initial Sample Excluding Duplicates

Country	Initial sample size	Number of organisations that appear more than once on the generated list	Sample size (excluding any duplicate)
Australia	200	2	198
New Zealand	100	0	100
United Kingdom	100	1	99
Canada	100	0	100
United States of America	100	1	99
South Africa	40	0	40

⁸ The country-specific regulators that were considered are: Australia - Australian Charities and not-for-profits Commission; New Zealand - Charities Services, which operates under the Department of Internal Affairs (DIA); the UK- the Charity Commission; Canada - Corporations Canada; the USA - no specific regulator to refer to given not-for-profit organisations are tracked through the Internal Revenue Service (IRS) and lodge Form 990 rather than annual reports/financial statements as such; and lastly South Africa -the Nonprofit Organisations Directorate in the Department of Social Development (DSD).

⁹ This count considers both annual and financial reports as one, even though in a number of instances these reports were published as two separate documents.

Table A1.2. Sample Excluding Organisations with Missing Reports

Country	Sample size (excluding any duplicate)	Non-availability of annual and financial reports				Total organisations with no publicly available annual and financial report	Refined sample
		Organisation has a webpage and is		Organisation has a webpage and is			
		Registered with a regulator	Not registered with a regulator	Registered with a regulator	Not registered with a regulator		
Australia	198	2	13	2	16	33	165
New Zealand	100	9	9	1	8	27	73
United Kingdom	99	0	2	0	3	5	94
Canada	100	11	11	3	5	30	70
United States of America	99	N/A	9	N/A	1	10	89
South Africa	40	0	12	1	0	13	27
Total							518

Table A1.3. Finalised Sample

Country	Both reports available for five-year period	Five-year period ¹		Three-year period		No annual report available	No financial report available
		Annual reports only	Financial reports only	Annual reports only	Financial reports only		
Australia	102	107	137	29	17	58	25
New Zealand	43	43	44	12	12	29	28
United Kingdom	62	62	62	22	19	32	30
Canada	51	53	57	4	4	17	40
United States of America	33	41	47	20	13	48	42
South Africa	18	18	19	5	4	9	8
Total	309	324	366	92	69	193	173

Note:

- 1. The five-year period reports do not include the three-year period reports. They are both separate and exclusive from each other.*

Analysis Process of Annual reports in Leximancer

Leximancer was selected as the primary analytical tool for this research due to its capacity to efficiently process large volumes of qualitative data (Smith, 2003). In contrast to traditional manual coding, which requires time-intensive text analysis and individual code assignment, Leximancer uses a text-in-context approach, analysing both term frequency and the relationships between concepts across the dataset (Smith & Humphreys, 2006). Given the scope of this study, which involved the analysis of several hundred annual reports, Leximancer's consistency, scalability, and efficiency made it particularly well suited to the task.

Given this report focuses on the connectivity between financial and non-financial (service performance) information, it was essential to employ a tool capable of identifying both the prevalence of key themes and their conceptual linkages. Leximancer met these criteria, with previous studies confirming its effectiveness in analysing large-scale qualitative datasets when compared with manual coding (Engstrom, Strong, Sullivan, & Pole, 2022).

Figure A1.1. Stages of Analysis using Leximancer



(adapted from the stages set out by Smith 2003, diagram author's own)

The analysis process of annual reports in Leximancer involved importing 1,545 annual reports as raw text files and organising them into folders that served as defined 'sets' for comparative analysis. For instance, in Case 1 (Australia), reports were grouped by individual sub-sectors, whereas in Case 2, sets included all reports from both New Zealand and Australia. This folder-based grouping enabled each report to be 'tagged' with its relevant context, allowing these contextual labels to appear in the Leximancer concept maps and inform interpretation (see Figure A1.1 above).

Although Leximancer performs unsupervised analysis by default, identifying themes and concepts directly from the raw data, a semi-supervised approach was adopted for this study. This involved embedding selected 'seed' concepts drawn from the literature to guide the algorithm in recognising and prioritising key constructs (Smith, 2003). For this project, the seed concepts of financial, impact, performance, report, reporting, service(s), and social were introduced to align the analysis with the study's core focus on the connectivity between financial and non-financial (service performance) information.

Leximancer operates by analysing the frequency of words and their co-occurrence to generate a thematic structure from the text. It is described as "a method for transforming lexical co-occurrence information from natural language into semantic patterns in an unsupervised manner. It employs two

stages of co-occurrence information extraction (semantic and relational) using a different algorithm for each stage. The algorithms used are statistical, but they employ nonlinear dynamics and machine learning” (Smith & Humphreys, 2006, p. 262). Once key themes are identified, Leximancer maps their co-occurrence relationships using an asymmetric algorithm to create a semantic network (Smith, 2003). As Angus, Rintel, and Wiles (2013) observe, Leximancer “uses word occurrence and co-occurrence counts to extract major thematic and conceptual content directly from an input text. This automated process generates a tailored taxonomy which can be displayed graphically via an interactive concept map,” or summarised as ranked concept frequencies. These stages of data processing and theme extraction are illustrated in Figure A1.1.

To preserve data integrity, personal identifiers such as names and specific locations (e.g., Sydney, Ltd) were removed prior to processing, while role-related terms (e.g., CEO, director) were retained. Variants of words (such as different tenses (e.g., develop / developed) and plural forms (e.g., director / directors)) were consolidated for consistency. The reason for this is that a noun (which is the name of a thing) and its plural (many of the same things) are effectively the same. Additionally, in sufficient numbers, Leximancer will treat director and directors as separate objects and will group associations of director and directors separately. This is not helpful for the context of the study and so these words are consolidated.

In contrast, nouns verbs (e.g., report / reporting) retained their distinct forms, as well as gerunds (e.g., directing) were treated like verbs due to their verb-like grammatical function. For example, a bike (the noun) can be distinguished easily from verbs which are associated with its state or action (assemble / manufacture / ride). This is because a noun, or the name of a thing is quite different from a verb or gerund which relates to the creation of the artefact or the use of the artefact. Other examples would be to cook (the verb) and cake (the noun). In English grammar, nouns which name things, and verbs which describe an action or a state, need to be kept distinct as they are not the same thing. While in accounting the words are far closer to each other (accounts / accounting; report / reporting) the principle is the same. There is a key difference from object(s) and their means of creation or use.

Given the emphasis on the interconnection between financial and non-financial reporting, Leximancer was explicitly instructed to focus on the designated seed themes. This targeted configuration facilitated a more precise exploration of the study's central concerns. To ensure analytical consistency, the same Leximancer specifications were applied across all cases, allowing observed thematic differences to be meaningfully attributed to sub-sectoral or geographical variations rather than methodological inconsistencies (refer again to Figure A1.1 for an overview of this standardised process).

Surveys

An invitation email was distributed to over 800 professionals across Australia, targeting stakeholders from the public sector, NFPs, and accounting firms. The email included a brief 2–3-minute online survey, administered via Microsoft Forms, which collected contact details from interested individuals. The survey employed branching logic to tailor questions to each stakeholder group, ensuring relevance and efficiency in data collection.

To expand the recruitment pool, the CI and two members of the research team also shared the survey link and study information on LinkedIn. Additional contacts were provided by two researchers - one of whom contributed New Zealand-based professionals. Furthermore, three participants shared the invitation with their colleagues, further extending outreach through peer referral.

The survey included an option for respondents to express interest in participating in a focus group. Table A1.4 below provides an overview of survey respondents and those who subsequently joined the focus groups.

Focus Groups

Ethics approval for this study was obtained from Western Sydney University, where the Chief Investigator is based (Approval No. H16570).

Participant recruitment commenced in early May 2025. A total of 107 individuals initially agreed to participate in focus groups. Of these, 18 subsequently withdrew due to professional commitments such as meetings, training sessions, or last-minute scheduling conflicts. An additional seven participants were unavailable due to personal leave, including three who were overseas. Five requested to reschedule, and two opted for individual interviews, citing discomfort with discussing SPR in a group setting.

Three additional individuals independently contacted the CI after learning about the project and expressed a strong interest in contributing their views on SPR. Given the relevance of their perspectives, these participants were interviewed individually in the first week of June 2025.

All other focus groups were conducted throughout May 2025. Most sessions were held via Zoom, with a small number conducted via Microsoft Teams to accommodate participants without access to Zoom. All sessions were recorded with participant consent, and identical protocols were followed across both platforms. Recordings were transcribed using Microsoft Word's transcription function and manually verified by the CI. In accordance with the approved ethics protocol, all personal identifiers were removed during transcription. Only the CI retained access to identifiable data and audio recordings, which were stored securely in line with Western Sydney University's data management policies.

Each focus group began with a brief overview of the research objectives and how the study will inform standard setters, such as the Australian Accounting Standards Board (AASB), and regulators about the relevance and applicability of SPR in Australia. Sessions lasted approximately 45 to 60 minutes.

Participants received the focus group questions one week in advance, along with a formal calendar invitation and the Participant Information Sheet (see Appendix 6). During each session, the CI guided participants through 15 structured questions (further described in the next two sub-sections).

To minimise risk and support participant wellbeing, several safeguards were implemented. Participation was entirely voluntary, with all individuals informed of their right to withdraw at any time without consequence. The Participant Information Sheet outlined potential risks, such as discomfort when discussing organisational practices. All focus groups were conducted via virtual platforms, allowing participants to join from a location of their choosing, thereby reducing logistical burden and enhancing convenience. Sessions were facilitated with sensitivity to participants' professional roles and privacy, ensuring a respectful and inclusive discussion environment.

A maximum of two focus groups were conducted per day to minimise interviewer fatigue and ensure consistency in delivery. All focus groups were scheduled and coordinated by the CI. Participants were grouped into eight stakeholder categories, as detailed in **Error! Reference source not found.A1.4.**

Table A1.4. Survey and Focus Group Participants by Category

Stakeholder groups	Numbers participated in focus groups	Numbers participated in survey
Individual Donors	12	12
Philanthropists	6	0
Directors	5	0
Professional Accounting Bodies	8	8
Preparers	27	27
Auditors	9	9
Regulators	13	9
Peak Bodies	5	5
Media	0	0
Total	85	70

Note: Beneficiaries were not included in the focus groups due to difficulties in identifying and reaching them through existing networks. Snowballing techniques were used in an attempt to recruit beneficiaries via participating organisations and professional contacts, but no individuals meeting the criteria were located or came forward. This likely reflects the limited public visibility of beneficiaries, privacy concerns, and the ethical complexities involved in directly engaging service recipients, particularly where support needs or vulnerabilities are present.

Development of Focus Group Questions

The development of the focus group questions followed a structured and consultative process to ensure their clarity, relevance, and alignment with the study's objectives, particularly in exploring the relevance and implications of SPR in the Australian context.

An initial draft of the interview questions was prepared by the CI and reviewed by a senior academic colleague on the research team. Feedback from this review informed the refinement of both the wording and sequencing of the questions to ensure accessibility and coherence for a diverse range of participants.

The revised draft was subsequently reviewed by colleagues at the AASB, including the Research Director. This step ensured that the questions were not only comprehensible to practitioners from different stakeholder groups but also addressed issues of direct relevance to the AASB. Questions identified as having particular regulatory importance were prioritised during the focus group sessions.

The finalised set comprised 15 questions (see Appendix 7 for a full list of the focus group questions). These were circulated to all confirmed participants one week prior to their scheduled focus group, allowing time for preparation and reflection (see Appendix 8 for a copy of the email sent to participants). During each session, the questions were presented in a consistent format, with the facilitator guiding participants through each item and encouraging open discussion.

This design approach ensured the questions met ethical, professional, and research standards, while also supporting the practical aims of the funding body in informing the development of a potential reporting framework.

Focus Group Format

To ensure a consistent and accessible understanding of the term *service performance reporting*, participants were provided with a plain-language explanation in the email survey prior to the focus group sessions. This shared framing helped establish a common foundation for discussion across diverse stakeholder groups. The explanation described performance reporting as a way for an organisation to show what it is doing and how well it is doing it, encompassing two key components: *outputs*, which refer to the specific services or programs the organisation delivers, and *outcomes*, which relate to the broader goals or impacts the organisation seeks to achieve in alignment with its mission.

Each focus group session began with an open-ended introductory question: "*What is the first thing that comes to mind when you consider service performance information?*" This question was intended to prompt initial reflections and establish a baseline understanding of the concept among participants. Following this, a structured sequence of questions was used to explore participants' perceptions, experiences, and expectations related to SPR. These questions were thematically grouped into five main areas: (1) *Conceptual Understanding and Relevance*, which probed participants' interpretations of SPR and how outputs and outcomes relate to their performance evaluation practices; (2) *Usefulness and Stakeholder Needs*, which explored who uses service performance information and what types are considered most valuable; (3) *Challenges and Barriers*, which investigated difficulties associated with current reporting practices, particularly in relation to outputs and outcomes; (4) *Expectations and*

Improvements, which encouraged participants to articulate what high-quality SPR would look like and suggest enhancements; and (5) a final *Wrap-Up* question that invited any additional thoughts on the understanding, use, or communication of service performance information.

This design allowed for the elicitation of rich, diverse perspectives from a broad range of stakeholders, including donors, philanthropists, peak bodies, preparers, directors, auditors, and regulators. It encouraged both critical reflection on current practices and forward-looking ideas about how SPR could evolve.

Analysis Process of Interview Transcripts

All focus group discussions were transcribed using Microsoft Word, and each transcript was subsequently checked manually against the original audio recordings by the Chief Investigator (CI) to ensure accuracy. The total volume of transcription data amounted to 45,215 words, as summarised in Table A1.5. Some transcripts exceeded 8,500 words, with an average length of 6,459 words.

Table A1.5. Focus Group Transcript Word Counts

<i>Focus Group Category</i>	<i>Word Count</i>
<i>Individual Donors & Philanthropists*</i>	9,032
<i>Directors</i>	4,878
<i>Professional Accounting Bodies</i>	6,323
<i>Preparers</i>	8,570
<i>Auditors</i>	4,831
<i>Regulators</i>	5,649
<i>Peak Bodies</i>	5,932
Total	45,215

**Conducted over two sessions due to scheduling constraints.*

To analyse this dataset, a hybrid approach combining manual thematic analysis and Generative AI (GenAI)-assisted analysis was employed (Perkins and Roe, 2024; Prescott et al., 2024). ChatGPT version 4 (OpenAI) was used for AI-assisted coding. This version requires a paid subscription and provides noticeable improvements in coherence and reliability over the free version (Lee et al., 2024).

Transcripts were divided into manageable segments of approximately 600 words each to maintain contextual integrity. Each segment was chosen carefully to avoid splitting responses midstream or across thematically distinct sections. This segmentation was not necessitated by AI token limits, but to improve the accuracy and interpretive depth of theme extraction.

Each GenAI output was critically reviewed by the CI and refined as necessary. The use of 600-word segments significantly reduced typical GenAI limitations such as hallucinations, repetition, or irrelevant

outputs (Lee et al., 2024). Numerous prompt iterations were tested to enhance clarity and consistency in theme generation. The final prompt used for analysis was:

"The above is a transcript of an interview for a research report on service performance reporting. Conduct a thematic analysis using the provided codes and include as many quotes as possible. Make the quotes stand out and keep them elaborate. Make any comment that relates to New Zealand participants stand out. This group relates to [donors] focus group. Refer to them when referring to a quote rather than participant."

The final themes developed from the analysis were: (1) donor expectation and the need for integrated reporting, (2) accessibility, audience needs and the strategic use of SPR, (3) navigating placement and balancing visibility, credibility and assurance, in addition to (4) practical barriers and system-level implications.

Only de-identified transcripts were input into ChatGPT. De-identification was verified across three rounds by the CI using a combination of manual review and Word-based checks. A final check by a research assistant, in line with ethics protocols, confirmed full removal of identifying information.

Manual thematic analysis was also conducted by the CI on approximately 30% of the total dataset. This involved reading each transcript multiple times, annotating emerging patterns, and identifying preliminary themes such as accountability, transparency, audit challenges, and implementation complexity. These manual results were then compared with GenAI-generated outputs.

The comparison found over 90% agreement between the two approaches across 8,319 words from seven transcripts, validating the reliability of the GenAI-assisted analysis. Following this, GenAI was used to analyse the remaining transcripts. Each focus group was analysed independently before themes were consolidated across all groups.

To preserve the integrity and holistic message of each group, the CI revisited both the AI-generated outputs and the original transcripts. The thematic analysis followed Braun and Clarke's (2006) six-phase approach, widely used for its flexibility and depth (Perkins & Roe, 2023).

ChatGPT was used strictly as a complementary tool. Its outputs were reviewed and validated by the CI and further reviewed by a team member with qualitative research expertise, before being circulated to the broader research team. Given the limitations of the AI's context window, a new session was initiated for each focus group, with all outputs manually verified.

A worked example of GenAI-assisted coding is shown in Table A1.6, illustrating how quotes were allocated across multiple themes. This process combined AI-generated suggestions with manual thematic validation to ensure contextual accuracy and semantic alignment.

Table A1.6 - Transcript Excerpt and Thematic Allocation

Transcript Segment	Allocated Theme(s)	Rationale
<i>“As a donor, I need to see both the numbers and the story – I want to know the impact.” — Donor</i>	Donor Expectations and the Need for Integrated Reporting	Reflects donor preference for coherent, integrated reporting that links financial data with outcomes and narratives to enhance trust and decision-making.
<i>“We’re a cancer support and research nonprofit... We have a number of audiences...” — Preparer</i>	Accessibility, Audience Needs, and Strategic Use of SPR	Highlights the complexity of tailoring reporting to multiple user groups with different priorities (e.g., researchers vs. service recipients).
<i>“It should be connected but not buried in financials. A separate but linked section works best.” — Regulator</i>	Navigating Placement: Balancing Visibility, Credibility, and Assurance	Advocates for visible but clearly linked placement of performance reporting to retain usability, credibility, and potential for assurance.
<i>“Each stakeholder wants something different... None of that sits neatly together.” — Professional Body Representative</i>	Practical Barriers and System-level Implications	Emphasises the systemic challenge of aligning diverse stakeholder expectations, formats, and data systems within a cohesive reporting model.

The full thematic analysis process, comparing traditional and GenAI-assisted methods, is summarised in Table A1.7.

Table A1.7. Comparative Overview of Manual and GenAI-Assisted Thematic Analysis

Step	Traditional Analysis	GenAI-Assisted Analysis
Familiarisation with Data	Read and re-read transcripts, noting initial ideas	Not applicable Familiarisation occurs prior to AI use
Generate Initial Codes	Manually code transcripts line-by-line	Not applicable
Search for Themes	Group similar codes into preliminary themes	Refine prompt instructions to guide AI theme identification
Review Themes	Examine internal coherence and match with data	Cross-check AI themes against transcript context
Define and Name Themes	Refine scope and assign clear names	Re-run prompts to test consistency and definition accuracy
Compare and Contrast Results	Compare manual and AI themes for convergence	Integrated with manual review process
Finalise Themes	Confirm final themes through team discussion	Final validation by research team

GenAI was applied in this study as an assistive mechanism rather than a standalone analytic agent, consistent with evolving qualitative research methodologies (Lee et al., 2024; De Paoli, 2023). Its capacity to process complex contextual data and deliver thematically structured insights proved instrumental in expanding the breadth of analysis. Importantly, the tool enabled the surfacing of varied stakeholder viewpoints and enriched interpretations across the dataset.

Together, these methodological components create a robust evidentiary base for evaluating the current and potential future role of SPR in Australia. The combination of literature synthesis, empirical reporting data, and rich qualitative input ensures that the findings are both conceptually grounded and practically informed. This approach not only identifies existing strengths and limitations in SPR but also provides a foundation for recommendations that are responsive to stakeholder needs and sectoral realities. The following section presents the results of the study, highlighting key themes, stakeholder insights, and jurisdictional comparisons that inform the development of a fit-for-purpose SPR framework.

Justification of Methodological Choices

A multi-method synthesis was adopted to ensure that each data source was analysed using the most appropriate method given its structure, purpose, and analytical needs. Leximancer was selected for the analysis of annual reports due to its proven capacity to process large volumes of narrative data and detect conceptual linkages between financial and non-financial terms. Its algorithmic mapping was well suited to identifying patterns across the 1,545 documents spanning six countries and multiple sectors, enabling comparative thematic analysis at scale.

In contrast, the literature review required a more interpretive and theory-driven approach. NVivo was employed for its ability to support inductive and deductive coding, allowing the research team to map conceptual frameworks, theoretical debates, and gaps across 63 peer-reviewed and grey literature sources. Unlike annual reports, which consist largely of descriptive organisational narratives, academic literature demands nuanced coding to interpret argumentation, methodological framing, and regulatory relevance.

Similarly, the focus group transcripts required sensitivity to tone, stakeholder context, and interpretive meaning. A hybrid approach was adopted, combining manual coding with Generative AI (ChatGPT-4) assistance, to identify recurring themes and stakeholder insights while retaining the ability to analyse subtle narrative distinctions. Leximancer was deliberately not used for transcripts because it does not preserve conversational flow or recognise rhetorical emphasis: factors crucial to accurately representing participant views.

Each method was therefore purposefully selected to ensure analytical rigour and relevance, balancing scalability with interpretive depth. This multi-method synthesis enriched the findings by aligning analytical tools to the distinct characteristics and goals of each data source.

Limitations and Further Studies

While this study provides a comprehensive and methodologically robust examination of SPR across Australian and international NFP contexts, several limitations should be acknowledged.

1. Sampling Limitations and Use of Generative AI

The initial sampling frame was generated using a generative AI tool (ChatGPT 4), which, while innovative and efficient, introduces some limitations in terms of transparency, replicability, and potential bias in organisational selection. Although the dataset was refined through rigorous validation checks (e.g., verifying websites, regulatory registration, and report availability), the original AI-generated list may not reflect the full diversity or distribution of NFPs in each country. Furthermore, a comprehensive, authoritative database of NFPs was not accessible for any of the six jurisdictions, constraining the ability to draw from official or standardised registries.

2. Exclusion of Religious Organisations

The deliberate exclusion of religious organisations from the Australian sample may limit the generalisability of findings. While this decision was based on sound regulatory and methodological grounds, specifically the exemption of Basic Religious Charities from ACNC financial reporting

obligations, it does mean that the perspectives and reporting practices of a significant segment of the NFP sector were not captured. Future studies could explore appropriate strategies for incorporating faith-based organisations using alternative benchmarks or frameworks to account for their regulatory distinctiveness.

3. Leximancer and Thematic Analysis Constraints

The use of Leximancer for content analysis of annual reports provided consistency and scalability; however, it also required pre-defining seed concepts, which may have inadvertently narrowed the thematic scope. While a semi-supervised approach was adopted to mitigate this, the tool may underrepresent less prominent but potentially significant patterns in the data. Similarly, while the GenAI-assisted thematic analysis of focus groups was validated through manual cross-checking, the risk of overlooked nuance or context-dependent meaning remains. AI-assisted coding was used as a complement, not a replacement for researcher-led interpretation, but its limitations in understanding tone, sarcasm, or deeply embedded institutional language must be acknowledged.

4. Focus Group Representation and Beneficiary Exclusion

Although the study engaged a broad cross-section of stakeholders, some groups remain underrepresented. Notably, direct service recipients (beneficiaries) were not included in focus groups. Snowballing and informal recruitment strategies failed to secure participation from this group, likely due to ethical, logistical, and accessibility challenges. As a result, the perspectives of those most directly affected by service delivery were not captured, limiting insights into user-centred measures of performance and accountability.

5. Temporal and Geographic Constraints

Data collection was limited to reports published between 2018/19 and 2022/23, with most focus group data collected in 2025. As such, the findings may not fully reflect recent regulatory changes or emerging trends, particularly in light of developments such as Australia's mandatory sustainability reporting framework legislated in 2024. Additionally, while international comparisons with New Zealand, the UK, Canada, the US, and South Africa enhance the study's contextual depth, the number of organisations per country was constrained by feasibility, and some sectors are underrepresented in certain jurisdictions.

Further Studies

To address these limitations and build on the findings of this research, future studies could consider the following directions:

- **Inclusion of Beneficiary Voices:** Dedicated research strategies should be developed to ethically and effectively engage service recipients, possibly through intermediaries or tailored methods such as storytelling or participatory action research.
- **Expanded Sampling and Validation:** Future research could draw on curated databases, regulatory filings, or sector-specific directories to build more representative samples, particularly for countries with developed NFP registries.

- **Longitudinal Analysis:** Follow-up studies could assess how SPR evolves in response to policy changes, especially in jurisdictions implementing sustainability or integrated reporting mandates.
- **Deeper Country Case Studies:** Country-specific investigations, especially in under-researched regions such as South Africa or Latin America, could help contextualise global findings and surface unique local challenges or innovations.
- **Technology and Assurance Readiness:** Future work could explore the technological capacity of NFPs to deliver integrated reporting, and the readiness of assurance providers to engage with non-financial disclosures, particularly in smaller organisations.

Together, these future avenues would support the refinement of a scalable, context-sensitive framework for SPR that is both credible to stakeholders and feasible for diverse NFPs to implement.

Appendix 2 – Literature

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
Adams, C. A., Muir, S., & Hoque, Z. (2014). Measurement of sustainability performance in the public sector. <i>Sustainability Accounting, Management and Policy Journal</i> , 5(1), 46-67.	The study aims to assess the use of sustainability performance measures in public sector organisations and examine how these measures support organisational performance improvement. It explores the extent to which sustainability performance indicators are utilised in decision-making processes within the public sector.	The research is focused on Australian Government departments across state, territory, and federal levels.	This paper does not use a specific theory.	The research targeted government departments, sending a survey to 109 federal and state/territory departments, with 51 completed responses constituting the study sample.	The study employed a mail-out questionnaire survey approach. The questionnaire included both demographic information and Likert-scale questions regarding the use of performance measures, including social and environmental performance indicators. Data was statistically analysed using methods such as descriptive analysis, Kruskal-Wallis tests, and Mann-Whitney U tests.	Purpose - This article identifies current performance measurement practice within state, territory and federal government departments in Australia with a particular emphasis on the importance of sustainability performance measures. Whilst voluntary sustainability reporting by private sector organisations aligned, for the most part, with Global Reporting Initiative (GRI) guidelines is growing, there is little sustainability reporting by organisations in the public sector. This raises questions as to the extent to which public sector sustainability performance is managed. This research aims to assess the use of sustainability performance measures for supporting organisational performance improvement. Design/methodology/approach - A mail out survey approach has been adopted within government departments. Findings - The performance measures utilised by organisations to a great extent were in the areas of cost efficiency and quality measures and those utilised to least extent were for learning and growth measures and to satisfy legislative requirements and manage programs. Sustainability, environmental or social responsibility measures are the least used performance measures, and those utilised are mainly measures of employee diversity and non-financial economic aspects that are identified. Practical implications - The public sector is unlikely to adopt comprehensive sustainability performance measures while they remain voluntary and while there is no perceived need to be competitive in these areas.

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
						Either mandatory reporting is required or some form of competitive process based on performance measures implemented. Originality/value - The findings contribute to the academic literature on sustainability performance measures in public sector organisations and point to policy measures that may lead to improvements in practice.
Adams, S., & Simnett, R. (2011). Integrated Reporting: An opportunity for Australia's not-for-profit sector. <i>Australian Accounting Review</i> , 21(3), 292-301.	The paper examines the applicability and potential benefits of Integrated Reporting (IR) for Australian NFP organisations, particularly in enhancing transparency, governance, and accountability, while addressing the limitations of traditional financial reporting.	This paper focuses on not-for-profits in Australia.	The study includes concept of accountability and stakeholder theory.	This paper does not conduct primary data collection but evaluates the IR framework as it applies to NFPs, drawing on case studies and regulatory developments in both the for-profit and NFP sectors.	The research primarily consists of a literature review and analysis of current reporting frameworks, regulatory developments, and pilot IR initiatives. It also examines the steps taken by regulatory bodies and the Australian Government to enhance NFP reporting standards and accountability mechanisms.	Integrated Reporting is a new reporting paradigm that is holistic, strategic, responsive, material and relevant across multiple timeframes. Emphasising enhanced disclosure of the value drivers for today's organisations, Integrated Reporting represents a journey to more meaningful reporting that can be instrumental for Australia's reporting organisations, including not-for-profits. With momentum behind the concept of Integrated Reporting building and contemporaneous local regulatory reform on the agenda, there are nascent opportunities for Integrated Reporting to guide the future of not-for-profits reporting in Australia.

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
Breen, O. B. (2009). Regulating charitable solicitation practices–the search for a hybrid solution. <i>Financial Accountability & Management</i> , 25(1), 115-143.	The paper aims to evaluate the effectiveness of existing fundraising regulatory models in achieving policy goals such as fraud prevention, donor empowerment, and fundraising efficiency. It proposes a hybrid model that incorporates strengths from different approaches to address identified gaps and improve overall regulatory outcomes.	This study explores the regulatory frameworks for charitable fundraising across multiple jurisdictions, including Ireland, the UK, Canada, and the US, with a focus on identifying effective models for the regulation of charitable solicitation.	The study draws on regulatory theory, examining the interplay between state intervention, market-driven accountability, and self-regulation. It explores the potential for hybrid models to balance competing stakeholder interests and enhance compliance.	The paper reviews existing regulatory frameworks and their application across jurisdictions. It evaluates their effectiveness using examples from Ireland, where fundraising regulation is outdated, alongside more advanced systems like the UK's Charity Commission.	Using a conceptual framework, the author analyses four main models of charitable fundraising regulation: 1) Statutory Cap Model – Imposes fixed expenditure limits to prevent excessive costs; 2) Disclosure Upon Receipt Model – Requires charities to disclose spending ratios to donors at the point of solicitation; 3) Central Regulator Model – Involves mandatory reporting to a regulatory authority; 4) Self-Regulation Model – Relies on	A review of four fundraising regulatory models currently in existence in common law jurisdictions reveals a mismatch between the stated policy goals that these models set out to achieve and the practical, albeit unintended, consequences that flow from the implementation of these models. The paper highlights some of these policy/implementation discords. It proposes a hybrid model, which is designed to resolve some of these inconsistencies, and considers the potential for the model's practical application in one of the jurisdictions surveyed, Ireland.

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
					codes of conduct and sector-driven enforcement.	
Breen, O. B., Cordery, C. J., Crawford, L., & Morgan, G. G. (2018). Should NPOs follow international standards for financial reporting? A multinational study of views. <i>VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations</i> , 29(6), 1330-1346.	The research examines the potential benefits and challenges of implementing sector-specific international financial reporting standards for NPOs. The study aims to determine whether such standards would enhance accountability, comparability, and legitimacy of NPO financial reports.	This study explores not-for-profit organisations (NPOs) globally, gathering insights from stakeholders across 179 countries to understand international perspectives on standardised financial reporting for NPOs.	The study uses legitimacy theory, focusing on moral legitimacy to assess stakeholder acceptance of international standards for NPOs. It considers consequential and procedural legitimacy, exploring whether global standards could achieve socially desirable accountability outcomes in the NPO sector.	The study surveyed 605 stakeholders involved in NPO financial reporting, including finance staff, auditors, regulators, and users of NPO financial reports, capturing a diverse set of perspectives from different world regions.	The research employed a web-based survey with both quantitative and qualitative questions to gather data on stakeholder views about NPO financial reporting. Analysis of responses was structured around stakeholder roles, geographic location, and views on the purpose, scope, and application of potential standards.	Financial reporting is an important aspect of not-for-profit organisations' (NPOs') accountability. Globally, numerous and varying regimes exist by which jurisdictions regulate NPO financial reporting. This article explores whether NPOs should be required or expected to follow sector-specific international financial reporting standards. We investigate stakeholder perceptions on the nature and scope of any such developed standards, interpreting our findings through the lens of moral legitimacy. Using an international online survey of stakeholders involved in NPO financial reporting, we analyse 605 responses from 179 countries. Based on our findings, we argue that diverse stakeholder groups, especially those who are involved with NPO financial reporting in developing countries, are likely to grant moral legitimacy to developed NPO international accounting standards if the consequences are to enhance NPO accounting and accountability information, subject to agreement as to whether all or only NPOs of a certain size should comply and whether any such standards should be mandatory.
Breen, O. B., Ford, P., & Morgan, G. G. (2008). Cross-border issues in the regulation of charities: Experiences from the UK and Ireland. <i>Int'l J. Not-for-Profit L.</i> , 11, 5.	The paper examines the challenges and implications for charities operating	The study focuses on cross-border regulation of charities in the United	The study draws on regulatory theory and comparative legal analysis to explore how	The study focuses on charities that operate in more than one jurisdiction	The paper employs comparative legal analysis, reviewing charity law	Drawing on the specific experience of the three authors across the four jurisdictions of England and Wales, Scotland, Northern Ireland, and the Republic of Ireland, this article outlines the new legal-regulatory framework for charities in each jurisdiction,

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	across multiple jurisdictions in the UK and Ireland. It explores how varying legal and regulatory requirements impact cross-border charity operations and offers recommendations to address the regulatory burdens and inefficiencies.	Kingdom and Ireland, analysing the impact of distinct regulatory regimes across the four legal jurisdictions (England and Wales, Scotland, Northern Ireland, and the Republic of Ireland).	diverse frameworks influence cross-border charity regulation. It emphasises the tension between localised regulatory autonomy and the practical needs of cross-border entities.	within the UK and Ireland, addressing the regulatory obligations they face, such as registration and compliance.	across the four jurisdictions. It synthesises information from statutory instruments, case law, and policy documents to identify operational challenges and opportunities for regulatory coordination.	providing an overview of their respective treatments of external charities (i.e., non-domestic charities operating in a host jurisdiction) before assessing the operational challenges posed by these regimes for such cross border charities. It shows that that the treatment of external charities across the four jurisdictions is not the product of a fully coordinated and coherent joint approach by the four sets of legislators. The article concludes by offering some preliminary recommendations intended to address the burdens caused by these overlapping regulatory systems.
Buchheit, S., & Parsons, L. M. (2006). An experimental investigation of accounting information's influence on the individual giving process. <i>Journal of Accounting and Public Policy</i> , 25(6), 666-686.	The research investigates the impact of voluntary Service Efforts and Accomplishments (SEA) disclosures on potential donors' perceptions and their decision to donate. It further examines whether donors use financial information to ensure efficient allocation of donations	The study examines the influence of financial and non-financial accounting information on individual donor behaviour in the United States, focusing on hypothetical fundraising appeals.	The study applies signalling theory and concepts from decision-usefulness frameworks, highlighting how voluntary SEA disclosures serve as signals of organisational efficiency and effectiveness to donors.	This study employed two-part experimental design: 1) Participants were exposed to fundraising requests, with or without SEA disclosures, to measure their impact on donor perceptions and intended donations; 2) Participants who opted to donate were given the opportunity to review financial	The research involves 157 undergraduate business students as participants in an experimental setting. They represent potential donors with some financial literacy.	In this study, we experimentally investigate accounting information's role in the individual donation process. Specifically, we manipulate the presence of service efforts and accomplishments (SEA) information in conjunction with a typical fundraising request. We then investigate whether donors obtain comparative financial accounting information for the purpose of maximizing donation efficiency. In our experiment, potential donors felt that fundraising requests containing SEA disclosures were more informative than typical fundraising pleas. In addition, supplementing a standard fundraising request with summary SEA information significantly increased (1) the quality perception of the requesting charitable organization and (2) the percentage of potential donors who claimed they would donate to the requesting

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	among charities.			data comparing the soliciting charity to a similar organisation, examining whether donors allocate resources based on efficiency metrics.		organization in the future. However, SEA information did not translate into increased actual giving in our study.
Calabrese, T. D. (2011). Public mandates, market monitoring, and nonprofit financial disclosures. <i>Journal of accounting and public policy</i> , 30(1), 71-88.	The paper investigates how public mandates and market monitoring influence nonprofits' financial reporting choices, specifically the use of cash or accrual accounting methods. It aims to understand if government and market oversight improve compliance with generally accepted accounting principles (GAAP) and	This study focuses on the nonprofit sector in the United States, examining financial disclosure practices across various nonprofit organisations, with particular attention to state and federal regulatory environments .	This paper does not utilise a specific accounting theory.	The study examines a large dataset of US-based nonprofit organisations, utilising data from the National Center on Charitable Statistics (NCCS) and focusing on financial reports submitted by organisations subject to state and federal audit requirements.	The study employs empirical analysis using regression models to assess the relationship between external oversight and financial reporting choices. It specifically compares nonprofits subject to public mandates for audits with those facing market-based demands, such as donor-restricted contributions,	Public officials have recently sought increased regulation of financial disclosures from not-for-profit organizations as a means of improving accountability with the public. One objective of this study is to examine whether not-for-profit entities already subject to audit requirements submit financial reports in compliance with GAAP. Further, since the majority of not-for-profit organizations are not subject to public audit mandates, this study also ascertains whether other market actors such as donors monitor and demand accrual-based financial information. The empirical analyses indicate that not-for-profit organizations subject to public audit mandates are largely in compliance with GAAP, although a significant minority of organizations subject to state requirements is not; further analyses suggest that external oversight significantly influence the use of accrual reporting. Models are also tested on a subsample of not-for-profits that switched from cash to accrual reporting, with the results suggesting that increasing public and market oversight have a significant effect on the decision to switch methods. The overall results suggest that public and market actors demand

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	enhance public accountability.				and examines a subset of organisations that transitioned from cash to accrual reporting.	accrual-based financial reporting from not-for-profit organizations.
Carnegie, G. D., & West, B. P. (2005). Making accounting accountable in the public sector. <i>Critical perspectives on Accounting</i> , 16(7), 905-928.	The study focuses on the public sector in Australia and New Zealand, particularly examining accounting practices and regulatory changes affecting government-controlled resources.	The paper investigates the jurisdictional tension between monetary and non-monetary systems of accountability in public sector accounting. It critiques how accounting practices, traditionally focused on monetary values, have adapted to recent regulatory changes mandating the financial valuation of a broad range of government-controlled resources,	The study is grounded in critical accounting theory, which challenges the assumptions underlying conventional accounting practices. It highlights the power dynamics in defining accountability and questions the legitimacy of financial valuation in public sector contexts where alternative forms of accountability (e.g., social and environmental accountability) may be more appropriate.	The paper employs a qualitative, critical analysis of public sector financial reporting regulations and their impact on accountability practices. It reviews regulatory changes, government policies, and accounting frameworks to assess how accounting standards have expanded to include the valuation of non-financial assets.	The research examines public sector organisations in Australia and New Zealand, particularly those affected by recent regulatory changes in financial reporting. The study does not focus on a single set of participants but rather analyses regulatory documents, accounting standards, and broader public sector reporting trends.	Accounting is conventionally constituted and practised as a quantitative discipline which emphasises the use of money values. Where such values are unavailable or inappropriate, non-money quantifications or qualitative forms of information take precedence. However, the boundaries of conventional accounting remain imprecisely defined and this creates a jurisdictional tension between monetary and non-monetary systems of accountability. This issue is examined within the context of the Australian and New Zealand public sectors, where recent regulatory changes have mandated the valuation for financial reporting purposes of a broad range of government-controlled resources that are of a non-financial character. Rationales for this expanded use of money values are re-evaluated within the context of practical and theoretical issues associated with their application, particularly with regard to the accountability of public sector institutions. This accountability theme is then extended in terms of the need to make accounting itself more accountable within the public sector.

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
		including non-financial assets.				
Connolly, C., & Hyndman, N. (2013). Charity accountability in the UK: through the eyes of the donor. <i>Qualitative Research in Accounting & Management</i> , 10(3/4), 259-278.	The paper aims to explore donors' perceptions of accountability and assess the adequacy of information provided by charities in meeting donors' information needs.	This study focuses on large UK charities and examines accountability from the perspective of both small and large donors.	Stakeholder theory is used to analyse the salience of donors as key stakeholders and the accountability mechanisms that charities employ to engage with them.	The study includes semi-structured interviews with six donors—three individual small donors and three large donors (corporate and grant-making entities).	A qualitative approach is employed, combining semi-structured interviews with a review of related empirical work, focusing on charity annual reports, reviews, and Summary Information Returns (SIRs).	The purpose of this paper is to explore accountability from the perspective of charity donors. The research utilises semi-structured interviews with a range of donors. In addition, it summarises the main findings from key related research (that uses document content analysis and questionnaire surveys) as a basis for better appreciating donor engagement. This research offers evidence that while donors are viewed as the key stakeholder to whom a charity should be accountable, the relevance of the information commonly disclosed in formal charity communications is questionable. This is viewed as significant in terms of small dependent donors, although less critical in the case of non-dependent large donors who have power to demand individualised information. However, although all donors do not particularly engage with these formal communications, they are viewed by them as having significance and their production and publication serves as an important legitimising tool in the sector (enhancing trust and reputation). This research is based on semi-structured interviews with individual small donors and large institutional donors to large UK charities and therefore any generalising of the conclusions beyond large charities, and beyond the UK, should be undertaken with care. In addition, it focuses solely on the perceptions of donors, and other stakeholder groups are also important in this process. Despite the widespread acceptance that charities have a duty to discharge accountability to their

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
						stakeholders, there is limited knowledge of their information needs and whether the performance information currently being disclosed fulfils them. This study provides a unique insight into the perspective of a key stakeholder group (donors) with respect to accountability.
Connolly, C., & Hyndman, N. (2013). Towards charity accountability: narrowing the gap between provision and needs? Public Management Review, 15(7), 945-968.	This research aims to evaluate whether the information disclosed by UK charities meets the accountability needs of stakeholders, particularly donors, and to examine changes in disclosure practices over time.	The study examines accountability practices in the UK charitable sector, focusing on the top 100 fundraising charities.	Stakeholder theory is central to the study, exploring the accountability charities owe to various groups, with a focus on the salience of donors as a primary stakeholder.	The study surveyed 219 stakeholders, including donors, auditors, and charity officials, and analysed annual reports and reviews of the top 100 fundraising charities.	The study employed a mixed-methods approach, combining content analysis of annual reports and reviews with survey data from key stakeholders.	Although charities currently play a rich and varied role in modern society, their continued success is dependent upon the public's trust. With respect to charity accountability, two key questions emerge: to whom is a charity accountable; and what form should that account take? Despite the widespread acceptance that charities should discharge accountability, there is limited knowledge of the relative importance of different stakeholder groups and whether the information currently being disclosed meets their needs. Using extensive document analysis and a survey of stakeholders, this research explores these issues in the context of the top 100 UK fundraising charities. Furthermore, it compares the results with much earlier research to identify changes over time.
Cordery, C. J., & Simpkins, K. (2016). Financial reporting standards for the public sector: New Zealand's 21st-century experience. Public Money & Management, 36(3), 209-218.	The research aims to examine the influences on New Zealand's public sector financial reporting standards, detailing the shift from sector-neutral accounting standards to a	The study focuses on the public sector in New Zealand, particularly analysing the evolution of financial reporting standards from 2002 to 2012.	The study is framed by institutional theory and concepts of accountability, analysing how external pressures (e.g., international harmonisation, political forces) and internal standard-setting	This paper examines the legislative changes, standard-setting decisions, consultation papers and government report between 2002 and 2012.	The article is a retrospective policy analysis rather than an empirical study. It reviews key developments in New Zealand's financial reporting	New Zealand was seen as world-leading when public sector financial reports were prepared using sector-neutral accounting standards from 1995 onwards. The decision in 2002 to adopt IFRS was disruptive, effecting new understandings of 'sector-neutral', and the standard-setter's approach was unsuccessful in meeting public sector users' needs. The development of a new strategy finalized in 2012 has created a multi-standards framework, including adapted IPSASB standards applicable from 1 July 2014. While neutrality is still prized, it is within a framework of meeting users'

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	multi-standards framework based on the adoption of International Public Sector Accounting Standards (IPSAS). The study seeks to identify the factors that led to this transition and the implications for other jurisdictions.		dynamics influenced New Zealand's approach to public sector financial reporting.		landscape, focusing on the actions of regulatory bodies such as the Accounting Standards Review Board (ASRB) and the External Reporting Board (XRB).	needs. This paper traces the influences expediting these changes.
Cordery, C. J., Crawford, L., Breen, O. B., & Morgan, G. G. (2019, January). International practices, beliefs and values in not-for-profit financial reporting. In <i>Accounting Forum</i> (Vol. 43, No. 1, pp. 16-41). Routledge.	The research investigates the diverse practices, beliefs, and stakeholder expectations surrounding NFP financial reporting worldwide. It aims to assess the possibility and implications of developing international NFP financial reporting standards.	This study takes a global perspective, examining not-for-profit (NFP) financial reporting practices across 179 countries. It explores international beliefs, practices, and values that shape financial reporting in the NFP sector.	The study uses the theory of institutional logics to explore the symbolic and material drivers that influence NFP financial reporting.	The research surveyed a wide range of stakeholders involved in NFP financial reporting, including NFP staff, board members, regulators, auditors, standard-setters, and beneficiaries, capturing diverse perspectives on current reporting practices and potential international	The study employs a mixed-method approach, using an online survey with both quantitative Likert-scale questions and qualitative open-ended responses. It uses "pattern-matching" to analyse stakeholders' beliefs and compare global reporting logics across	Financial reporting is an important aspect of not-for-profit organisations' (NPOs') discharge of accountability, particularly for donations and funding. Nevertheless, NPO financial reporting lacks a global approach. Drawing on a multi-national study this paper utilises a pattern-matching methodology to capturing institutional logics. We uncover tension between NPO financial reporting practice (underpinned by symbolic and material carriers of a local financial reporting logic), and a majority believe that NPO international financial reporting standards should be developed and followed. Conflict between local practice and stakeholder beliefs is evident. Significant belief differences across key stakeholder groups will likely impact the NPO financial reporting development.

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				standardisation .	diverse stakeholder groups.	
Cordery, C. J., Sim, D., & van Zijl, T. (2017). Differentiated regulation: The case of charities. <i>Accounting & Finance</i> , 57(1), 131-164.	The research aims to propose a differentiated regulatory approach for charities, segmenting them based on their primary resource providers. This approach seeks to enhance regulatory efficiency by focusing government resources on charities that are more likely to require oversight due to the diversity of their resource providers, thereby increasing public trust and reducing regulatory costs.	The study focuses on the regulatory environment for charities in New Zealand, examining the effectiveness and structure of charity regulation in this jurisdiction.	The authors employ both public interest and public choice theories to explain the motivations for charity regulation. Public interest theory supports regulation to address information asymmetry and protect public resources, while public choice theory warns against inefficient regulation that may arise from political motivations or limited resources.	The study examines a dataset of New Zealand charities registered with the New Zealand Charities Commission. It analyses these charities based on their revenue sources, size, and operational focus, using them as case examples for applying differentiated regulatory approaches.	The research employs cluster analysis to classify charities into segments based on their funding sources (e.g., public donations, government contracts). This segmentation allows for a tailored regulatory approach, where certain types of charities would receive more regulatory oversight than others based on their potential public accountability needs.	The increasing number and influence of charities in the economy, evidence of mismanagement and the need for information for policymaking are all reasons for establishing charity regulators. Public interest and public choice theories explain charity regulation which aims to increase public trust and confidence in charities (and thus increase voluntarism and philanthropy) and to limit tax benefits to specific organisations and donors. Nevertheless, regulation is resource intensive, and growing pressure on government budgets requires efficiencies to be found. This study proposes regulation differentiated according to charities' main resource providers, to reduce costs and focus regulatory effort, and provides a feasible segmentation.
Cordery, C. J., & Deguchi, M. (2018). Charity registration and reporting: a cross-jurisdictional and theoretical analysis of	The paper explores how charity regulation is	The study analyses charity regulatory	Public interest theory and public choice theory are	The study does not involve direct participants but	A comparative theoretical analysis is	Governments increasingly regulate charities to restrict the number of organizations claiming taxation exemptions, reduce charities' ability to abuse state support, and

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regulatory impact. Public Management Review, 20(9), 1332-1352.	shaped by public interest and public choice theories, focusing on the costs and benefits of regulatory regimes and the implications of these frameworks for charities and the public.	regimes across eight jurisdictions, including Australia, New Zealand, Canada, the United States, England and Wales, Scotland, China, and Japan.	applied to assess regulatory regimes' efficiency and effectiveness, considering factors like accountability, transparency, and the balance of regulatory costs.	reviews regulatory regimes, statutory documents, and literature to examine variations and similarities in registration, reporting, and monitoring across jurisdictions.	conducted, categorising regulatory regimes using a modified version of Kling's (1988) model, which evaluates regulatory impact on public and regulated parties.	detect and deter fraud. Public interest theory arguments suggest that regulation could increase philanthropy through enhancing public trust and confidence in charities. Nevertheless, public choice theory argues that regulators seek to maximize political returns, 'manage' charity-government relationships, and reduce potential regulatory capture. We analyse charity regulatory regimes using these two regulatory theories and the relative costs and benefits of different regulatory regimes. Heeding these should reduce regulatory inefficiency and balance accountability and transparency demands against benefits charities receive from regulation.
Cordery, C. J., Belal, A. R., & Thomson, I. (2019, January). NGO accounting and accountability: past, present and future. In Accounting forum (Vol. 43, No. 1, pp. 1-15). Routledge.	The paper explores key issues in NGO accounting and accountability, focusing on formal reporting and informal mechanisms. It introduces the concept of balancing regulatory compliance with the broader social purposes of NGOs.	The study addresses global non-governmental organisations (NGOs), including diverse regions such as the UK, Nigeria, and Bangladesh.	The research draws on institutional logic and stakeholder accountability theory to examine tensions between compliance-focused and mission-driven accountability.	The study reviews a wide spectrum of NGOs, from small, community-based organisations to large international NGOs, and uses case studies and surveys from regions such as the UK, Nigeria, and Bangladesh.	The paper combines a review of existing literature with empirical studies from a special issue on NGO accounting and accountability. Methods include surveys and qualitative case studies.	The main aim of this paper is to introduce key themes of NGO accounting and accountability and provide an overview of the papers included in this special issue. These papers deal with formal reporting issues related to the regulatory requirements as well as various alternative forms of informal accountability mechanisms which are more related with the core social purpose of the organisation. This special issue contributes not only to the scholarly debates on NGO accounting and accountability but also to the various issues facing policy makers and NGO practitioners. We have provided a robust research agenda for future researchers.
Crawford, L., Morgan, G. G., & Cordery, C. J. (2018). Accountability and not-for-profit organisations: Implications for developing international financial reporting standards. Financial	The research aims to examine global practices and perceptions regarding	The study is conducted globally, encompassing 179 countries,	The study uses accountability theory to assess how NFP organisations meet their	The study surveyed 605 participants involved in NFP financial reporting,	An online survey was distributed globally, using both closed-ended	This paper provides empirical evidence which informs contemporary debates on developing international financial reporting standards for not-for-profit organisations (NPOs). Drawing on a global survey with respondents showing experience of NPO

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accountability & management, 34(2), 181-205.	financial reporting in NFP organisations and explore the need for internationally standardised financial reporting guidelines specific to the NFP sector. It seeks to understand how NFP accountability could be enhanced through such standards.	with a focus on the not-for-profit (NFP) sector, including charities and other NFP organisations involved in financial reporting.	responsibilities to stakeholders through financial reporting. It explores both stewardship accountability (focused on resource management for stakeholders) and relational accountability (involving multiple stakeholder groups), framing these within the NFP context.	including NFP staff, board members, regulators, accountants, and other stakeholders from five world regions.	and open-ended questions. The survey collected quantitative data on the type of reporting frameworks used and qualitative insights on the strengths and limitations of existing practices. Snowball sampling was employed to reach a broad audience.	reporting in 179 countries, we explore: practice and beliefs about NPO financial reporting internationally; perceptions of accountability between NPOs and stakeholders; and implications for developing international financial reporting standards. Interpreting our research in the context of accountability, we find considerable support for developing international financial reporting standards for NPOs, recognising broad stewardship accountability to all stakeholders as important, but prioritising accountability upwards to external funders and regulators.
Cummings, L., Dyball, M., & Chen, J. (2010). Voluntary Disclosures as a Mechanism for Defining Entity Status in Australian Not-for-Profit Organisations. Australian Accounting Review, 20(2), 154-164.	The research investigates how Australian NFP organisations use voluntary disclosures in their annual reports to define and communicate their entity status. It applies the Salamon and Anheier (1997) framework to	The study is conducted in Australia, focusing on the not-for-profit (NFP) sector and its reporting practices across various service industries.	The study utilises the structural-operational definition of NFP organisations as proposed by Salamon and Anheier (1997). This theory focuses on five characteristics: organised structure, private nature, non-profit	This study employed content analysis, including 1) Annual reports from the 2005 financial or calendar year were analysed; 2) Salamon and Anheier's framework was applied to categorise text into structural-operational and	The research sampled 61 annual reports of Australian NFP organisations from various service industries, representing 25% of entities listed in the Guide to Australia's Not-For-Profit	This study examines managerial efforts to portray an entity's not-for-profit (NFP) status based on voluntary disclosure practices. The annual report text of 61 NFPs are analysed in accordance with Salamon and Anheier's (1997) NFP definitional framework. Results indicate a predominant application of the structural-operational definition. Furthermore, the 'organised' attribute of this definition prevails over the 'non-profit-distributing' criterion that has been advocated by various parties. Standard-setting bodies may want to consider: (1) NFP management perspectives in any revised NFP definition; and (2) greater clarity in conceptual framework and standard-

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	assess the structural and operational features highlighted in these reports.		distribution, self-governance, and voluntariness.	other definitional components; 3) The study measured the frequency of sentences referring to the various definitional characteristics.	Organisations .	setting arrangements to improve overall transparency in NFP reporting practices.
Dhanani, A., & Connolly, C. (2012). Discharging not-for-profit accountability: UK charities and public discourse. <i>Accounting, Auditing & Accountability Journal</i> , 25(7), 1140-1169.	This paper investigates the accountability practices of UK charities by analysing the content of their annual reports and reviews. It seeks to understand if these disclosures align with the ethical model of stakeholder theory, which emphasises genuine accountability towards stakeholders, or if they instead serve to legitimise and positively manage organisational image.	The study focuses on large charities in the United Kingdom, examining how these organisations discharge accountability to stakeholders through public discourse.	The study is grounded in stakeholder theory, specifically the ethical and positive models. The ethical model views accountability as a genuine responsibility to inform all stakeholders fairly, while the positive model suggests organisations may manage disclosures to build legitimacy and meet stakeholder expectations selectively.	The study targets 104 of the largest UK charities based on income, using their publicly available annual reports and voluntary annual reviews as primary data sources. These charities span a wide range of activities, including social services, health, education, and international aid.	The authors employ content analysis, categorising disclosures from annual reports and reviews across four accountability themes: strategic, fiduciary, financial, and procedural. They further analyse whether disclosures present information positively or omit or downplay negative aspects, utilising impression	This paper aims to examine the accountability practices of large United Kingdom (UK) charities through public discourse. Based on the ethical model of stakeholder theory, the paper develops a framework for classifying not-for-profit (NFP) accountability and analyses the content of the annual reports and annual reviews of a sample of large UK charities using this framework. The results suggest that contrary to the ethical model of stakeholder theory, the sample charities' accountability practices are motivated by a desire to legitimize their activities and present their organizations' activities in a positive light. These results contradict the <i>raison d'être</i> of NFP organizations (NFPOs) and the values that they espouse. Understanding the nature of accountability reporting in NFPOs has important implications for preparers and policy makers involved in furthering the NFP agenda. New research needs to examine shifts in accountability practices over time and assess the impact of the recent self-regulation developed to enhance sector accountability.

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					management techniques.	
Dumay, J., Bernardi, C., Guthrie, J., & Demartini, P. (2016, September). Integrated reporting: A structured literature review. In <i>Accounting forum</i> (Vol. 40, No. 3, pp. 166-185). No longer published by Elsevier.	The study conducts a structured literature review (SLR) to evaluate how integrated reporting (IR) research has developed over time. It critiques existing studies and highlights future research opportunities, particularly examining whether IR research is evolving in a meaningful and practical way.	The study is international in scope, analysing integrated reporting research across various regions, including Australia, Europe, South Africa, and the United States.	The research draws on intellectual capital (IC) research development theory to frame the evolution of IR research.	This study employed literature review as the research method.	The study analyses 56 peer-reviewed journal articles and conference papers on integrated reporting, covering publications from 2011 to 2015. These articles were selected based on their focus on IR, either through theoretical discussions or empirical investigations .	This paper reviews the field of integrated reporting (<IR>) to develop insights into how <IR> research is developing, offer a critique of the research to date, and outline future research opportunities. We find that most published <IR> research presents normative arguments for <IR> and there is little research examining <IR> practice. Thus, we call for more research that critiques <IR>'s rhetoric and practice. To frame future research, we refer to parallels from intellectual capital research that identifies four distinct research stages to outline how <IR> research might emerge. Thus, this paper offers an insightful critique into an emerging accounting practice.
Dumay, J., Guthrie, J., & Farneti, F. (2010). GRI sustainability reporting guidelines for public and third sector organizations: A critical review. <i>Public Management Review</i> , 12(4), 531-548.	The study aims to critically evaluate the relevance and effectiveness of GRI sustainability reporting guidelines for public and third-sector organisations. It investigates	This paper focuses on the application of Global Reporting Initiatives (GRI) sustainability reporting guidelines within public and third-	This paper does not utilising a specific theory.	This paper focuses on the public and third-sector organisations that have adopted the GRI guidelines.	The authors conduct a literature review and provide a critical analysis of both existing GRI sustainability reports and academic discussions	This article provides a critique of the Global Reporting Initiatives (GRI) guidelines, sustainability reporting (SR) guidelines and examines their applicability to public and third sector organizations. The article finds that these guidelines promote a 'managerialist' approach to sustainability rather than an ecological and eco-justice informed approach, potentially causing them to fall into an evaluatory trap. This means that they do not contribute to sustainability. Since public and third sector organizations have yet to take up SR with the same

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	whether these guidelines, predominantly used by the private sector, are suitable for addressing sustainability in the public sector.	sector organisations, primarily in Australia and Italy.			on sustainability reporting in the public and third sectors. The methodology involves critiquing how the GRI guidelines are applied and identifying gaps between the guidelines and their practical implementation.	fervour as the private sector, the opportunity exists to learn from the critique of the use of the GRI reports in practice. As such this article examines the implications of this finding for public and third sector organizations. A conclusion is that there is an opportunity for the GRI to develop guidelines further in line with existing practice to increase their relevance and utility.
Ebrahim, A. (2003). Making sense of accountability: Conceptual perspectives for northern and southern nonprofits. <i>Nonprofit management and leadership</i> , 14(2), 191-212.	The research aims to conceptualise accountability in the nonprofit sector, focusing on its relational, multifaceted nature and the different mechanisms employed by Northern and Southern organisations.	This paper examines accountability across Northern (wealthy industrialised) and Southern (economically poorer) nonprofit organisations.	The study utilises principal-agent theory alongside other disciplinary lenses, including legal and economic perspectives, to explore accountability mechanisms and relationships.	The study primarily analyses existing literature, case studies, and theoretical frameworks rather than involving direct participants.	It employs a conceptual and theoretical analysis to synthesise multidisciplinary perspectives, including political science, economics, and sociology, on accountability.	This article examines the concept of accountability from various disciplinary lenses to develop an integrated understanding of the term. Special attention is devoted to principal—agent perspectives from political science and economics. An integrated framework is developed, based on four central observations. (1) Accountability is relational in nature and is constructed through inter- and intraorganizational relationships. (2) Accountability is complicated by the dual role of nonprofits as both principals and agents in their relationships with other actors. (3) Characteristics of accountability necessarily vary with the type of nonprofit organization being examined. (4) Accountability operates through external as well as internal processes, such that an emphasis on external oversight and control misses other dimensions of accountability.

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						essential to nonprofit organizations. The analysis draws from the experiences of both Northern and Southern nonprofits, that is, organizations based in wealthy industrialized regions of the world (the global North) and those in economically poorer areas (the South).
Falk, H. (1992). Towards a framework for not-for-profit accounting. <i>Contemporary Accounting Research</i> , 8(2), 468-499.	The paper aims to propose a theoretical framework for accounting practices specific to NFP organisations. It addresses the limitations of existing standards that fail to account for the economic characteristics and decision-making processes unique to NFPs, such as their reliance on voluntary contributions and absence of ownership interests.	The study focuses on the not-for-profit (NFP) sector in North America, particularly in the United States and Canada, addressing the need for an accounting framework tailored to the unique economic nature and decision-making processes of NFP organisations.	The study is grounded in theories of market failure, government failure, and contract failure, using these to explain the existence of NFPs and their unique economic and operational challenges. It also considers the giving decision as distinct from investment decisions in for-profit entities.	The research is conceptual and does not involve empirical data collection. It focuses on analysing existing accounting practices and standards, including pronouncements from the Financial Accounting Standards Board (FASB) and the Canadian Institute of Chartered Accountants (CICA).	The study uses a theoretical analysis, grouping NFPs into two broad categories—clubs (where member utilities are interdependent) and nonclub (where utilities are not interdependent). It reviews accounting standards and identifies gaps that fail to reflect these classifications and their associated economic characteristics.	This paper analyses the theoretical explanations for the not-for-profit (nfp) organization phenomenon, distinguishes between those organizations and profit entities, clusters NFPs on two dimensions, and suggests an accounting framework that is consistent with both the economic nature of NFPs and the nature of the giving decision.
Farneti, F., & Guthrie, J. (2009, June). Sustainability reporting by	The research investigates the	The study focuses on	The study is informed by	This study employed	This study analyses	Recent research on social and environmental (SE) reporting has focused on

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Australian public sector organisations: Why they report. In Accounting forum (Vol. 33, No. 2, pp. 89-98). No longer published by Elsevier.	motivations behind voluntary sustainability reporting in the Australian public sector. It seeks to understand why some PSOs adopt sustainability reporting practices, the role of key individuals in initiating SR, and the extent to which organisations follow the Global Reporting Initiative (GRI) guidelines.	Australian public sector organisations (PSOs), specifically analysing their sustainability reporting (SR) practices.	accountability theory and institutional theory, examining how internal and external pressures influence sustainability disclosures in public sector agencies.	qualitative approach, including semi-structured interviews, content analysis, and Thematic analysis via Nvivo.	seven Australian public sector organisations, including one federal department, one state department, three local government organisations, and two state public organisations.	corporations, rather than public sector agencies. Also, there has been little interest in ascertaining the views of preparers of accounts regarding SE reporting. This study analysed why a group of “better practice” organisations reported on SE matters. The researchers conducted semi-structured interviews with key preparers in the various organisations and found that their reporting was informed by the latest GRI and aimed at mostly internal stakeholders. The annual report was only one of the media used for disclosure and adoption was driven by a key individual in the organisation.
Flack, T., & Ryan, C. (2005). Financial reporting by Australian nonprofit organisations: Dilemmas posed by government funders. Australian Journal of Public Administration, 64(3), 69-77.	The research examines the financial accountability requirements imposed on NPOs by Queensland Government funders. It explores how these requirements impact compliance	The study focuses on non-profit organisations (NPOs) in Queensland, Australia, particularly their interactions with state government funders.	The study utilises accountability theory, distinguishing between external/upward accountability (to funders) and internal/downward accountability (to beneficiaries and staff). It critiques the dominance of	The study reviewed funding agreements and financial reporting requirements of 22 Queensland Government departments, covering 31 distinct programs. Non-profit accounting	1) The researchers analysed financial reporting requirements by collecting and coding source documents (e.g., application forms, financial report	Nonprofit organisations comprise a growing and important sector of the Australian economy. This sector is being used by governments to an increasing extent for the delivery of services. The most common way nonprofit organisations are funded by government is through the provision of grants, contracts or service agreements. Nonprofits discharge their accountability for these funds through reporting guidelines issued by the government funders. This article examines the financial accountability requirements of government funders, in one jurisdiction in Australia to support the central argument that the emphasis on ‘upward and

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	costs, data comparability, and the balance between "upward" accountability to funders and "downward" accountability to stakeholders.		external accountability mechanisms in NPO reporting practices.	practitioners' experiences informed the analysis.	formats, and funding agreements); 2) The study employed qualitative analysis to identify inconsistencies, compliance burdens, and misalignments with accepted accounting practices.	external' accountabilities serve as a functional and control tool on the sector. This emphasis detracts from the development of the 'downward and internal' mechanisms of accountability which are the essential building blocks for the strategic development of the capacity of the sector to respond to calls for greater accountability.
Friesner, D. L., & Brajcich, A. M. (2023). Do non-financial characteristics impact financial statement comparability?. Journal of Theoretical Accounting Research, 18(3).	The research explores whether non-financial characteristics, such as staffing decisions, clinic designation, and location, significantly affect the financial statement comparability of NFP clinics. It extends existing methodologies for measuring financial comparability by integrating non-financial characteristics.	The study focuses on not-for-profit (NFP) primary care outpatient clinics operating in California, USA, using 2020 data.	The study builds on entropy-based information theory for assessing financial comparability, expanding it with non-financial metrics. It critiques traditional methods like De Franco, Kothari, and Verdi (2011), which focus on profit-seeking firms, by adapting the approach to mission-driven NFPs.	The research analyses 1,053 NFP outpatient clinics. Clinics provide financial (revenues and expenses) and non-financial data (e.g., staffing levels, clinic location, and designation) to the California Department of Health Care Access and Information.	The methodology combines entropy-based information theory with hypothesis testing, using descriptive and statistical analyses to evaluate the effects of financial and non-financial variables on financial comparability. The study employs Kruskal-Wallis and Wilcoxon	Financial statement comparability is a critical characteristic of financial accounting statements. Comparability ensures that stakeholders can effectively benchmark a firm against its peers and assess the firm's performance accordingly. Unfortunately, few empirical tools exist to assess financial statement comparability in firms with not-for-profit tax status. Recently, Brajcich and Friesner (2022) developed a methodology to address this issue. However, their methodology did not apply formal statistical hypothesis tests, nor did it illustrate how to incorporate both financial and non-financial firm characteristics into assessments of financial statement comparability. This manuscript demonstrates how to address these limitations. The study is operationalized using data drawn from not-for-profit, primary care, outpatient clinics in the State of California for the calendar year 2020. The results indicate that specific non-financial characteristics, especially those related to provider staffing decisions, clinic

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					signed-rank tests to assess the influence of these variables.	designation, and clinic location, significantly impact the assessment of financial statement comparability.
Gamble, E. N., & Moroz, P. W. (2014). Unpacking not-for-profit performance. <i>Journal of Social Entrepreneurship</i> , 5(1), 77-106.	The research aims to explore the relationship between entrepreneurial orientation (EO) and organisational performance within NFPs. The study seeks to develop a conceptual framework to understand how EO, when combined with social mission orientation (SMO) and financial sustainability orientation (FSO), influences high-growth performance in NFP organisations.	The study focuses on not-for-profit (NFP) organisations in the United States and Canada, with broader applicability to international NFP contexts.	This paper utilises entrepreneurial orientation (EO) theory, social capital theory, and contingency theory.	This study draws on prior research in social entrepreneurship, strategic management, and accounting to support the model.	It synthesises existing literature on NFP performance, entrepreneurship, and social enterprise to build a theoretical model applicable to NFP executives and leadership teams.	Little is known about the relationship between entrepreneurial orientation (EO) and performance within not-for-profit (NFP) organizations. Through the development of a conceptual framework for understanding how EO may function within an NFP context, we propose three separate interaction effect models to examine organizational performance outcomes as measured in terms of high growth. Four conceptualizations of high growth are offered. Based on a theoretical consideration of social capital and financial accounting theory, we propose that NFP executives who possess a combination of EO and two other key factors, a social mission orientation and financial sustainability orientation, will be a strong predictor of high-growth organizational performance. The model thus builds upon previous research that explores the relationship between entrepreneurial behaviour, market orientation and performance by distinguishing between market and non-market stakeholders and the need to balance between both when pursuing entrepreneurial opportunities.
Ghoorah, U., Talukder, A. M. H., & Khan, A. (2021, April). Donors' perceptions of financial disclosures and links to donation	The research aims to investigate the relationship	The study is based in Australia and focuses on	The study applies the Theory of Planned	A quantitative research approach was used: 1)	The study surveyed 400 Australian residents,	The not-for-profit literature has not fully explored the decision-usefulness of financial disclosures with respect to the public's donation intentions. Engaging with this

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intentions. In Accounting Forum (Vol. 45, No. 2, pp. 142-170). Routledge.	between the decision-usefulness of NFP financial disclosures and donors' donation intentions. Specifically, it examines whether perceptions of financial disclosures affect donation intentions through the mediating roles of reputation and trust.	the not-for-profit (NFP) sector, examining how financial disclosures influence donors' perceptions and intentions to contribute financially.	Behaviour (TPB) to explore how donor perceptions of financial disclosures influence their intentions to donate. TPB is used to link perceptions of NFP reputation and trust to behavioural intentions.	Structured questionnaire based on prior studies, with Likert scale responses; 2) An online survey conducted in 2017, with a 32.25% response rate; 3) Structural Equation Modelling (SEM) was applied to test hypotheses, including confirmatory factor analysis to assess model validity and reliability.	including both actual and potential donors. Participants were drawn from an online panel and represented a broad demographic range.	lacuna, this study proposes that reputation and trust serve as important causal links between donors' perceptions of the decision-usefulness of financial disclosures and their donation intentions. The study adopts the theory of planned behaviour and applies structural equation modelling to 400 useable responses from an Australian survey. The study finds: (1) a strong link between financial disclosures which donors perceive as decision-useful and their perception of the reputation of the reporting not-for-profit organisation (NFP), (2) a close association between donors' perception of the reputation of an NFP (that is, their behavioural belief) and their trust in the organisation (their attitude), and (3) a significant link between donors' trust in an NFP and hence their attitude towards the organisation with respect to their donation intentions. These results imply that the decision-usefulness of an NFP's financial disclosures make donors more inclined to donate to the NFP via the impact of disclosures on donors' perceptions of reputation and thence trustworthiness. In addition to contributing to the emergent NFP literature on disclosures and giving behaviour, these findings inform financial disclosure policies and practice by furthering the case for decision-useful financial disclosures among NFPs.
Gilchrist, D. J., West, A., & Zhang, Y. (2023). Barriers to the usefulness of non-profit financial statements: Perspectives from key internal stakeholders. Australian Accounting Review, 33(2), 188-202.	The research explores barriers to the utility of financial statements for non-profits by considering the perspectives of	The study examines the Australian non-profit sector, particularly focusing on registered charities	The study adopts stakeholder theory, focusing on internal stakeholders (directors, preparers, and auditors) and	The study involved 30 participants, comprising 13 preparers, 12 directors, and 5 auditors, from a diverse range of Australian	A qualitative research method was employed, using focus group discussions to gather insights on	The extent to which financial reports are useful is of central importance in relation to the accounting standards that underpin them. This is as true of non-profit financial reporting as it is of financial reporting in the commercial and public sectors. In this paper we report on our findings related to a research project focused on examining the usefulness of Australian accounting

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	internal stakeholders, including directors, preparers, and auditors. It seeks to understand how accounting standards and financial reporting practices meet the needs of this sector.	subject to regulatory and financial reporting obligations.	their experiences of financial reporting. It also incorporates accountability theory, exploring how the information provided supports governance and decision-making.	non-profit organisations. These individuals participated in seven 90-minute focus groups conducted virtually.	financial reporting practices, regulatory challenges, and the role of internal stakeholders. Data were analysed to identify recurring themes, including literacy, complexity, and regulatory concerns.	standards from the point of view of non-profit directors, preparers of non-profit financial statements and their auditors. Undertaking a series of round tables specific to each cohort, we examine the question of who is responsible, for what and to whom in the context of financial reporting. Our research reinforces several issues negatively impacting the usefulness of General Purpose Financial Reports (GPFRs) in the non-profit sector. We draw particular attention to concerns around the financial literacy of non-profit directors, potential misunderstandings in relation to financial profitability, and complexity across a range of issues, including revenue recognition. Overall, the project finds that there are manifest specific issues and aspects particular to the sector and that simply adopting the same approach regarding accounting standards as taken in the for-profit sector is insufficient to ensure the utility of non-profit GPFRs. Undertaking round tables for non-profit directors, preparers of non-profit financial statements and auditors, we examine the issues negatively impacting the utility of General Purpose Financial Reports in the non-profit sector. We draw attention to concerns around the financial literacy of non-profit directors, misunderstandings in relation to financial profitability, and complexity across a range of issues, including revenue recognition.
Guthrie, J., Ball, A., & Farneti, F. (2010). Advancing sustainable management of public and not for profit organizations. Public Management Review, 12(4), 449-459.	The article aims to advance understanding of sustainability management practices in	The study focuses on public sector and not-for-profit (NFP) organisations,	The study is framed by social and environmental accounting research	This study employed literature review, thematic analysis as the	The article is a conceptual and literature-based review, drawing on prior studies	The article is in the social and environmental accounting research (SEAR) literature. A considerable body of work in the SEAR literature investigates the accounting and management practices and motives of businesses that report on their social,

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	public and NFP organisations. It critiques the limited focus on sustainability in the public sector within the social and environmental accounting research (SEAR) literature and highlights the need for theoretical development and empirical research in this area.	with an emphasis on international contexts, including Australia, New Zealand, and Europe.	(SEAR) and integrates concepts from accountability theory and institutional theory. The authors argue for a shift from traditional financial accountability models towards more comprehensive sustainability accountability frameworks.	research method.	from the SEAR literature, public management research, and sustainability reporting practices in the public and NFP sectors.	environmental or sustainability impacts. The potential value that researchers might derive in turning their attention to public services, social, environmental or sustainability practices, however, has been largely overlooked. The main objective of the article is to review relevant literature and ideas concerning accounting and accountability as key processes in advancing sustainability practices. The article also reviews the contributions to this PMR Special Issue and draws several conclusions.
Hodges, R., & Mellett, H. (2003). Reporting public sector financial results. Public Management Review, 5(1), 99-113.	The research aims to critique the implementation of accrual accounting in the public sector, questioning whether private-sector accounting methods can be effectively transferred to public sector financial reporting. It evaluates how accrual-based	The study focuses on public sector financial reporting in the United Kingdom, particularly examining the impact of adopting accrual-based accounting in the National Health Service (NHS).	This paper utilises new public financial management theory, institutional theory, and public accountability theory.	The study employs a case study approach, using financial data from NHS entities to illustrate challenges in implementing accrual-based accounting. It provides empirical examples of financial reporting distortions and unintended consequences	The study focuses on public sector financial statements, particularly within the UK NHS, using examples from NHS financial reports to illustrate challenges in applying private-sector accounting rules in public organisations.	Part of the process of recent public sector reform has involved replacing traditional cash based accounts with accrual-based financial statements, like those found in the private sector. This article examines the use of accrual-based accounting in the public sector and provides examples from the UK National Health Service of situations where the accruals system may be deemed inappropriate. It shows that one possible response is to withdraw from the accruals mode and revert to cash measures, deeming the accruals adjustments to be 'merely technical'. An alternative response is to change the mode of operating so that the cash impact of a transaction matches its accruals reporting impact. The conclusion is that there are modifications to public sector accounting practices away from those of the

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	accounting influences financial results, decision-making, and performance measurement in government entities.			arising from adopting private sector accounting standards in a public sector context.		private sector that undermine the metaphor of running the public sector 'like a business'.
Hooks, J., & Stent, W. (2020). Charities' new non-financial reporting requirements: preparers' insights. <i>Pacific Accounting Review</i> , 32(1), 1-19.	The aim was to explore preparers' experiences with the new Performance Report requirements, particularly the non-financial components: the Entity Information section and the Statement of Service Performance (SSP).	The study focuses on New Zealand's Tier 3 and Tier 4 registered charities.	The research is framed within the concepts of accountability and legitimacy, examining how performance reporting supports these objectives for charities.	Semi-structured interviews were conducted with 11 individuals involved in governance and reporting for Tier 3 and 4 charities.	Qualitative thematic analysis was used to analyse the transcribed interviews, focusing on themes of manageability, scepticism, and effects associated with the reporting requirements.	The purpose of this paper is to obtain insights from preparers on the new Performance Report requirements for New Zealand registered Tiers 3 and 4 charities, in particular the non-financial information included in the 'Entity Information' section and the 'Statement of Service Performance'. Semi-structured interviews were conducted with 11 interviewees, each involved with governance and reporting of one or more Tiers 3- or 4-registered charities. These interviews were analysed in terms of accountability and legitimacy objectives, which motivated the regulators to introduce the new reporting regime. Key findings are summarised under three themes. Manageability relates to perceptions and suggestions regarding implementation of the new requirements. Scepticism concerns some doubts raised by interviewees regarding the motivations for performance reports and the extent to which they will be used. Effects include concerns about potentially losing good charities and volunteers because of new requirements making their work 'too hard', although an increased focus on outcomes creates the potential for continuous improvement. This paper provides early insights on new reporting requirements entailing significant changes for New Zealand registered

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						charities for financial periods beginning on or after April 2015. The focus is on small, registered charities (97 per cent of all New Zealand registered charities) and key aspects of the Performance Report: Entity Information and the Statement of Service Performance.
Hooper, K., Sinclair, R., Hui, D., & Mataira, K. (2007). Financial reporting by New Zealand charities: finding a way forward. <i>Managerial Auditing Journal</i> , 23(1), 68-83.	The study aims to identify four major problems limiting the effectiveness of financial reporting by New Zealand charities. It evaluates these issues in light of transparency, accountability, and the usability of financial reports by stakeholders.	The study focuses on New Zealand's not-for-profit (NFP) sector, particularly charities and their financial reporting practices.	The study draws on accountability theory, particularly the role of financial reports in enhancing transparency and public trust in charities. It references prior studies that highlight the difficulties that stakeholders face in understanding financial statements and explores the gap between preparers' and users' needs.	The study adopts a qualitative approach, consisting of eight in-depth interviews with representatives from charitable organisations, auditors, and academics. The interviews focus on four key problem areas in financial reporting and explore potential solutions.	The research targets charitable organisations, auditors, and accounting academics with expertise in charity financial reporting. The participants provide insights into challenges faced in financial reporting, stakeholder needs, and regulatory compliance.	Charities are becoming recognised as playing an important part in communities by furthering government's social objectives through increasing support to disadvantaged members of society. As charities multiply in number, it becomes increasingly difficult for fund providers and contributors to determine which charity to support. In New Zealand there is a move towards providing public access to the financial accounts of charities to assist stakeholders in their decision making and to enhance transparency in charities. However, this assumes that these financial accounts are understandable by all stakeholders. This paper aims to identify four problems that limit the way forward for financial reporting by New Zealand charities. The first section of the paper comprises a review of the literature on charities' financial accounts with a particular focus on the four problems identified above. The paper then reports the results of eight interviews with charitable organisations, auditors and academics that have expertise in charity financial reporting, with a particular emphasis on the four identified problems. There was agreement that unresolved, these four problems could limit the way forward in financial reporting by New Zealand charities. Some recommendations are proposed that suggest a way forward regarding these problems, so that the users of the financial reports of charities may benefit. Highlights a

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						need for further research into these problems to identify the feasibility of the proposed recommendations. The enactment of the Charities Act 2005 in New Zealand and its requirement to include financial accounts on a publicly available register has raised the profile of the financial reports of charities. However, there has been limited research into the financial reporting by New Zealand charities, so this paper is a timely evaluation of four specific problems that could limit the way forward of financial reporting by New Zealand charities.
Howieson, B. (2013). Defining the Reporting Entity in the Not-for-Profit Public Sector: Implementation Issues Associated with the Control Test. Australian Accounting Review, 23(1), 29-42.	The paper aims to identify implementation issues related to the control concept in financial reporting, particularly in the application of AASB 127 (Consolidated and Separate Financial Statements) and its successor, AASB 10 (Consolidated Financial Statements), in the NFP public sector. The research seeks to inform accounting standard setters	The study is set in Australia and New Zealand, focusing on the not-for-profit (NFP) public sector. It particularly examines financial reporting issues within governmental and public sector NFP entities.	The research employed financial reporting theory and the control concept, specifically in defining the reporting entity. It explores issues related to who exercises control in NFP public sector entities, a crucial factor in determining whether consolidation of financial statements is required.	The study uses a literature review and meetings with various NFP public sector constituents to identify conceptual and practical challenges in implementing the control test. The qualitative analysis provides insights into how financial reporting requirements are understood and applied in practice.	The study is targeted at NFP public sector entities in Australia and New Zealand. The participants include standard setters, financial reporting professionals, and NFP sector representatives.	This paper reports the main findings of a research project carried out on behalf of the Australian Accounting Standards Board (AASB) and the New Zealand Financial Reporting Standards Board. The purpose of the research is to inform standard setters about implementation issues that had been encountered in the not-for-profit (NFP) public sector when applying the control concept in AASB 127, Consolidated and Separate Financial Statements. The intention is to use the findings to inform proposed implementation guidance for AASB 10, Consolidated Financial Statements. Data were collected via a literature review and meetings with various NFP public sector constituents. Identified issues were either conceptual in nature (for example, who are the relevant users of NFP public sector general purpose financial statements and what are their needs?) or related to implementation concerns (for example, is the power exerted by one NFP public sector entity over another of an 'ownership' or a 'regulatory' form?). The findings give rise to several suggested actions that standard

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	on how the control test is interpreted and applied in this sector.					setters could take in providing useful guidance to NFP public sector constituents.
Hume, C., & Hume, M. (2008). The strategic role of knowledge management in nonprofit organisations. <i>International Journal of Nonprofit and Voluntary Sector Marketing</i> , 13(2), 129-140.	The research investigates the strategic implementation of KM in NFPs, addressing challenges related to fragmented knowledge, resource constraints, and the sector's operational maturity. It aims to provide a KM implementation framework tailored to NFPs.	The study focuses on Australian not-for-profit (NFP) organisations, examining the role of knowledge management (KM) as a strategic tool to enhance competitive positioning, donor appeal, staff retention, and service delivery.	The study draws on strategic management theory and knowledge management frameworks, highlighting how explicit and tacit knowledge can be leveraged for competitive advantage in the NFP sector.	This paper employed literature-based approach.	The research is conceptual and theoretical, rather than empirical, drawing from existing KM literature and case examples in the Australian NFP sector.	Australian nonprofit organisations (NFPs) operate in an increasingly competitive market place for funding staff and volunteers and donations. In this context, many NFPs are being driven to adopt more commercial practices to improve their strategic performance, particularly competitive positioning for donor appeal, staff retention and service strategy and delivery. Knowledge management (KM) is one commercial practice being explored and implemented by the NFP sector to support strategic performance and operations. Although the concept of knowledge management is basically understood, the implications and strategies to pursue this practice in a NFP context are under explored. This paper presents a KM implementation planning framework for discussion and further research in the NFP sector. Specifically, this paper proposes that NFP's unique missions, many and varied organisational structures and operational maturity requires a customised approach to knowledge management. Implications for competitive strategy and performance are discussed.
Hunter, D. E. (2006). Using a theory of change approach to build organizational strength, capacity and sustainability with not-for-profit organizations in the human services sector. <i>Evaluation and Program Planning</i> , 29(2), 193-200.	The research aims to demonstrate how adopting a Theory of Change approach can help NFPs build	The study focuses on not-for-profit (NFP) organisations in the human services sector in the	The study is grounded in Theory of Change (ToC), an approach traditionally used in program evaluation but	The study uses a practical case study approach, describing the implementation of three-day ToC workshops	The article is based on the Edna McConnell Clark Foundation's grantees, particularly	Adopting a theory of change is imperative to promoting the building of organizational capacity and program sustainability. In efforts to help organizations develop strong theories of change that are meaningful, plausible, doable, and testable, the Edna McConnell Clark Foundation (EMCF) has designed and implemented 3-day-long

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	organisational capacity, strengthen their operations, and achieve sustainable growth. It outlines the EMCF's strategy for supporting grantees in clarifying their mission, defining outcomes, and enhancing program sustainability.	United States, particularly those funded by the Edna McConnell Clark Foundation (EMCF).	here expanded to address organisational development, program sustainability, and financial management.	designed by the EMCF.	youth-serving NFP organisations in the human services sector. The target includes NFP leaders, managers, and board members who participated in ToC workshops.	theory of change workshops with grantees that create the foundation for subsequent business planning. On Day 1, workshop goals focus on clarifying basic strategic decisions that an organization has made, and defining target populations; On Day 2, goals include selecting and codifying program participant outcomes and indicators; and on Day 3, goals focus on designing and codifying program elements, taking stock of resources required to implement those elements, and clarifying organizational capacities necessary to implement and sustain the program and its delivery. This paper describes how these workshops are facilitated and also some capacity-building benefits to organizations participating in them.
Hyndman, N., & McConville, D. (2018). Trust and accountability in UK charities: Exploring the virtuous circle. <i>The British Accounting Review</i> , 50(2), 227-237.	The aim of this paper is to examine how charities use public and private accountability mechanisms to build and maintain trust with key stakeholders, creating a "virtuous circle" where trust reinforces accountability and vice versa.	The study focuses on large fundraising charities in the UK.	Trust and accountability are analysed through a stakeholder lens, exploring mechanisms that enhance relational, institutional, and calculative trust.	Nineteen interviews were conducted with managers from large fundraising charities in the UK, representing a broad spectrum of activities and funding sources.	A qualitative method was employed, using semi-structured interviews to gather data. Thematic analysis identified patterns in accountability practices and their role in trust-building.	Public trust and confidence in charities is essential for the achievement of their missions. However, recent evidence suggests that trust in UK charities has been damaged, potentially affecting charities' and the charity sector's sustainability and effectiveness. This paper constructs accountability as an important means of developing, maintaining and restoring trust in charities. Through a series of interviews with charity managers, it investigates the public and private mechanisms used in discharging accountability to, and building trust with, charities' main stakeholder groups. The paper identifies the use of a wide range of mechanisms, often highly tailored to stakeholders' perceived information needs, which are seen as critical in this process. It is argued that the use and interplay of these can create a 'virtuous circle' of accountability and trust, where

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						each reinforces the other. It is argued that where this is achieved, trust in individual charities, and the sector, can be enhanced.
Hyndman, N., & McMahon, D. (2010). The evolution of the UK charity Statement of Recommended Practice: The influence of key stakeholders. <i>European Management Journal</i> , 28(6), 455-466.	The paper analyses the evolution of the SORP and the influence of key stakeholders, including the government, the accounting profession, and other groups, on its development.	This study investigates the UK charity sector, focusing on the development and implementation of the Statement of Recommended Practice (SORP).	Stakeholder theory is employed as the primary analytical lens to understand the relationships and power dynamics among stakeholders influencing the SORP.	The research primarily examines regulatory documents, official publications, and historical analysis to identify the roles and influence of various stakeholders.	This is a qualitative, historical, and conceptual analysis based on documentary evidence and stakeholder theory.	In the early 1980s, a landmark study identified significant poor reporting practice in UK charities. Therefore, a journey was commenced with the aim of improving accounting and reporting as a basis for enhancing accountability by charities. Much of this change has been affected through the publication of evolving Statements of Recommended Practice (SORPs) on accounting and reporting by charities. This paper analyses the evolution of the SORP through time using insights from stakeholder theory and argues that the key stakeholders influencing the evolving SORP have been government and the accounting profession.
Jiaying Huang, H., & Hooper, K. (2011). New Zealand funding organisations: How do they make decisions on allocating funds to not-for-profit organisations? <i>Qualitative Research in Accounting & Management</i> , 8(4), 425-449.	The research investigates the criteria used by funding organisations to allocate grants to NFPs. It seeks to determine whether decision-making follows a "scientific" (financial analysis-based) or "creative" (outcome-driven and flexible) approach.	The study focuses on not-for-profit (NFP) funding organisations (FOs) in Auckland and Wellington, New Zealand, examining their grant-making processes.	The study applies a naturalistic inquiry paradigm and explores decision-making through lenses of stakeholder theory and creative philanthropy. It examines how financial and non-financial information influence funding decisions.	Semi-structured, qualitative interviews were conducted with seven participants from the funding organisations. Interview transcripts, annual reports, and application forms were analysed to identify recurring themes.	The study involves seven funding organisations in New Zealand. Participants include trustees, grant managers, and CEOs of these organisations.	Purpose - The purpose of this paper is to investigate the funding criteria adopted by funding organisations (FOs) in New Zealand. Design/methodology/approach - The naturalistic inquiry paradigm is applied, and qualitative interview data were collected using semi-structured interviews. Findings - The most important finding is that there is a strong pattern emerging as to how the selected FOs determine the allocation of their funds. Outcomes and key people are important criteria for these FOs, while financial information is regarded as less relevant. On balance, the New Zealand funders involved in this study seem to adopt a creative approach to allocating their funds. To explain the lack of performance and financial measurements, it may be that, unlike their for-profit counterparts, not-for-profit (NFP) organisations' managers are not constrained by returns to shareholders, earnings per share and the bottom line.

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						Thus, many of the New Zealand funders' allocations rely on an instinctive feel for the projects proposed and the character of the applicants proposing them. Research limitations/implications - A limitation of the research is that it was restricted to Auckland and Wellington and only to those FOs which were willing to participate. It is not possible to generalise the results and apply the findings derived based on seven FOs to all the funders in New Zealand. This research is an exploratory study; further research would be appropriate across Australasia to include larger centres such as Sydney and Melbourne where there are many more FOs. Practical implications - Funders are in favour of a more creative and soft approach to their philanthropic giving. It is hoped that this research will raise an awareness of a strong tendency of FOs to adopt a creative approach to grant-making rather than the more scientific approach involving financial analysis. Social implications - The outcomes and key people are important to this grant-making process, while much financial information is less relevant. Originality/value - The paper recommends that FOs should pay more attention to financial analysis while preserving the flexibility of a creative approach. Moreover, grant seekers will have a much clearer idea about what sort of information most grant makers utilise in their grant decision-making processes. The additional contribution of this research project is to enrich the existing literature on philanthropic funding in New Zealand.
Johansson, E., Carey, P., Tanewski, G., & Yusoff, I. (2022). The effect of members on	The research investigates the role of members	The study examines Australian	The study is grounded in agency theory	This study employed a mixed-method	The study analyses 630 company-	In contrast to membership organisations that serve the interest of members, members of charities operating as companies limited by

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charities' annual reporting: evidence from companies limited by guarantee in Australia. Accounting & Finance, 62, 1851-1886.	in charitable companies and examines whether the size and involvement of membership bases influence the extent of financial and non-financial information disclosed in annual reports. Additionally, it explores the relationship between reporting and future revenue streams.	charitable organisations structured as companies limited by guarantee, focusing on how their governance and membership structures influence financial and non-financial reporting.	and stakeholder theory, with an emphasis on members as a key stakeholder group. It also incorporates concepts of information asymmetry and legitimacy in exploring the drivers of disclosure.	approach: 1) Developed based on nine key financial and non-financial information items identified as important by stakeholders; 2) Poisson and Ordinary Least Squares regression models tested the relationship between membership size and reporting; 3) Examined whether reporting mediates the relationship between membership size and future revenue.	year observations from a sample of 153 Australian charitable companies limited by guarantee, collected from annual reports and regulatory filings between 2008 and 2014.	guarantee are responsible by law for ensuring the charity serves its broader charitable purpose. This study examines how members of these large charitable companies discharge accountability through annual report disclosure. We analyse data on 630 company-year observations for a sample of 153 Australian charitable companies limited by guarantee that lodged annual reports with regulators. Results show that members encourage the disclosure of financial and non-financial information in the annual report and this in turn influences charities' future donations and grants revenue.
Jones, K. R., & Mucha, L. (2014). Sustainability assessment and reporting for nonprofit organizations: Accountability "for the public good". VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations, 25, 1465-1482.	The paper aims to demonstrate that NPOs have an ethical obligation to conduct sustainability assessments and publicly report their environmental,	This paper focuses on nonprofit organisations (NPOs) globally, particularly in the United States.	This paper does not utilise a specific theory.	This paper reviews existing sustainability frameworks and two NPO case studies. These include the Research Triangle Institute (RTI)	The research uses a case study approach, examining how the RTI and BBBSCN apply sustainability assessment frameworks.	Nonprofit organizations serve the public good by offering services that benefit communities and the individuals who live in them. While many large for-profit companies and a few international nonprofits have begun voluntarily assessing and reporting their environmental, cultural, economic, and social sustainability performance in response to growing public awareness of sustainability issues, nonprofit organizations have generally been slow to adopt the

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	social, and economic impacts, as part of their accountability to the public goods.			and Big Brothers Big Sisters Columbia Northwest (BBBSCN), which demonstrate different stages and scales of sustainability reporting in the NPO sector.	These organisations employed the Global Reporting Initiative (GRI) framework, with varying levels of detail and scope, to evaluate and report on their environmental and social impacts.	practice. This paper makes the case that nonprofits have an obligation to assess and report sustainability performance to account for their positive and negative environmental, cultural, economic, and social impacts in the communities they serve precisely because of their promise to serve the public good; and that sustainability assessment and reporting are not only possible, but that they can actually offer several practical advantages for organizations that integrate the practice into their missions and models. Several sustainability reporting frameworks are reviewed. Two case examples are presented to illustrate the utility of sustainability assessments and reports for different types and sizes of nonprofit organizations. Challenges to the process of adoption and implementation of sustainability programs in the nonprofit sector are discussed.
Jones, R. (1992). The development of conceptual frameworks of accounting for the public sector. <i>Financial Accountability & Management</i> , 8(4), 249-264.	The paper aims to provide a historical review of conceptual framework projects that have influenced public sector accounting. It examines how different standard-setting bodies have attempted to create accounting frameworks for government and	The study reviews conceptual framework projects related to public sector accounting in English-speaking countries, with a focus on developments in North America.	The study employed in conceptual framework theory and standard-setting processes, evaluating the extent to which public sector accounting should follow a coherent theoretical structure similar to the private sector.	The paper follows a historical and comparative approach, reviewing documents, policies, and projects initiated by standard-setting organisations such as the Governmental Accounting Standards Board (GASB)	The study analyses accounting standard-setting bodies and their projects, particularly those that focus on the public sector.	This paper offers a review of the conceptual framework projects that have been done by, or on behalf of, accounting standard-setting bodies, and that have concerned themselves with public sector accounting. Developments since 1966 in North America are the primary focus, although the UK and New Zealand are also explicitly addressed. The major theme identified is the ubiquity of the user/user needs approach, despite the continuing lack of evidence about user needs. The paper tries to explain this and concludes that standard-setting bodies have used these conceptual frameworks to establish their own legitimacy, by appealing to the public interest.

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	public sector entities.			and its predecessors.		
Kilcullen, L., Hancock, P., & Izan, H. Y. (2007). User requirements for not-for-profit entity financial reporting: an international comparison. <i>Australian Accounting Review</i> , 17(41), 26-37.	The research investigates whether Australian NFP financial reporting standards under the Australian equivalents of International Financial Reporting Standards (AIFRS) meet user needs. It compares international regulatory environments and identifies additional types of information useful to NFP financial statement users.	The study compares financial reporting requirements for not-for-profit (NFP) entities across Australia, the US, the UK, Canada, and New Zealand.	The study is grounded in the decision-usefulness model of financial reporting and accountability theory, examining whether financial reports adequately support stakeholders in economic decision-making and assessing organisational accountability.	This study reviews the financial reporting guidance for NFP entities. It also consults with an expert panel to evaluate the significance of the identified issues and ranks the usefulness of information types, then compares the findings with prior NFP reporting research.	The research involves a literature review, content analysis of regulatory guidance from the five jurisdictions, and feedback from an expert panel comprising accounting professionals, regulators, and NFP sector representatives.	This study investigates the not-for-profit (NFP) external financial reporting regulatory environments of the US, the UK, Canada and New Zealand and compares them with that of Australia. It finds a lack of clarity in the definition of a NFP entity under Australian accounting standards. The study also identifies various types of information that earlier research and the guidance in other countries suggest are useful to the users of NFP entities' financial statements. This information is not currently required under Australian accounting standards.
Kober, R., Lee, J., & Ng, J. (2021). Australian not-for-profit sector views on the conceptual framework, accounting standards and accounting information. <i>Accounting & Finance</i> , 61(1), 1105-1138.	The research aims to assess NFP sector opinions on the suitability of a unified conceptual framework, accounting standards, and the relevance of accounting	The study focuses on the Australian not-for-profit (NFP) sector, exploring views on accounting practices specifically relevant to this sector.	This paper does not use a specific theory.	The study surveyed 242 NFP managers and chief financial officers (CFOs) across Australia, targeting organisations with annual revenue over	A questionnaire-based survey gathered responses on a Likert scale, measuring agreement with the conceptual framework and perceived	In this paper, we examine the conceptual framework, accounting standards and accounting information relevant to the not-for-profit (NFP) sector. Based on the responses of 242 Australian NFP managers, we find support for the inclusion of accountability in the conceptual framework, and for a common set of accounting standards across NFP and for-profit sectors with additional standards or paragraphs to recognise NFP specific issues. Respondents also rated information within general-

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	information for organisational decision-making and accountability.			AUD 1 million to ensure familiarity with accounting standards requirements.	usefulness of accounting information. Respondents provided opinions on whether the existing standards effectively address NFP-specific needs.	purpose financial reports to be useful for decision making within their organisations. We offer suggestions as to what our findings mean for the development of accounting standards for the NFP sector.
Lakshan, A. M. I., Low, M., & de Villiers, C. (2022). Challenges of, and techniques for, materiality determination of non-financial information used by integrated report preparers. <i>Meditari Accountancy Research</i> , 30(3), 626-660.	The paper investigates the challenges and techniques involved in determining the materiality of non-financial information in integrated reports, a concept encouraged by the International Integrated Reporting Council (IIRC) to foster value creation and accountability.	The study is focused on Sri Lanka, examining publicly listed companies (PLCs) that voluntarily produce integrated reports (IRs), highlighting the complexities in a rapidly growing South Asian economy.	The study uses the institutional isomorphism theory as a lens to analyse pressures (coercive, mimetic, and normative) faced by report preparers in adhering to the materiality principles of the IIRC. This theoretical framework highlights the influence of professional norms, competitor practices, and regulatory pressures on organisations'	The research involves qualitative semi-structured interviews with 55 IR preparers from 12 PLCs in Sri Lanka, with participants ranging from assistant managers to chief financial officers, risk managers, and auditors.	The study employs an interpretive thematic analysis through semi-structured interviews and archival research, examining IRs over three years. This qualitative approach allows for a deeper understanding of IR materiality decisions and the influence of organisational pressures.	The international integrated reporting framework encourages organisations to disclose material information that affects their ability to create value. This paper aims to investigate the challenges and techniques preparers of integrated reports use to determine the materiality of non-financial information. This paper uses an exploratory interpretive thematic analysis and an archival research approach. Qualitative semi-structured interviews were conducted with 55 integrated reporting (IR) preparers in 12 publicly listed companies, supported by the perusal of the companies' integrated annual reports over a three-year period. IR preparers find materiality determination for non-financial information challenging. This study found that preparers convert challenges into opportunities by using materiality disclosures as image-enhancing marketing tools, which causes concerns regarding weak accountability and a deviation from the International Integrated Reporting Council's objective of improving information quality. This study found that IR preparers use various techniques in conjunction to determine materiality levels,

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			reporting behaviours.			as well as whether to disclose non-financial information in their integrated reports. The institutional isomorphism lens used in the study highlighted the issues IR preparers faced in their determined efforts of IR materiality levels under mimetic and normative isomorphism pressures. This study contributes to the literature regarding challenges with materiality level determination in integrated reports and techniques used by IR preparers. The application of an institutional isomorphism lens led to greater insight and understanding of IR preparers' challenges and techniques in materiality determination. This paper makes a number of significant contributions to the IR literature. First, it identifies the usefulness of material information for decision-making and the influence stakeholders have on the materiality determination of non-financial information, which have not been mentioned in the prior literature. Second, the literature is silent on how organisations relate materiality to value creation for the purposes of determining the materiality content of an integrated report; this research provides empirical evidence of the use of value creation criteria in materiality determination. Third, the study highlights that materiality is a combination of efforts that involves everyone in an organisation. Further, the strategy should be linked to IR and preparers have indicated that integrated thinking is required for materiality determination.
Laswad, F., & Redmayne, N. B. (2015). IPSAS or IFRS as the framework for public sector financial reporting? New Zealand preparers'	The research investigates New Zealand public sector preparers'	The study is conducted in New Zealand's public sector,	The study is informed by Public Choice Theory, privatisation	The study employs a survey-based empirical approach,	The study focuses on preparers of public sector financial	The last 30 years have seen public sector accounting in many countries undergo considerable change. More recently, some governments adopted accrual accounting and International Public Sector Accounting

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perspectives. Australian Accounting Review, 25(2), 175-184.	perceptions of the most appropriate financial reporting framework, comparing International Public Sector Accounting Standards (IPSAS) and International Financial Reporting Standards (IFRS). The study also evaluates the usefulness of financial reports and the cost-benefit balance of financial reporting in the public sector.	examining the financial reporting frameworks used by public sector entities.	theories, and neo-liberalism, which frame the adoption of accrual accounting as a mechanism for enhancing public sector efficiency and accountability. The authors also reference the “experience effect”, where preparers favour reporting frameworks with which they are familiar.	sending questionnaires to 358 public sector organisations, with a response rate of 50% (164 responses). The survey includes questions on the perceived usefulness of financial reports, reporting framework preferences, and cost-benefit analysis.	statements, including chief financial officers (CFOs), chief executive officers (CEOs), and senior finance staff from various public sector entities such as local government, Crown entities, service departments, tertiary education institutions, and district health boards.	Standards (IPSAS), some adopted modified International Financial Reporting Standards (IFRS) while others continued with cash-based accounting. New Zealand (NZ) has, for more than two decades, followed a sector neutral approach to financial reporting and standard setting where the same accounting standards were applied to all entities in all sectors: for-profit, not-for-profit and the public sector. This period included the adoption of IFRS by for-profit entities with minor modifications for the public sector. The suitability of IFRS for the public sector has been questioned and, recently, standard setters in NZ decided to adopt a sector-specific standard-setting approach with multiple tiers for each sector. The for-profit sector will continue to follow IFRS but reporting standards for the public sector will be based on IPSAS. In this period of change we sought the views of preparers of public sector financial reports regarding the users of such reports and their preferences for the public sector reporting framework. We also sought the views of the preparers regarding the usefulness of each financial statement for users, and whether the benefits of reporting by their organisations exceeds the costs. The findings indicate support for maintaining IFRS as a basis for reporting in the NZ public sector. However, IPSAS modified to NZ conditions is also perceived as an acceptable option by respondents in this study. The income statement is, in the opinion of the respondents in this study, the most useful statement while cash flows appear to hold little value. A high proportion of respondents believe that the benefits of reporting exceed the costs, which contradicts the view that such reports are

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						mainly compliance documents that provide little value. This finding contributes to the continuing debate on costs versus benefits on the recent introduction of IPSAS as the reporting framework for the public sector and the perceived appropriateness of IPSAS in public sector reporting.
Manes-Rossi, F., Nicolò, G., & Argento, D. (2020). Non-financial reporting formats in public sector organizations: a structured literature review. <i>Journal of Public Budgeting, Accounting & Financial Management</i> , 32(4), 639-669.	The paper aims to systematise existing research on non-financial reporting formats within the public sector, identifying current trends and highlighting gaps that need further exploration.	The research focuses on public sector organisations (PSOs) globally, particularly higher education institutions, local governments, and state-owned enterprises, with minimal emphasis on healthcare institutions.	This paper does not utilise a specific theory.	This study does not involve primary data collection but reviews 91 journal articles from social sciences, business, management, and accounting literature, focusing on non-financial reporting within PSOs.	Using structured literature review (SLR), the authors followed a rigorous five-step process, including keyword search, relevance screening, manual search in specific journals, and coding based on a custom analytical framework. The framework covers sectors, reporting types, literature focus, research methods, and frameworks/models used.	Research dealing with non-financial reporting formats in public sector organizations is progressively expanding. This paper systematizes the existing literature with the aim of understanding how research is developing and identifying the gaps in need of further investigation. A structured literature review was conducted by rigorously following the steps defined in previous studies. The structured nature of the literature review paves the way for a solid understanding and critical analysis of the state of the art of research on non-financial reporting formats in public sector organizations. The critical analysis of the literature shows that most existing studies have focused on sustainability reporting in higher education institutions, local governments and state-owned enterprises, while remaining silent on the healthcare sector. Additional theoretical and empirical approaches should feed future research. Several areas deserve further investigations that might impactfully affect public sector organizations, standard setters, practitioners and scholars. This paper offers a comprehensive review of the literature on different reporting formats that public sector organizations adopt to report various dimensions of their performance to both internal and external stakeholders. The structured literature review enables the

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						identification of future directions for the literature in this field.
Manetti, G., & Toccafondi, S. (2014). Defining the content of sustainability reports in nonprofit organizations: do stakeholders really matter?. <i>Journal of Nonprofit & Public Sector Marketing</i> , 26(1), 35-61.	The aim of the article is to investigate the role of stakeholder engagement and participation in nonprofit organisations' sustainability reporting, according to the literature on third sector and stakeholder theory.	Global	The study is grounded in stakeholder theory, which emphasises the importance of involving stakeholders in organisational processes. The authors explore whether NPOs involve stakeholders beyond mapping them and managing their expectations, moving towards true engagement that reflects shared decision-making and responsibility.	This study analyses a sample of 54 sustainability reports from NPOs, covering a diverse range of organisations, including associations, foundations, cooperatives, and religious institutes, across different geographical regions.	This paper uses content analysis to examine these sustainability reports for evidence of SE. The author reviews key indicators, such as stakeholder mapping, the involvement of stakeholders in decision-making, and the presence of SE policies in reports. The authors also conducted a survey to validate their findings with the organisations involved.	The aim of the article is to investigate the role of stakeholder engagement and participation in nonprofit organizations' sustainability reporting, according to the literature on third sector and stakeholder theory. To verify the levels of involvement, the authors conducted an empirical survey, using content analysis, on a sample of 54 sustainability reports of nonprofit organizations included in the Global Reporting Initiative database as of September 1, 2012. To strengthen the results obtained from the content analysis, the authors shared their findings with the organizations of the sample. The survey showed that there were some criticisms regarding stakeholder participation in the targeted research field. These are considered in the conclusions. Questions for the future included whether stakeholder engagement is moving from being simply a way to consult and influence stakeholders to being an effective instrument for involving them in nonprofit organizations' reporting and decision-making processes, through mutual commitment.
McConville, D., & Cordery, C. J. (2022). Not-for-profit performance reporting: A reflection on methods, results and implications for practice and regulation. <i>VOLUNTAS</i> :	The paper critically analyses existing approaches to NFP	The research is international in scope, drawing insights from	The study engages with theories of accountability and transparency,	A critical review of the literature was conducted.	The paper focuses on prior academic research, analysing a	This paper presents a critical analysis of present approaches to studying not-for-profit performance reporting, and implications of research in this area. Focusing on three approaches: content analysis of publicly available performance reporting; quantitative

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International Journal of Voluntary and Nonprofit Organizations, 33(6), 1204-1210.	performance reporting research, examining how these methods shape knowledge about reporting practices and their implications for regulatory and sectoral improvement. The authors aim to highlight gaps in the literature and suggest directions for future research.	studies of not-for-profit (NFP) performance reporting across various jurisdictions, including the UK, US, Australia, and New Zealand.	particularly as they relate to public trust and the regulatory landscape. It also incorporates stakeholder-focused views on reporting, analysing how reporting affects relationships with funders, donors, and other stakeholders.		range of methodologies applied to NFP performance reporting. It reviews studies using content analysis, quantitative methods, and mixed-method approaches, particularly those published from 2010 onwards.	analysis of financial data; and (rarer) mixed/other methods, we consider the impact of these on our knowledge of not-for-profit performance reporting, highlighting gaps and suggesting further research questions and methods. Our analysis demonstrates the important role of regulation in determining the research data available, and the impact of this on research methods. We inter-connect the methods, results and prevailing view of performance reporting in different jurisdictions and argue that this reporting has the potential to influence both charity practices and regulators' actions. We call for further research in this interesting area. Contribution is made to the methodological literature on not-for-profits, and ongoing international conversations on regulating not-for-profit reporting.
Neuman, S. S., Omer, T. C., & Thompson, A. M. (2015). Determinants and consequences of tax service provider choice in the not-for-profit sector. Contemporary Accounting Research, 32(2), 703-735.	The research aims to identify the drivers of financial reporting lags (FRL) in NPOs, exploring factors specific to the non-profit environment and assessing the impact of financial distress and regulatory changes.	This study examines financial reporting timeliness in the Belgian non-profit sector, focusing on a sample of large Belgian non-profit organisations (NPOs).	Resource dependence theory is applied to understand how reliance on donations and grants affects reporting timeliness. Other influences, such as bad news disclosure and organisational size, are also explored.	The study analyses 2,635 NPO-year observations, focusing on organisations required to file financial statements with external audits.	Using an empirical approach, the study applies regression models to analyse variables influencing FRL, including reliance on donations, financial distress, and the impact of regulatory changes.	We examine financial reporting lags among a large sample of Belgian non-profit organizations (NPOs). Doing so, we add to the literature on financial reporting and accountability in the non-profit sector. Next to drivers of the financial reporting lag that have been identified in prior studies based on private firms (e.g., delaying the disclosure of bad news), we find that the way of funding the NPO (i.e., reliance upon donations and/or grants) and its specific area of activity are significantly related to the financial reporting lag. Our results also suggest that important changes in accounting regulation significantly delay the financial reporting process. Importantly, we note that 17.2 % of the sample organizations do not file their financial statements within the legal time span.

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Palmer, P. D. (2013). Exploring attitudes to financial reporting in the Australian not-for-profit sector. <i>Accounting & Finance</i> , 53(1), 217-241.	The research aims to explore the attitudes of stakeholders in the Australian NFP sector towards financial reporting, highlighting the role of financial disclosure in accountability and the implications of regulatory practices.	The study focuses on the Australian not-for-profit (NFP) sector, specifically addressing regulatory and reporting issues across the country.	Stakeholder theory underpins the analysis, focusing on the diversity of stakeholders and the accountability relationships in the NFP sector.	Data was derived from 178 submissions to the 2008 Australian Senate Economics Standing Committee inquiry into the disclosure regimes of charities and NFPs. Respondents included NFP entities, government bodies, academics, and legal/accounting professionals.	Content analysis was conducted using Leximancer and NVivo software to identify key themes and concepts in the submissions. Submissions were categorised by stakeholder groups for comparative analysis.	The current level of satisfaction among different stakeholders about the current approaches and practises of financial reporting of not-for-profit (NFP) entities is underexplored (Christensen and Mohr, 2003; Lee, 2004; Gray et al., 2006; Parker, 2007). This paper uses content analysis to examine submissions to the 2008 Australian Senate Economics Standing Committee for its inquiry into the disclosure regimes of charities and NFP organisations, which aimed to explore attitudes about financial reporting in the NFP sector. Financial reporting is viewed as an important part of accountability, but the sector identifies deficiencies in the current regime in terms of consistency, efficiency and transparency. Respondents to this inquiry believed that a sector-specific accounting standard was important. Financial reporting standards, regulations and legal structures should be uniform across the entire sector, but with some variation allowed for smaller NFPs. The cost of complying with standards was a significant issue for smaller NFPs.
Parsons, L. M. (2007). The impact of financial information and voluntary disclosures on contributions to not-for-profit organizations. <i>Behavioral research in accounting</i> , 19(1), 179-196.	The research investigates whether providing potential donors with financial and nonfinancial disclosures affects their donation decisions. Specifically, it examines if	This study is based on the NFPs in the US.	This paper does not utilise a specific accounting theory.	The study targets potential donors of NFP organisations, conducting both a field-based and a laboratory experiment.	The research employs a mixed-method approach, combining a field experiment that measures actual donation behaviour with a follow-	This study uses a field-based experiment combined with a follow-up laboratory experiment to investigate whether accounting information reduces perceived uncertainty about nonprofit operations. Potential donors were sent, via a direct mail campaign, fundraising appeals containing varying amounts of financial and nonfinancial information to determine whether individual donors are more likely to contribute when accounting information or voluntary disclosures are provided. Participants in a lab experiment were asked to assess the usefulness of the different

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	accounting information can reduce perceived uncertainty about an organisation's operations and ultimately increase contribution.				up laboratory experiment to assess the perceived usefulness of different disclosure types. Logistic regression analysis is used to evaluate the data from the field experiment.	versions of the fundraising appeals. A logistic regression provides evidence that some donors who have previously donated use financial accounting information when making a donation decision. The results are inconclusive regarding whether donors use nonfinancial service efforts and accomplishments disclosures to determine whether and how much to give, but participants in the lab experiment judged the nonfinancial disclosures to be useful for making a giving decision.
Phillips, S. D. (2013). Shining light on charities or looking in the wrong place? Regulation-by-transparency in Canada. VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations, 24, 881-905.	The research examines how transparency operates as a regulatory mechanism in the Canadian charity sector. It explores the implications of increased data availability, the rise of third-party monitoring, and the politicisation of transparency for the relationship between regulators and charities.	The study focuses on Canada's charitable sector, analysing regulatory frameworks, the interplay between governmental, sectoral, and third-party transparency initiatives, and the impacts on stakeholders.	The study draws on institutional theory and regulatory compliance literature to develop a conceptual model of charity regulatory regimes. It frames transparency as a polycentric regulatory tool that involves state, self-regulatory, and third-party mechanisms aimed at promoting accountability and public trust.	The study analyses Canadian charities subject to evolving transparency requirements, particularly those responding to mandatory financial disclosures and governance reporting. It also considers the roles of third-party watchdogs and emerging self-regulatory bodies.	Using a case study approach, the research incorporates analysis of regulatory developments, third-party reports, and self-regulatory initiatives. It critically evaluates the impacts of transparency measures and open data policies on the charity sector.	The nature of charity reporting and transparency is changing significantly; while the longstanding focus on financial reporting remains, there is much greater emphasis on illuminating governance systems and impacts. Regulatory regimes are becoming more polycentric with the expansion of third-party watchdogs and emergence of new self-regulatory bodies. With more open access to data, transparency has become an independent force in these regimes. The article outlines a conceptual model of charity regulatory regimes and applies this to analyse recent developments of regulation-by-transparency in Canada. Although the intent of encouraging greater transparency is seldom questioned, this Canadian case study demonstrates how transparency can become politicized, damaging the relationship between the regulator and the charitable sector. In addition, the open data movement means that charities now operate in a world in which neither they nor state

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						regulators control access and use of information.
Ryan, C., & Irvine, H. (2012). Not-for-profit ratios for financial resilience and internal accountability: A study of Australian international aid organisations. <i>Australian Accounting Review</i> , 22(2), 177-194.	The research aims to (1) propose a suite of key financial ratio to assess the financial health and resilience of NFP organisations, and (2) apply these ratios to assess their practical usefulness in enhancing internal accountability between NFP boards and management.	The study focuses on Australian international aid organisations, specifically those affiliated with the Australian Council for International Development (ACFID) and accredited by AusAID.	The study is grounded in accountability theory, particularly focusing on internal managerial accountability within NFPs. It draws on financial management and nonprofit performance measurement literature to develop the proposed financial ratios.	This study calculates the key financial ratios based on the financial reports of the selected organisations, proposing a comprehensive suite of financial ratios across five categories.	The study analyses financial data from 44 Australian international aid organisations that are both ACFID-affiliated and recipients of AusAID funding in 2009. The data includes financial reports submitted as part of compliance with ACFID's Code of Conduct.	Not-for-profit (NFP) financial ratio research has focused primarily on organisational efficiency measurements for external stakeholders. Ratios that also capture information about stability, capacity (liquidity), gearing and sustainability enable an assessment of financial resilience. They are thus valuable tools that can provide a framework of internal accountability between boards and management. The establishment of an Australian NFP regulator highlights the importance of NFP sustainability and affirms the timeliness of this paper. We propose a suite of key financial ratios for use by NFP boards and management and demonstrate its practical usefulness by applying the ratios to financial data from the 2009 reports of ACFID (Australian Council for International Development) affiliated international aid organisations.
Ryan, C., Mack, J., Tooley, S., & Irvine, H. (2014). Do not-for-profits need their own conceptual framework? <i>Financial accountability & management</i> , 30(4), 383-402.	The research investigates whether NFPs require a distinct conceptual framework that reflects their mission-driven objectives and accountability needs. It critiques existing	The study focuses on the international not-for-profit (NFP) sector, with particular emphasis on accounting practices in jurisdictions such as Australia, New Zealand,	The study applies accountability theory, which emphasises the broad accountability requirements of NFPs beyond financial performance, focusing on mission achievement. It	A qualitative approach is adopted, involving: 1) A review of conceptual frameworks in the for-profit and public sectors; 2) An examination of NFP-specific reporting issues, such as	The research is based on publicly available documents, literature reviews, and an analysis of financial reporting frameworks applicable to NFPs in	This paper raises the issue of whether not-for-profit (NFP) organisations require a conceptual framework that acknowledges their mission imperative and enables them to discharge their broader accountability. Relying on publicly available documentation and literature, it suggests the current Conceptual Frameworks for the for-profit and public sectors are inadequate in meeting the accountability needs of NFPs. An NFP-specific conceptual framework would allow the demonstration of broader NFP-specific accountability and the formulation of NFP-appropriate reporting

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	frameworks derived from the for-profit and public sectors, arguing that they do not adequately address the unique characteristics of NFPs.	the UK, the US, and Canada.	contrasts this with the decision-usefulness objective prevalent in for-profit reporting frameworks.	accounting for non-reciprocal transfers and volunteer contributions; 3) A comparative analysis of financial reporting practices across different jurisdictions.	various countries.	practice, including the provision of financial and non-financial reporting. The paper thus theoretically challenges existing financial reporting arrangements and invites debate on their future direction.
Saxton, G. D., Kuo, J. S., & Ho, Y. C. (2012). The determinants of voluntary financial disclosure by nonprofit organizations. <i>Nonprofit and voluntary sector quarterly</i> , 41(6), 1051-1071.	This research aims to understand the determinants behind voluntary financial disclosure among nonprofit organisations, particularly when disclosure is encouraged but not required. The study seeks to identify the factors that motivate these organisations to voluntarily disclose financial information on a public platform.	The study examines not-for-profit medical institutions in Taiwan, providing insights into voluntary financial disclosure in the context of a government-encouraged, but non-mandatory, disclosure environment.	This paper does not utilise a specific accounting theory.	The study focuses on the entire population of not-for-profit medical institutions in Taiwan, including 40 institutions, during a time when the Taiwanese Department of Health (DOH) initiated a voluntary financial disclosure regime.	Using a "natural experiment" design, the authors applied a probit regression model to determine the factors associated with the likelihood of voluntary disclosure. The data includes financial statements and governance information from 2001, and the study evaluates the probability of	Encouraging organizations to be more open has been a key issue in contemporary debates over nonprofit accountability. However, our understanding of what motivates organizations to the disclosure decision is weak. We aim to enhance our understanding of this critical issue by developing and testing a model of the determinants of voluntary disclosure decision making, using data gathered on the population of not-for-profit medical institutions in Taiwan during a period where the government encouraged - but did not require - disclosure on a centralized website. As a result, we are able to conduct a "natural experiment" of the voluntary disclosure behavior of an important population of non-donor-dependent organizations. We find voluntary disclosure is more likely in organizations that are smaller, have lower debt/asset ratios, and are run by larger boards with more inside members. Our data suggest that, from a policy perspective, voluntary disclosure regimes are not an especially effective means of promoting public accountability.

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					disclosure using a binary measure based on whether organisations chose to publish their financial statements on the DOH platform.	
Simaens, A., & Koster, M. (2013). Reporting on sustainable operations by third sector organizations: A signalling approach. <i>Public Management Review</i> , 15(7), 1040-1062.	The research aims to explore how third sector organisations (TSOs) use sustainability reporting as a signalling mechanism to communicate their commitment to sustainability to stakeholders. It examines what sustainability aspects are reported, who the intended audience is, and how different organisations signal their sustainability commitments differently.	The study focuses on third sector organisations (TSOs), including not-for-profit organisations (NFPs), associations, NGOs, and mutual benefit societies. It examines international sustainability reporting practices, particularly among TSOs that voluntarily follow Global Reporting Initiative (GRI) guidelines.	The study applies signalling theory, which explains how organisations use reporting to bridge information asymmetry between themselves and stakeholders. It also integrates accountability theory, distinguishing between upward accountability (to funders), downward accountability (to beneficiaries), and holistic accountability (to all stakeholders).	This paper employed document analysis, thematic coding, and comparative analysis as research methods.	The study analyses 23 TSOs from different regions and sectors that follow the GRI framework for sustainability reporting. These organisations were selected from the GRI database of sustainability reports (2009) and include a mix of service-providing, campaigning, and mutual support organisations.	Awareness of (un)sustainable operations is increasingly researched in the for-profit and government sectors, but little is known about the third sector. Still, these not-for-profit organizations are challenged by progressive accountability requirements and increasingly they seem to be responding to these demands through sustainability reporting. In this paper, we explore sustainability reporting by third sector organizations (TSOs) in the context of signalling theory; a useful theoretical lens to explore organizational reports as a signal to stakeholders. Using a document analysis, we explore twenty-three TSOs to discover what they are signalling, to whom, and whether different organizations send different messages.

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Van Staden, C., & Heslop, J. (2009). Implications of applying a private sector-based reporting model to not-for-profit entities: The treatment of charitable distributions by charities in New Zealand. <i>Australian Accounting Review</i> , 19(1), 42-53.	The research investigates the problems arising from the application of private sector accounting standards to charities, particularly regarding the treatment of charitable distributions. It questions whether financial reporting models designed for for-profit entities adequately reflect the accountability and financial realities of charities.	The study focuses on New Zealand charities, examining the impact of applying private sector financial reporting standards to not-for-profit (NFP) entities.	This study employed Accountability Theory and Institutional Theory. The accountability theory explores how financial reporting should meet the needs of stakeholders in the NFP sector. The institutional theory examines how regulatory bodies influence reporting practices by imposing private sector-based standards on NFPs.	The paper employs a conceptual analysis and comparative approach, reviewing accounting standards and regulatory frameworks in New Zealand, Australia, the United States, and the United Kingdom. It evaluates whether these frameworks adequately address the unique characteristics of NFPs.	The study examines charities in New Zealand, particularly those required to comply with financial reporting frameworks that are based on private sector standards.	In this paper, we investigate the practical and conceptual difficulties caused by applying a private sector-based reporting model to the not-for-profit sector. We deal specifically with reporting on charitable distributions by charities in New Zealand. We find most of the entities report charitable distributions in the Statement of Financial Performance (as expenses). This approach is conceptually justifiable, complies with international best practice, and is in line with the accountability argument made in this paper. While the number reduced between 2003 and 2007, a significant minority of the entities report charitable distributions in the Statement of Movements in Equity (and therefore report higher surpluses). These two approaches lead to very different results, yet both are apparently seen as acceptable by the entities and their auditors. While this raises questions as to the understandability and comparability of the financial reporting by these entities, it also raises questions about the suitability of the for-profit sector reporting requirements for the not-for-profit sector.
Verbruggen, S., Christiaens, J., & Milis, K. (2011). Can resource dependence and coercive isomorphism explain nonprofit organizations' compliance with reporting standards?. <i>Nonprofit and voluntary sector quarterly</i> , 40(1), 5-32.	The paper investigates why NPOs comply with financial reporting standards, applying resource dependence theory and coercive isomorphism to	The study examines NPOs worldwide, with a focus on the increasing demand for financial accountability and transparency.	This study employed resource dependence theory, suggesting that NPOs comply with reporting standards to secure funding and maintain legitimacy.	The paper employs a quantitative empirical approach, analysing financial reports of NPOs to assess their level of compliance with reporting	The study examines NPOs and their financial reporting practices, focusing on compliance with financial reporting standards and the factors	Nonprofit organizations worldwide are confronted with an increasing demand for accountability and improved financial transparency. Financial reporting by nonprofit organizations is no longer an exception; it has become a rule. The usefulness of a financial report to an organization's stakeholders depends on its quality. The latter is safeguarded by reporting standards as well as the commitment of the organization to fully implement these standards. Although resource dependence and coercive

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	explain their financial disclosure behaviours.			standards. Statistical methods are used to evaluate how resource dependence and coercive pressures affect compliance.	influencing this compliance.	isomorphism have been used in earlier nonprofit organization research, no empirical research has linked these theories to compliance with financial reporting standards. Using a unique setting in which a large number of (very) large Belgian nonprofit organizations are confronted with far-reaching changes in financial reporting regulations, the effect of resource dependence and coercive isomorphism on accounting and financial reporting compliance is documented.
Wen, H., Gilchrist, D., Agrawal, P., & Bayne, L. (2025). Allocating charities' financial reporting requirements using tiers—Australian perspectives. <i>Accounting & Finance</i> .	The research examines the utility and appropriateness of the current tiered financial reporting system for Australian charities. It seeks to evaluate whether the tiered thresholds align with stakeholders' needs and provide effective accountability while minimising compliance burdens.	The study is based in Australia and focuses on the financial reporting practices of Australian charities, specifically addressing tiered reporting requirements.	The research is underpinned by cost–benefit analysis and accountability theory, focusing on balancing the benefits of transparency and stakeholder trust against the costs of compliance. It critiques the revenue-based size metric as a sole determinant for tiering.	The study involved eight preparers of charity financial reports from small, medium, and large organisations. Participants included CEOs, CFOs, senior accountants, and executive directors, all based in Perth, Australia.	A qualitative approach was used. Semi-structured interviews were conducted with preparers to gather insights on their experiences, challenges, and perceptions of stakeholders' needs. Data analysis included thematic coding of interview transcripts to identify recurring patterns and challenges.	The Australian accounting standard setter, funders and the sector itself express concern about reporting obligations established via regulatory requirements that are arbitrarily allocated using a tiered system based on income levels. This study investigates the utility of the current financial reporting framework by interviewing experienced preparers. Findings reveal stakeholders demand more detailed information, current accounting standards are seen as unsuitable, and irrelevant disclosures reduce report relevance. The tiered reporting system is viewed as outdated, especially for small and medium-sized charities. We contribute to the literature on not-for-profit accounting by highlighting current system limitations and suggesting improvements for alignment with stakeholder needs.

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Williams, B., Wilmshurst, T., & Clift, R. (2011). Sustainability reporting by local government in Australia: Current and future prospects. In <i>Accounting forum</i> (Vol. 35, No. 3, pp. 176-186). No longer published by Elsevier.	The research aims to investigate the current state and future prospects of sustainability reporting within Australian local governments. The study seeks to answer four key questions: 1) Are local governments reporting sustainability information; 2) What reporting media are being used; 3) What is the focus of sustainability reporting; 4) What are the future intentions for sustainability reporting in local government?	The study focuses on local government authorities in Australia, exploring their sustainability reporting practices and future intentions.	The study is grounded in accountability theory, which emphasises the need for public sector organisations to be transparent and accountable to stakeholders. It also incorporates aspects of institutional theory, examining how regulatory and normative pressures influence sustainability reporting practices.	This study utilises quantitative research methods, including the design of the survey, and t-test data analysis.	The study targets Australian local government authorities, with data collected from 190 respondents representing various LGAs across Australia.	Sustainability reporting research has historically focused on the corporate sector, with public sector research still very much in its infancy. This exploratory study extends such research in considering the current and future state of local government sustainability reporting in Australia. We utilized a mail survey instrument to collect data. We found that local government in Australia reports on aspects of sustainability, with 50% of respondents indicating that they report on at least one area of sustainability with social reporting being most prevalent. Reporting existed across an array of reports, with no standout reporting focus found. The future of sustainability reporting in local government looks promising, with almost 40% of current non-reporters indicating that they are likely to report in the future.
Yang, C. (2021). Nonprofit impact measurement and collaboration. <i>Pacific Accounting Review</i> , 33(2), 221-230.	The research explores the nexus between impact measurement and collaboration in the NFP sector, particularly in	The study focuses on the New Zealand not-for-profit (NFP) sector, particularly examining the role of impact	The study is based on stakeholder theory and accountability frameworks, analysing how NFPs measure and	This study employed 1) a literature review, 2) conceptual analysis; 3) COVID-19 contextualisation.	The study is a theoretical and literature-based review, drawing on existing research and policy reports to examine	The COVID-19 pandemic has forced not-for-profit organizations (NFPs) to look outside their organizational boundaries for collective impact. In this unprecedented and turbulent situation, the need to understand and articulate the effectiveness and impact of collaborative efforts is paramount. The purpose of this paper is to explore the potential nexus between nonprofit impact

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	response to challenges posed by the COVID-19 pandemic. It seeks to understand how NFPs can improve their collective impact by integrating performance measurement into collaborative arrangements.	measurement in collaborative efforts among NFPs, businesses, and government agencies.	demonstrate their impact to funders, donors, beneficiaries, and policymakers. The research also applies co-production theory, emphasising the joint development of impact measures between NFPs and their stakeholders.		the relationship between impact measurement and collaboration.	measurement and collaboration. This paper reviews key aspects of the NFP impact measurement and collaboration literature and discusses the potential nexus between these two concepts. NFP collaboration refers to the collaborative arrangements that involve NFPs with other NFPs and/or businesses and government. Based on a literature review, this paper argues that NFPs must acknowledge the significance of impact measurement when engaging in collaborative efforts and the mutually reinforcing relationships between the NFP impact measurement and collaboration to make a collective impact. Research on the nexus of NFP impact measurement and collaboration is scant, but it is urgently needed due to the COVID-19 crisis. This paper is timely to review the extant knowledge base of NFP impact measurement and collaboration and attempts to draw meaningful connections between the two concepts. The paper also has significant implications for practice as it responds to the calls for more collaboration in the New Zealand NFP sector and will be of interest to NFP leaders, managers, funders and policymakers.
Yang, C., & Northcott, D. (2019). How can the public trust charities? The role of performance accountability reporting. Accounting & Finance, 59(3), 1681-1707.	The paper investigates how performance accountability reporting practices can build and maintain public trust in charities.	This study focuses on the charity sector in New Zealand, examining two large charities providing social services.	Institutional work theory is utilised to analyse how charity actors reshape accountability practices to align with public trust.	The study includes two charities from the top 4% of New Zealand charities by size, focusing on their managers, employees, and volunteers, along with	A qualitative approach was taken, involving semi-structured interviews (27 participants) and document analysis (e.g., annual	Charities rely on public trust to exist. However, that trust has diminished, with a perceived lack of accountability seen as a key reason. This study draws on case studies of two New Zealand charities to examine their performance accountability reporting practices and potential implications for public trust. The findings surface the day-to-day agency of charity actors in shifting performance accountability practices towards modes of disclosure that are relevant and accessible to the public. This

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
				some external evaluators.	reports, media releases, and newsletters).	paper contributes to the literature by extending understandings of how charities produce accountability information that can enhance public trust and, thus, support their mission achievement.
Yang, C., Northcott, D., & Sinclair, R. (2017). The accountability information needs of key charity funders. <i>Public Money & Management</i> , 37(3), 173-180.	The research aims to understand the specific background, financial, and non-financial performance information that key funders require from charities and how these funders influence reporting practices.	The study examines the accountability information needs of government and philanthropic funders in the New Zealand charity sector.	The study employs neo-institutional sociology, focusing on institutional work (IW) theory to explore how funders create, maintain, or disrupt institutional norms around accountability reporting.	The study involves semi-structured interviews with 14 participants, including representatives from two government funding agencies and nine philanthropic organisations.	Qualitative methods were used, with interviews triangulated against organisational documents such as grant application forms, financial statements, and performance reporting guidelines. Data were thematically analysed using NVivo.	Government and philanthropic funders are key charity stakeholders, yet we know little about their accountability information needs. This New Zealand study captures these stakeholders' perceptions of the background, financial and non-financial performance information they need from charities. It also reveals how, in addition to imposing reporting requirements, these key funders engage in 'institutional work' to ensure they receive appropriate accountability information.
Yang, Y., & Simnett, R. (2020). Financial reporting by charities: Why do some choose to report under a more extensive reporting framework?. <i>Abacus</i> , 56(3), 320-347.	The research explores factors influencing the choice of financial reporting framework by Australian charities, particularly between General Purpose Financial	The study investigates the financial reporting practices of large Australian charities with annual revenues over AUD \$1 million.	The study draws on voluntary disclosure theory and the principles outlined in Australia's Statement of Accounting Concepts (SAC) 1, focusing on the motivations behind charities' decisions to	The sample includes 11,471 large Australian charities reporting to the Australian Charities and Not-for-profits Commission (ACNC) during 2014–2016.	This is an empirical study involving manual collection of data on financial reporting frameworks from charity disclosures and multivariate	While voluntary disclosure theory posits that profit-oriented companies voluntarily disclose information to increase their market value, this does not explain why a charity would report in accordance with a more comprehensive financial reporting framework than required. Using a unique financial reporting framework choice available in Australia, our study examines factors associated with large charities' choice of a General Purpose Financial Statements (GPFS) reporting framework, which encompasses expansive financial reporting requirements, versus a Special

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	Statements (GPFS) and Special Purpose Financial Statements (SPFS) and further examines differences between GPFS-Tier 1 and GPFS-Tier 2 disclosures.		exceed minimum disclosure requirements.		logistic regression analysis to identify explanatory factors.	Purpose Financial Statements (SPFS) reporting framework, where management, within limits, effectively chooses that subset of accounting standards applicable to that charity. For those preparing GPFS, we then examine the factors that determine those charities that report in accordance with the complete set of Australian Accounting Standards (Tier 1) versus Reduced Disclosure Requirements (Tier 2). Using manually collected data from 11,471 large-registered charities for 2014–2016, we find that the economic importance of the charity, its funding sources, and level of indebtedness are significant in explaining charities choosing a more comprehensive financial reporting framework. Further, we find a substantial increase in the proportion of large charities electing to disclose GPFS-Tier 2 over this three-year window. The choice of a large audit firm (Big 4 and mid-tier audit firms) is significantly associated with charities both lodging more comprehensive GPFS and also reporting GPFS in accordance with the less onerous GPFS-Tier 2 framework. Our results provide insights into voluntary reporting choices made by charities and inform charities, accounting firms, and regulators of factors influencing charities' choice of financial reporting frameworks.
Chen, X., & Scott, T. (2025). The Cost of Auditing Service Performance Information. <i>International Journal of Auditing</i> . https://doi.org/10.1111/ijau.12379	This article investigates the financial and logistical challenges involved in auditing service performance reporting (SPR),	Australia	Audit cost theory; public sector accountability	Audit professionals and financial data from audit engagements	Empirical analysis using cost data and audit case study examples	This study examines the cost implications of auditing service performance information (SPI) in public and not-for-profit sectors, drawing on audit case studies and cost data from Australian contexts. It explores the cost drivers and organisational characteristics that influence audit effort, highlighting how the complexity of SPI contributes to variability in assurance costs. The findings

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
	focusing on how such audits impact audit cost structures and accountability processes in the not-for-profit and public sectors.					suggest that a clearer audit framework and tailored guidance are needed to reduce costs and improve audit quality and comparability.
Hsiao, P.-C. K., Low, M., & Scott, T. (2024a). Institutionalisation of sustainability performance measurement and reporting: Insights from Victoria (Australia) and New Zealand universities. <i>The British Accounting Review</i> , 101527. https://doi.org/10.1016/j.bar.2024.101527	This study examines the institutionalisation of sustainability performance measurement and reporting (SPMR) practices in higher education, exploring how universities embed sustainability metrics in response to external pressures and internal strategic priorities.	Australia and New Zealand	Institutional theory	Universities and university staff involved in reporting	Qualitative case study with document analysis and interviews	The paper explores how sustainability performance measurement and reporting (SPMR) becomes institutionalised within universities. Using comparative case studies from Victoria and New Zealand, the study applies institutional theory to explain the interplay between regulatory pressures, cultural-cognitive norms, and organisational responses. It identifies enablers such as leadership commitment and integrated reporting systems, as well as barriers including resource limitations and weak enforcement. The study contributes to understanding how universities respond to growing sustainability accountability demands.
Hsiao, P.-C. K., Low, M., & Scott, T. (2024b). Service performance reporting and principles-based authoritative guidance: an analysis of New Zealand higher education institutions. <i>Meditari Accountancy Research</i> , 32(2),	This article analyses the interpretation and implementation of principles-based service	New Zealand	New institutionalism; regulatory theory	Higher education institutions in New Zealand	Document analysis of annual reports and regulatory texts	This study investigates how New Zealand higher education institutions have responded to the introduction of principles-based SPR standards. Through content analysis of institutional annual reports and regulatory texts, it explores the degree to which reporting aligns with guidance and reveals

Citation	Area/Idea	Country Context	Theory	Sample /participants	Research Method	Abstract
pp.367-395. https://doi.org/10.1108/medar-10-2022-1825	performance reporting (SPR) standards by higher education institutions in New Zealand, with a focus on how principles-based guidance leads to both innovation and inconsistency in practice.					variation in interpretations and application. The findings show that while principles-based standards enable flexibility and innovation, they also generate inconsistency and ambiguity. The study offers practical implications for regulators seeking to balance prescriptiveness and discretion in public sector reporting frameworks.

Appendix 3 – Initial List of Not-for-profit Organisations

Australian Private Not-for-Profits

Education

1. The Smith Family
2. Australian Red Cross
3. St Vincent de Paul Society
4. Lifeline Australia
5. Berry Street
6. Youth Off The Streets
7. Mission Australia
8. OzHarvest
9. Wesley Mission
10. Australian Conservation Foundation
11. Australian Institute of Music
12. Teach For Australia
13. STEM Professionals in Schools
14. Australian Literacy and Numeracy Foundation
15. Scholarships for Australian Students
16. University of the Third Age (U3A)
17. Education and Training International
18. Youth Development Australia
19. Montessori Australia Foundation
20. Australian Science Innovations

Health

11. Cancer Council Australia
12. Beyond Blue
13. Mental Health Foundation Australia
14. Royal Flying Doctor Service
15. Kidney Health Australia
16. Cystic Fibrosis Australia
17. Heart Foundation
18. Alzheimer's Australia
19. Diabetes Australia
20. The Asthma Foundation
21. Mental Health Australia
22. The National Heart Foundation
23. SANE Australia
24. The Butterfly Foundation
25. Epilepsy Foundation of Australia
26. The Maternity Coalition
27. Prostate Cancer Foundation of Australia
28. Australian Rheumatology Association
29. Rare Voices Australia
30. Health Promotion Agency

Community Services

21. Anglicare Australia
22. Good Shepherd Australia New Zealand
23. Carers Australia
24. Foodbank Australia
25. Starlight Children's Foundation
26. Salvation Army Australia
27. Housing Trust
28. Aged & Community Services Australia
29. Samaritans
30. Australian Indigenous Education Foundation
31. Crisis Support Services
32. Community Housing Limited
33. Community Legal Centres Australia
34. Food Rescue Australia
35. The Community Services Industry Alliance
36. The Brotherhood of St Laurence
37. Inner West Community Health Service
38. Cultural and Linguistic Diversity Network
39. LGBTIQ+ Health Australia
40. No to Violence

Environment

31. World Wildlife Fund Australia (WWF)
32. BirdLife Australia
33. Landcare Australia
34. Keep Australia Beautiful
35. Clean Up Australia
36. Australian Marine Conservation Society
37. Nature Conservation Council
38. The Wilderness Society
39. Planet Ark
40. Greenpeace Australia Pacific
41. Australian Wildlife Conservancy
42. Environment Victoria
43. Australian Conservation Foundation (ACF)
44. Nature Foundation SA
45. Greening Australia
46. Australian Rainforest Conservation Society
47. Friends of the Earth Australia
48. Parks Victoria
49. Nature Play QLD
50. Ecosystem Restoration Camp

Arts and Culture

41. The Australia Council for the Arts
42. Creative Partnerships Australia
43. National Gallery of Australia
44. Melbourne Symphony Orchestra
45. Sydney Opera House Trust
46. The Australian Ballet
47. The Queensland Art Gallery
48. Australian National Maritime Museum
49. The National Museum of Australia
50. Art Gallery of New South Wales
51. The Australian Theatre for Young People
52. Australian Film Institute
53. The Australian National Opera
54. Australian Writers' Guild
55. Artlink
56. The Indigenous Literary Foundation
57. National Aboriginal and Islanders Skills Development Association (NAISDA)
58. Australian Art Orchestra
59. Artspace
60. Playwriting Australia

International Aid

51. World Vision Australia
52. Oxfam Australia
53. Caritas Australia
54. Australian Red Cross
55. Save the Children Australia
56. Compassion Australia
57. Plan International Australia
58. Act for Peace
59. Australian Volunteers International
60. Medicins Sans Frontieres (Doctors Without Borders)
61. Australian Council for International Development (ACFID)
62. International Justice Mission Australia
63. Austcare
64. Global Citizen Australia
65. Australian Humanitarian Partnership
66. ChildFund Australia
67. Friends of the Earth Australia
68. Mercy Ships Australia
69. Plan International
70. Australian Red Cross Blood Service

Sports and Recreation

61. Sport Australia
62. Australian Sports Foundation
63. Special Olympics Australia
64. Surf Life Saving Australia
65. Australian Paralympic Committee
66. Netball Australia
67. Rugby Australia
68. Football Federation Australia
69. Australian Institute of Sport
70. Cycling Australia
71. Australian Fitness Network
72. Inclusion Solutions
73. Sporting Schools
74. Sports Community
75. Community Sports Australia
76. Women in Sport Australia
77. Australian Surf Life Saving Championships
78. Aussie Hoops
79. Sports Volunteers Australia
80. Paddle Australia

Human Rights and Advocacy

71. Australian Human Rights Commission
72. Amnesty International Australia
73. The Refugee Council of Australia
74. Equality Australia
75. Human Rights Law Centre
76. ACON Health
77. Australian Council for International Development
78. Law Council of Australia
79. Australian Council of Trade Unions
80. Women's Electoral Lobby
81. Australian National Commission for UNESCO
82. Youth Activism Project
83. Women's Health Victoria
84. Australian Council for Women and Policing
85. The Disability Trust
86. The National Foundation for Australian Women
87. Centre for Multicultural Youth
88. Women's Legal Service Australia
89. Refugee and Immigration Legal Centre
90. Stop the Traffik Australia

Family and Youth

81. Barnardos Australia
82. Families Australia
83. Kids Help Line
84. Big Brothers Big Sisters Australia
85. Headspace
86. Relationships Australia
87. Save the Children
88. Youth Futures
89. Australian Child Protection Alliance
90. Bridges Health and Community Care
91. Family Relationships Australia
92. Goodstart Early Learning
93. Australian Childhood Foundation
94. The Parenting Research Centre
95. The Reach Foundation
96. Youth Action
97. The Australian Council of State School Organisations (ACSSO)
98. The Fathering Project
99. Young Women's Christian Association (YWCA) Australia
100. Raising Children Network

Disabilities

91. Disability Advocacy Network Australia
92. National Disability Services
93. Down Syndrome Australia
94. Blind Citizens Australia
95. Deaf Australia
96. Autism Spectrum Australia (Aspect)
97. Disability Sports Australia
98. Disability Resources Centre
99. Brain Injury Australia
100. Spinal Cord Injuries Australia
101. Australian Network on Disability
102. Down Syndrome NSW
103. Australian Federation of Disability Organisations
104. Disability Information Service
105. Autism Association of Western Australia
106. Disability Advocacy Network
107. Disability Support Services
108. Special Needs Planning
109. Disability Employment Services
110. Disability Sports Australia

New Zealand Private Not-for-Profits

Health

1. Cancer Society of New Zealand
2. Mental Health Foundation of New Zealand
3. Heart Foundation New Zealand
4. Alzheimer's New Zealand
5. Diabetes New Zealand
6. Hepatitis Foundation of New Zealand
7. Kidney Health New Zealand
8. Asthma and Respiratory Foundation New Zealand
9. The Stroke Foundation of New Zealand
10. Cystic Fibrosis New Zealand

Education

11. Save the Children New Zealand
12. Te Kura (The Correspondence School)
13. The Todd Foundation
14. The Wellington Region Community Trust
15. Literacy Aotearoa
16. The New Zealand Federation of Women's Institutes
17. KidsCan Charitable Trust
18. Te Puni Kōkiri
19. The New Zealand Association for Environmental Education
20. International Institute of New Zealand

Community Services

21. Volunteer Wellington
22. Youthline New Zealand
23. The Salvation Army New Zealand
24. Auckland City Mission
25. Family Works
26. Oxfam New Zealand
27. The Methodist Mission
28. The Women's Refuge
29. Community Networks Aotearoa
30. The NZ Red Cross

Environment

31. Forest and Bird
32. Sustainable Business Network
33. Environmental Defence Society
34. The New Zealand Conservation Authority
35. The NZ Marine Conservation Society
36. Pure Advantage
37. WasteMINZ
38. Wildlife Protection Association
39. EcoMatters Environment Trust

40. The Green Party of Aotearoa New Zealand

Arts and Culture

- 41. Creative New Zealand
- 42. The New Zealand Film Commission
- 43. New Zealand Music Commission
- 44. The Arts Foundation of New Zealand
- 45. The New Zealand Society of Authors
- 46. Toi Māori Aotearoa
- 47. New Zealand Theatre Federation
- 48. New Zealand International Arts Festival
- 49. The Auckland Philharmonia Orchestra
- 50. The Wellington City Gallery

International Aid

- 51. World Vision New Zealand
- 52. UNICEF New Zealand
- 53. TEAR Fund New Zealand
- 54. Habitat for Humanity New Zealand
- 55. Caritas Aotearoa New Zealand
- 56. Compassion New Zealand
- 57. Doctors Without Borders (Médecins Sans Frontières) NZ
- 58. Aid and Development Education Programme (ADEP)
- 59. Friends of the Earth New Zealand
- 60. The Peace Foundation

Human Rights and Advocacy

- 61. Human Rights Commission New Zealand
- 62. The NZ Council of Christian Social Services
- 63. The Office of Ethnic Communities
- 64. The Equal Employment Opportunities Trust
- 65. Rainbow Youth
- 66. The New Zealand Federation of Ethnic Councils
- 67. Sustainable Coastlines
- 68. Child Poverty Action Group
- 69. The New Zealand Law Foundation
- 70. Women's Refuge New Zealand

Family and Youth

- 71. Barnardos New Zealand
- 72. Parenting Place
- 73. Auckland Women's Centre
- 74. The New Zealand Child and Family Protection Society
- 75. The National Council of Women of New Zealand
- 76. Little Sprouts
- 77. The Family Centre
- 78. Kids' Health

79. Wellington Community Law
80. The Parenting Research Centre

Disabilities

81. IHC New Zealand
82. The Disability Rights Commissioner
83. CCS Disability Action
84. Deaf Aotearoa
85. Blind Foundation
86. Spinal Cord Society of New Zealand
87. Autism New Zealand
88. Disability Support Network
89. The New Zealand Federation of Disability Information Centres
90. The New Zealand Society for the Intellectually Handicapped

Miscellaneous

91. The New Zealand Endurance Sports Association
92. St John New Zealand
93. Surf Life Saving New Zealand
94. The New Zealand Blood Service
95. The Wellington Free Ambulance
96. The NZ Veterinary Association
97. The Young New Zealanders' Foundation
98. The Royal New Zealand Plunket Society
99. The NZ Institute of Architects
100. The New Zealand Society for the Prevention of Cruelty to Animals (SPCA)

UK Private Not-for-Profits

Health

1. Cancer Research UK
2. British Heart Foundation
3. Alzheimer's Society
4. Mind (Mental Health Charity)
5. Macmillan Cancer Support
6. National Society for the Prevention of Cruelty to Children (NSPCC)
7. Diabetes UK
8. The Royal British Legion
9. Oxfam
10. MS Society

Education

11. The Prince's Trust
12. Teach First
13. The Education Endowment Foundation
14. The National Literacy Trust
15. Shelter
16. Big Brothers Big Sisters UK
17. Children in Need
18. The Children's Society
19. The Royal National Institute of Blind People (RNIB)
20. Youth Sport Trust

Community Services

21. The Salvation Army
22. Age UK
23. Crisis
24. Shelter
25. St John Ambulance
26. Samaritans
27. The Trussell Trust
28. Turning Point
29. Action for Children
30. Relate

Environment

31. Greenpeace UK
32. WWF (World Wildlife Fund) UK
33. The National Trust
34. Friends of the Earth
35. The Royal Society for the Protection of Birds (RSPB)
36. The Marine Conservation Society
37. The Woodland Trust
38. Earthwatch Institute
39. The UK Centre for Ecology & Hydrology
40. Sustainable Energy Association

Arts and Culture

41. The Arts Council England
42. The British Museum
43. The National Gallery
44. English Heritage
45. The Tate
46. The Royal Academy of Arts
47. The Royal Shakespeare Company
48. The London Symphony Orchestra
49. The Royal Opera House
50. The British Film Institute

International Aid

51. World Vision UK
52. ActionAid UK
53. Save the Children UK
54. CARE International UK
55. Tearfund
56. Mercy Corps UK
57. War Child UK
58. Oxfam GB
59. Christian Aid
60. Islamic Relief UK

Human Rights and Advocacy

61. Amnesty International UK
62. Liberty (National Council for Civil Liberties)
63. The Equality Trust
64. The Human Rights Action Centre
65. Stonewall
66. The Young Women's Trust
67. The Refugee Council
68. Women's Aid Federation
69. The Fawcett Society
70. Innocence Project UK

Family and Youth

71. Barnardo's
72. The Family Action
73. Families First
74. Kids Company
75. Family Lives
76. The National Association of Toy and Leisure Libraries
77. The Princess Royal Trust for Carers
78. YoungMinds
79. The National Youth Agency
80. The Prince's Trust

Disabilities

81. Scope
82. The National Autistic Society
83. Disability Rights UK
84. Sense (for deafblind people)
85. Action on Hearing Loss
86. The Brain Injury Association
87. Mencap
88. Alzheimers Research UK
89. The Royal National Institute of Blind People (RNIB)
90. Deafblind UK

Miscellaneous

91. British Red Cross
92. UK Youth
93. The National Union of Students (NUS)
94. The Prince's Trust
95. The National Trust for Places of Historic Interest or Natural Beauty
96. The Scouts
97. Girlguiding UK
98. Rotary International in Great Britain & Ireland
99. The Open University
100. The UK's National Lottery Community Fund

Canada Private Not-for-Profits

Health

1. Canadian Cancer Society
2. Heart and Stroke Foundation of Canada
3. Alzheimer Society of Canada
4. Canadian Mental Health Association
5. Diabetes Canada
6. Kidney Foundation of Canada
7. Canadian Red Cross
8. MS Society of Canada
9. Canadian Liver Foundation
10. Hearing Foundation of Canada

Education

11. The Learning Partnership
12. Canadian Literacy and Learning Network
13. Big Brothers Big Sisters of Canada
14. Kids Help Phone
15. Indspire
16. The Institute for Canadian Citizenship
17. The Conference Board of Canada
18. The Canadian Education Association
19. The Royal Canadian Geographical Society
20. Canadian Association of University Teachers

Community Services

21. United Way Canada
22. Crisis Services Canada
23. Food Banks Canada
24. The Salvation Army Canada
25. Catholic Social Services
26. Canadian Women's Foundation
27. St. John Ambulance
28. Hope Mission

29. Canadian Red Cross
30. Covenant House

Environment

31. World Wildlife Fund Canada (WWF)
32. Environmental Defence Canada
33. The Nature Conservancy of Canada
34. The Canadian Parks and Wilderness Society
35. Clean Air Champions
36. EcoAction Community Fund
37. Canadian Environmental Law Association
38. David Suzuki Foundation
39. Green Communities Canada
40. Friends of the Earth Canada

Arts and Culture

41. Canada Council for the Arts
42. The Art Gallery of Ontario
43. The National Gallery of Canada
44. The Royal Canadian Academy of Arts
45. Canadian Museums Association
46. The Canadian Arts Coalition
47. The Toronto Symphony Orchestra
48. The Vancouver Symphony Orchestra
49. The Shaw Festival
50. The Stratford Festival

International Aid

51. World Vision Canada
52. Save the Children Canada
53. Oxfam Canada
54. Plan International Canada
55. CARE Canada
56. Developing World Connections
57. GlobalMedic
58. Humanity & Inclusion (HI) Canada
59. Canadian Feed The Children
60. Mennonite Central Committee Canada

Human Rights and Advocacy

61. Amnesty International Canada
62. Canadian Civil Liberties Association
63. The Canadian Centre for Policy Alternatives
64. The Canadian Association for Community Living
65. The Refugee Centre
66. Women's Rights Action Network Canada
67. The LGBTQ+ Community Centre

68. Black Lives Matter Canada
69. Canadian Human Rights Commission
70. The Indigenous Advocacy Centre

Family and Youth

71. Children's Aid Foundation of Canada
72. Family Service Canada
73. The Family Centre
74. Youth Canada
75. The Canadian Centre for Child Protection
76. The Children's Trust
77. Boys and Girls Clubs of Canada
78. Youth Empowerment and Support Services
79. The Prince's Trust Canada
80. The Canadian Parent Association

Disabilities

81. Canadian National Institute for the Blind (CNIB)
82. Spinal Cord Injury Canada
83. Canadian Association for the Deaf
84. Down Syndrome Association of Canada
85. Autism Canada
86. The Canadian Hard of Hearing Association
87. Disability Alliance British Columbia
88. The Inclusive Design Research Centre
89. The Ontario Federation for Cerebral Palsy
90. Canadian Down Syndrome Society

Miscellaneous

91. The Canadian Chamber of Commerce
92. The Canadian Club
93. The Ontario Nonprofit Network
94. Imagine Canada
95. The Volunteer Canada
96. The Canadian Environmental Grantmakers Network
97. The Canadian Fundraising and Philanthropy Network
98. The Canadian Social Enterprise Network
99. The Canadian Public Relations Society
100. The Canadian Association of Fundraising Professionals

US Private Not-for-Profits

Health

1. American Red Cross
2. American Cancer Society
3. Alzheimer's Association
4. National Alliance on Mental Illness (NAMI)

5. American Heart Association
6. Diabetes Association
7. Multiple Sclerosis Society
8. National Stroke Association
9. Cystic Fibrosis Foundation
10. Susan G. Komen for the Cure

Education

11. Teach For America
12. Khan Academy
13. The United Negro College Fund (UNCF)
14. Boys & Girls Clubs of America
15. The College Board
16. National Education Association (NEA)
17. The Education Trust
18. Reading Is Fundamental
19. The Carnegie Corporation
20. DonorsChoose.org

Community Services

21. United Way
22. Crisis Text Line
23. Goodwill Industries International
24. Habitat for Humanity
25. The Salvation Army
26. Meals on Wheels
27. The National Urban League
28. Feeding America
29. YWCA USA
30. Local Initiatives Support Corporation (LISC)

Environment

31. World Wildlife Fund (WWF)
32. The Nature Conservancy
33. Sierra Club
34. Environmental Defense Fund
35. National Audubon Society
36. Earthjustice
37. Friends of the Earth
38. Natural Resources Defense Council (NRDC)
39. Clean Water Action
40. Greenpeace USA

Arts and Culture

41. The National Endowment for the Arts (NEA)
42. American Museum of Natural History
43. The Smithsonian Institution

44. The Getty Trust
45. The National Gallery of Art
46. The American Red Cross of the Arts
47. The Academy of Motion Picture Arts and Sciences
48. The Metropolitan Museum of Art
49. The American Film Institute
50. The National Performing Arts Center

International Aid

51. Doctors Without Borders (Médecins Sans Frontières)
52. Oxfam America
53. Save the Children
54. CARE USA
55. World Vision USA
56. Heifer International
57. GlobalGiving
58. Mercy Corps
59. International Rescue Committee (IRC)
60. Partners In Health

Human Rights and Advocacy

61. American Civil Liberties Union (ACLU)
62. Human Rights Campaign
63. Southern Poverty Law Center
64. Equality Federation
65. The Leadership Conference on Civil and Human Rights
66. Amnesty International USA
67. The Trevor Project
68. ACLU Foundation
69. Lambda Legal
70. Women's Rights Project

Family and Youth

71. Children's Defense Fund
72. Big Brothers Big Sisters of America
73. National Parent Teacher Association (PTA)
74. Family Promise
75. Child Welfare League of America
76. The National Runaway Safeline
77. Boys Town
78. The Family Institute
79. The Youth Project
80. The Children's Home Society

Disabilities

81. National Organization on Disability
82. American Association of People with Disabilities

83. The Arc
84. Autism Speaks
85. National Federation of the Blind
86. Disability Rights Advocates
87. National Down Syndrome Society
88. Epilepsy Foundation
89. The National Association of the Deaf
90. Special Olympics

Miscellaneous

91. The American Legion
92. The National Council of Nonprofits
93. The American Heart Association
94. The United Nations Association of the USA
95. The National Council on Aging
96. Volunteers of America
97. The National Network for Youth
98. National Council for Behavioral Health
99. The National Association of Social Workers
100. The National Center for Learning Disabilities

South Africa Private Not-for-Profits

Health

1. South African Red Cross Society
2. Cancer Association of South Africa (CANSA)
3. Mental Health Federation of South Africa
4. Heart and Stroke Foundation South Africa
5. Diabetes South Africa
6. The AIDS Foundation of South Africa
7. South African Medical Research Council
8. HIVSA
9. The Rotary Health Foundation
10. Childhood Cancer Foundation South Africa (CHOC)

Education

11. The Department of Basic Education (DBE)
12. The South African Institute of Race Relations (SAIRR)
13. Read to Rise
14. Teach South Africa
15. The Ubuntu Education Fund
16. The National Education Collaboration Trust (NECT)
17. The Kagiso Trust
18. The South African College of Applied Psychology (SACAP)
19. The African Leadership Academy
20. The Mandela Institute for Development Studies

Community Services

21. United Nations Children's Fund (UNICEF) South Africa
22. The Nelson Mandela Foundation
23. Community Chest of the Western Cape
24. Gift of the Givers
25. South African Social Security Agency (SASSA)
26. Operation Smile South Africa
27. The Salvation Army South Africa
28. The Society of St. Vincent de Paul South Africa
29. The National Lotteries Commission (NLC)
30. The Siyakha Trust

Environment

31. WWF South Africa
32. Greenpeace Africa
33. The South African National Biodiversity Institute (SANBI)
34. Environmental Monitoring Group (EMG)
35. The Wildlife and Environment Society of South Africa (WESSA)
36. The Endangered Wildlife Trust
37. The South African Institute for Environmental Affairs
38. GroundWork
39. Earthlife Africa
40. The South African Bird Atlas Project

Arts and Culture

41. The South African National Arts Council
42. The Market Theatre Foundation
43. The South African Museum
44. The National Gallery of South Africa
45. The Cape Town Opera
46. The Arts & Culture Trust
47. The Soweto Theatre
48. The Johannesburg Art Gallery
49. The Baxter Theatre Centre
50. The South African Film and Television Awards (SAFTAs)

International Aid

51. Doctors Without Borders (Médecins Sans Frontières)
52. Oxfam South Africa
53. World Vision South Africa
54. CARE South Africa

55. The International Federation of Red Cross and Red Crescent Societies
56. ActionAid South Africa
57. Plan International South Africa
58. Save the Children South Africa
59. World Wildlife Fund (WWF) South Africa
60. Christian Aid South Africa

Human Rights and Advocacy

61. Human Rights Watch South Africa
62. Amnesty International South Africa
63. The South African Human Rights Commission
64. Equal Education
65. The Black Sash
66. Gender Links
67. Women's Legal Centre
68. The Legal Resources Centre
69. The South African Gender Based Violence and Femicide Response Fund
70. The South African LGBTQIA+ Alliance

Family and Youth

71. Child Welfare South Africa
72. The South African Society of Psychiatrists (SASOP)
73. Boys and Girls Clubs of South Africa
74. Teddy Bear Clinic
75. The National Association of Child Care Workers (NACCW)
76. The Children's Hospital Trust
77. The Parent Centre
78. Youth Development Trust
79. StreetSmart South Africa
80. The National Youth Development Agency (NYDA)

Disabilities

81. Disabled People South Africa (DPSA)
82. The National Council for Persons with Physical Disabilities in South Africa (NCPDPSA)
83. Autism South Africa
84. The South African Federation for Mental Health
85. The South African Disability Alliance
86. Blind South Africa
87. The National Institute for the Deaf
88. The Spina Bifida and Hydrocephalus Association of South Africa
89. The South African Disability Rights Movement
90. DeafSA

Miscellaneous

91. The South African National Parks (SANParks)
92. The Nelson Mandela Children's Fund

93. The Foundation for Professional Development
94. The South African Nonprofit Organisation Coalition (SANPOC)
95. The Community Development Resource Association
96. The South African Institute of Fundraising (SAIF)
97. The Johannesburg Development Agency
98. The South African Institute for Aquatic Biodiversity
99. The South African Biodiversity Institute
100. The National Council of Societies for the Prevention of Cruelty to Animals (NSPCA)

Appendix 4 – Finalised List of Not-for-profit Organisations

Australian Private Not-for-Profits

	Name of NFP	Category
1	The Smith Family	Education
2	Australian Red Cross	Education
3	St Vincent de Paul Society	Education
4	Lifeline Australia	Education
5	Mission Australia	Education
6	OzHarvest	Education
7	Australian Conservation Foundation	Education
8	Cancer Council Australia	Health
9	Beyond Blue	Health
10	Mental Health Foundation Australia	Health
11	Royal Flying Doctor Service	Health
12	Kidney Health Australia	Health
13	Cystic Fibrosis Australia	Health
14	Heart Foundation	Health
15	Alzheimer's Australia	Health
16	Diabetes Australia	Health
17	Anglicare Australia	Community Services
18	Starlight Children's Foundation	Community Services
19	Salvation Army Australia	Community Services
20	Samaritans	Community Services
21	Australian Indigenous Education Foundation	Community Services

	Name of NFP	Category
22	World Wildlife Fund Australia (WWF)	Environment
23	BirdLife Australia	Environment
24	Australian Marine Conservation Society	Environment
25	Greenpeace Australia Pacific	Environment
26	The Australia Council for the Arts	Arts and Culture
27	Creative Partnerships Australia	Arts and Culture
28	National Gallery of Australia	Arts and Culture
29	Melbourne Symphony Orchestra	Arts and Culture
30	Sydney Opera House Trust	Arts and Culture
31	The Australian Ballet	Arts and Culture
32	The Queensland Art Gallery	Arts and Culture
33	Australian National Maritime Museum	Arts and Culture
34	The National Museum of Australia	Arts and Culture
35	Art Gallery of New South Wales	Arts and Culture
36	World Vision Australia	International Aid
37	Oxfam Australia	International Aid
38	Caritas Australia	International Aid
39	Australian Red Cross	International Aid
40	Save the Children Australia	International Aid
41	Compassion Australia	International Aid
42	Plan International Australia	International Aid
43	Act for Peace	International Aid
44	Australian Volunteers International	International Aid

	Name of NFP	Category
45	Medicins Sans Frontieres (Doctors Without Borders)	International Aid
46	Australian Sports Foundation	Sports and Recreation
47	Surf Life Saving Australia	Sports and Recreation
48	Australian Paralympic Committee	Sports and Recreation
49	Netball Australia	Sports and Recreation
50	Rugby Australia	Sports and Recreation
51	Football Federation Australia	Sports and Recreation
52	Australian Institute of Sport	Sports and Recreation
53	Australian Human Rights Commission	Human Rights and Advocacy
54	The Refugee Council of Australia	Human Rights and Advocacy
55	Human Rights Law Centre	Human Rights and Advocacy
56	ACON Health	Human Rights and Advocacy
57	Barnardos Australia	Family and Youth
58	Families Australia	Family and Youth
59	Kids Help Line	Family and Youth
60	Headspace	Family and Youth
61	Bridges Health and Community Care	Family and Youth
62	National Disability Services	Disabilities
63	Down Syndrome Australia	Disabilities
64	Blind Citizens Australia	Disabilities
65	Autism Spectrum Australia (Aspect)	Disabilities
66	Disability Sports Australia	Disabilities
67	Disability Resources Centre	Disabilities

	Name of NFP	Category
68	Spinal Cord Injuries Australia	Disabilities
69	STEM Professionals in Schools	Education
70	Mental Health Australia	Health
71	The National Heart Foundation	Health
72	The Butterfly Foundation	Health
73	Rare Voices Australia	Health
74	Community Housing Limited	Community Services
75	The Brotherhood of St Laurence	Community Services
76	Cultural and Linguistic Diversity Network	Community Services
77	LGBTIQ+ Health Australia	Community Services
78	No to Violence	Community Services
79	Australian Wildlife Conservancy	Environment
80	Environment Victoria	Environment
81	Australian Conservation Foundation (ACF)	Environment
82	Friends of the Earth Australia	Environment
83	Parks Victoria	Environment
84	The Australian Theatre for Young People	Arts and Culture
85	The Australian National Opera	Arts and Culture
86	National Aboriginal and Islanders Skills Development Association (NAISDA)	Arts and Culture
87	Australian Council for International Development (ACFID)	International Aid
88	International Justice Mission Australia	International Aid
89	ChildFund Australia	International Aid
90	Mercy Ships Australia	International Aid

	Name of NFP	Category
91	Plan International	International Aid
92	Australian Red Cross Blood Service	International Aid
93	Community Sports Australia	Sports and Recreation
94	Australian Surf Life Saving Championships	Sports and Recreation
95	Women's Health Victoria	Human Rights and Advocacy
96	Goodstart Early Learning	Family and Youth
97	Australian Childhood Foundation	Family and Youth
98	Youth Action	Family and Youth
99	The Fathering Project	Family and Youth
100	Australian Network on Disability	Disabilities
101	Australian Federation of Disability Organisations	Disabilities
102	Disability Sports Australia	Disabilities

New Zealand Private Not-for-Profits

	Name of NFP	Category
1	Cancer Society of New Zealand	Health
2	The Stroke Foundation of New Zealand	Health
3	Cystic Fibrosis New Zealand	Health
4	Save the Children New Zealand	Education
5	KidsCan Charitable Trust	Education
6	Te Puni Kōkiri	Education
7	The New Zealand Association for Environmental Education	Education
8	Volunteer Wellington	Community Services

	Name of NFP	Category
9	The Salvation Army New Zealand	Community Services
10	Family Works	Community Services
11	The Women's Refuge	Community Services
12	Forest and Bird	Environment
13	Sustainable Business Network	Environment
14	The New Zealand Conservation Authority	Environment
15	Creative New Zealand	Arts and Culture
16	The New Zealand Film Commission	Arts and Culture
17	New Zealand Music Commission	Arts and Culture
18	Toi Māori Aotearoa	Arts and Culture
19	The Auckland Philharmonia Orchestra	Arts and Culture
20	The Wellington City Gallery	Arts and Culture
21	World Vision New Zealand	International Aid
22	UNICEF New Zealand	International Aid
23	TEAR Fund New Zealand	International Aid
24	Caritas Aotearoa New Zealand	International Aid
25	Doctors Without Borders (Médecins Sans Frontières) NZ	International Aid
26	Friends of the Earth New Zealand	International Aid
27	Human Rights Commission New Zealand	Human Rights and Advocacy
28	The Office of Ethnic Communities	Human Rights and Advocacy
29	Rainbow Youth	Human Rights and Advocacy
30	The New Zealand Federation of Ethnic Councils	Human Rights and Advocacy
31	Sustainable Coastlines	Human Rights and Advocacy

	Name of NFP	Category
32	Child Poverty Action Group	Human Rights and Advocacy
33	Women's Refuge New Zealand	Human Rights and Advocacy
34	Barnardos New Zealand	Family and Youth
35	Auckland Women's Centre	Family and Youth
36	The Disability Rights Commissioner	Disabilities
37	Deaf Aotearoa	Disabilities
38	St John New Zealand	Miscellaneous
39	The New Zealand Blood Service	Miscellaneous
40	The Wellington Free Ambulance	Miscellaneous
41	The NZ Veterinary Association	Miscellaneous
42	The Royal New Zealand Plunket Society	Miscellaneous
43	The New Zealand Society for the Prevention of Cruelty to Animals (SPCA)	Miscellaneous

UK Private Not-for-Profits

	Name of NFP	Category
1	Cancer Research UK	Health
2	British Heart Foundation	Health
3	Alzheimer's Society	Health
4	Macmillan Cancer Support	Health
5	Diabetes UK	Health
6	The Royal British Legion	Health
7	Oxfam	Health
8	MS Society	Health

	Name of NFP	Category
9	The Prince's Trust	Education
10	Teach First	Education
11	The Education Endowment Foundation	Education
12	Shelter	Education
13	Children in Need	Education
14	The Royal National Institute of Blind People (RNIB)	Education
15	The Salvation Army	Community Services
16	Age UK	Community Services
17	Crisis	Community Services
18	St John Ambulance	Community Services
19	Samaritans	Community Services
20	The Trussell Trust	Community Services
21	Action for Children	Community Services
22	Greenpeace UK	Environment
23	WWF (World Wildlife Fund) UK	Environment
24	Friends of the Earth	Environment
25	The Royal Society for the Protection of Birds (RSPB)	Environment
26	The Marine Conservation Society	Environment
27	Earthwatch Institute	Environment
28	The Arts Council England	Arts and Culture
29	The British Museum	Arts and Culture
30	English Heritage	Arts and Culture
31	The Royal Academy of Arts	Arts and Culture

	Name of NFP	Category
32	The Royal Shakespeare Company	Arts and Culture
33	The London Symphony Orchestra	Arts and Culture
34	The Royal Opera House	Arts and Culture
35	The British Film Institute	Arts and Culture
36	World Vision UK	International Aid
37	Tearfund	International Aid
38	Mercy Corps UK	International Aid
39	War Child UK	International Aid
40	Oxfam GB	International Aid
41	Islamic Relief UK	International Aid
42	The Equality Trust	Human Rights and Advocacy
43	Stonewall	Human Rights and Advocacy
44	The Young Women's Trust	Human Rights and Advocacy
45	The Refugee Council	Human Rights and Advocacy
46	The Fawcett Society	Human Rights and Advocacy
47	The Family Action	Family and Youth
48	Family Lives	Family and Youth
49	YoungMinds	Family and Youth
50	The National Youth Agency	Family and Youth
51	The Prince's Trust	Family and Youth
52	The National Autistic Society	Disabilities
53	Disability Rights UK	Disabilities
54	Sense (for deafblind people)	Disabilities

	Name of NFP	Category
55	Mencap	Disabilities
56	Alzheimers Research UK	Disabilities
57	The Royal National Institute of Blind People (RNIB)	Disabilities
58	British Red Cross	Miscellaneous
59	UK Youth	Miscellaneous
60	The Prince's Trust	Miscellaneous
61	Girlguiding UK	Miscellaneous
62	The UK's National Lottery Community Fund	Miscellaneous

Canada Private Not-for-Profits

	Name of NFP	Category
1	Alzheimer Society of Canada	Health
2	Canadian Mental Health Association	Health
3	Diabetes Canada	Health
4	Kidney Foundation of Canada	Health
5	Canadian Red Cross	Health
6	MS Society of Canada	Health
7	Canadian Liver Foundation	Health
8	Hearing Foundation of Canada	Health
9	Big Brothers Big Sisters of Canada	Education
10	Kids Help Phone	Education
11	Indspire	Education
12	The Institute for Canadian Citizenship	Education
13	The Canadian Education Association	Education

	Name of NFP	Category
14	The Royal Canadian Geographical Society	Education
15	Canadian Association of University Teachers	Education
16	United Way Canada	Community Services
17	Food Banks Canada	Community Services
18	The Salvation Army Canada	Community Services
19	Catholic Social Services	Community Services
20	Canadian Women's Foundation	Community Services
21	Hope Mission	Community Services
22	Canadian Red Cross	Community Services
23	Covenant House	Community Services
24	World Wildlife Fund Canada (WWF)	Environment
25	Environmental Defence Canada	Environment
26	The Nature Conservancy of Canada	Environment
27	The Canadian Parks and Wilderness Society	Environment
28	Canadian Environmental Law Association	Environment
29	David Suzuki Foundation	Environment
30	Green Communities Canada	Environment
31	Canada Council for the Arts	Arts and Culture
32	The Art Gallery of Ontario	Arts and Culture
33	The National Gallery of Canada	Arts and Culture
34	World Vision Canada	International Aid
35	Save the Children Canada	International Aid
36	Oxfam Canada	International Aid

	Name of NFP	Category
37	Plan International Canada	International Aid
38	CARE Canada	International Aid
39	Developing World Connections	International Aid
40	GlobalMedic	International Aid
41	Humanity & Inclusion (HI) Canada	International Aid
42	Canadian Feed The Children	International Aid
43	Canadian Civil Liberties Association	Human Rights and Advocacy
44	The Canadian Association for Community Living	Human Rights and Advocacy
45	Family Service Canada	Family and Youth
46	The Family Centre	Family and Youth
47	The Children's Trust	Family and Youth
48	Youth Empowerment and Support Services	Family and Youth
49	Imagine Canada	Miscellaneous
50	The Volunteer Canada	Miscellaneous
51	The Canadian Fundraising and Philanthropy Network	Miscellaneous

US Private Not-for-Profits

	Name of NFP	Category
1	American Red Cross	Health
2	Alzheimer's Association	Health
3	National Alliance on Mental Illness (NAMI)	Health
4	Multiple Sclerosis Society	Health
5	Cystic Fibrosis Foundation	Health

	Name of NFP	Category
6	Susan G. Komen for the Cure	Health
7	Boys & Girls Clubs of America	Education
8	Reading Is Fundamental	Education
9	The Carnegie Corporation	Education
10	Habitat for Humanity	Community Services
11	The Salvation Army	Community Services
12	Meals on Wheels	Community Services
13	Local Initiatives Support Corporation (LISC)	Community Services
14	World Wildlife Fund (WWF)	Environment
15	The Nature Conservancy	Environment
16	Environmental Defense Fund	Environment
17	National Audubon Society	Environment
18	Friends of the Earth	Environment
19	Natural Resources Defense Council (NRDC)	Environment
20	The National Performing Arts Center	Arts and Culture
21	Doctors Without Borders (Médecins Sans Frontières)	International Aid
22	Oxfam America	International Aid
23	CARE USA	International Aid
24	Heifer International	International Aid
25	Mercy Corps	International Aid
26	Partners In Health	International Aid
27	American Civil Liberties Union (ACLU)	Human Rights and Advocacy
28	Human Rights Campaign	Human Rights and Advocacy

	Name of NFP	Category
29	Amnesty International USA	Human Rights and Advocacy
30	ACLU Foundation	Human Rights and Advocacy
31	The Arc	Disabilities
32	National Down Syndrome Society	Disabilities
33	The National Council on Aging	Miscellaneous

South Africa Private Not-for-Profits

	Name of NFP	Category
1	Cancer Association of South Africa (CANSA)	Health
2	Mental Health Federation of South Africa	Health
3	Heart and Stroke Foundation South Africa	Health
4	Diabetes South Africa	Health
5	The AIDS Foundation of South Africa	Health
6	South African Medical Research Council	Health
7	Childhood Cancer Foundation South Africa (CHOC)	Health
8	The Department of Basic Education (DBE)	Education
9	The South African Institute of Race Relations (SAIRR)	Education
10	The National Education Collaboration Trust (NECT)	Education
11	The Kagiso Trust	Education
12	The African Leadership Academy	Education
13	The Nelson Mandela Foundation	Community Services
14	The Salvation Army South Africa	Community Services
15	WWF South Africa	Environment

	Name of NFP	Category
16	Greenpeace Africa	Environment
17	The South African National Biodiversity Institute (SANBI)	Environment
18	The Endangered Wildlife Trust	Environment

Appendix 5 – Survey Instrument

Performance reporting is a way for an organisation to show what it's doing and how well it's doing it. It includes two key parts:

1. **Outputs:** These are the specific things the organisation does, like services or programs it runs. It's about what they produce or deliver.
2. **Outcomes:** These are the bigger goals the organisation wants to achieve, based on its mission. It's about the difference or impact the organisation hopes to make.

So, performance reporting is about both **what** the organisation is doing and **how well** it's achieving its goals.

1. Please enter your email address.

"Your email will be used only for focus group scheduling and will be kept confidential."

2. Which of the following best describes your role?

- Regulator
- Peak Body Representative
- Preparer of financial statements
- Auditor
- Individual donor
- Media
- Professional Accounting Body Representative

3. What is your role within your regulatory body?

- Policy & Standards Development
- Compliance & Enforcement
- Other

4. How long have you been involved in regulating not-for-profit and/or charitable organisations?

- Less than 1 year
- 1-3 years
- 4-6 years
- 7-10 years
- More than 10 years

5. What type of regulatory body do you represent?

- National
- State/Territory
- Local Government
- Other

6. What level of involvement does your organisation have in non-financial reporting?

- High
- Moderate
- Low
- None

7. Which peak body do you represent?
 - ACOSS
 - Philanthropy Australia
 - ACFID
 - AICD
 - Other
8. What role does your organisation play in nonprofit reporting and governance?
 - Advocacy
 - Policy
 - Best Practices
 - Accounting Standards
 - Governance
 - Other
9. How long have you been working with nonprofit organisations?
 - Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
10. What role should peak bodies play in shaping service performance reporting?
11. As a peak body representative, how do you use service performance reporting in your role with nonprofit organisations?
12. What is your role in assurance?
 - External Auditor
 - Internal Auditor
 - Compliance Auditor
 - Other
13. What type of assurance services to you provide?
 - Financial audit
 - Compliance results
 - Performance audits
 - Other
14. Have you previously assured service performance reporting disclosures?
 - Yes
 - No
15. How long have you been assuring nonprofit organisations (including charities)?
 - Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
16. Do you believe that service performance reporting information should be assured?
 - Yes
 - No
 - Maybe

17. If service performance reporting information is assured, what level of assurance should be required?
- Full audit
 - Limited review
 - Agreed-upon procedures
 - No assurance needed
 - Other
18. What factors most influence the assurance of service performance disclosures?
- Quality of data
 - Internal controls of nonprofit organisations
 - Standards or guidelines available for assurance
 - Regulatory requirements
 - Other
19. How would the auditing profession need to adapt to provide meaningful assurance over service performance reporting? *
- Update assurance standards to include service performance reporting
 - Improve training for auditors on service performance reporting
 - Increase regulatory oversight
 - No adaption needed
 - Other
20. What is your role in financial reporting?
- CFO/Finance Director
 - Financial Accountant
 - Management Accountant
 - Consultant
 - Other
21. What type(s) of nonprofit organisations do you prepare financial statements for?
- Small nonprofit organisation (Annual revenue under \$500, 000).
 - Medium nonprofit organisation (Annual revenue of \$500, 000 or more, but under \$3 million).
 - Large nonprofit organisation (Annual revenue of \$3 million or more).
22. How long have you been preparing financial statements for nonprofit organisations?
- Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years
23. Are you currently involved in preparing service performance disclosures?
- Yes
 - No
 - Maybe
24. Where do you **include** service performance disclosures?
- Within financial statements
 - Separate from financial statements
 - Both

25. What challenges do you encounter in preparing service performance disclosures?
- Data collection and measurement difficulties
 - Cost of preparation
 - Lack of guidance/ standardised metrics
 - Integration with financial reports
 - Other
26. In your opinion, how do regulators wish to use service performance information?
27. What regulatory challenges do you anticipate in implementing service performance reporting?
28. What is your age group?
- 18-25
 - 26-35
 - 36-45
 - 46-55
 - 56+
29. What is your primary reason for supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Personal connection to cause
 - Tax benefits
 - Social responsibility
 - Other
30. How frequently do you support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Monthly
 - Every few months
 - Annually
 - Less than once a year
31. Do you review financial before or after supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Always
 - Sometimes
 - Rarely
 - Never
32. Do you review service performance information before or after supporting nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Always
 - Sometimes
 - Rarely
 - Never
33. What type of information is most important to you when deciding to support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
- Financial efficiency (use of funds)
 - Impact and outcomes of programs
 - Transparency and governance
 - Other

34. What sources of information do you do consider important when evaluating the performance of nonprofit organisations (including charities) before support then with resources (financial, in-kind, time, etc.)?
- Nonprofit's own reports
 - Word of Mouth
 - Media Coverage
 - Independent ratings/reviews
 - Other
35. Do you use service performance disclosure to inform your decision(s) to support nonprofit organisations (including charities) with resources (financial, in-kind, time, etc.)?
36. Do you feel you have power in accessing or requesting information that is most relevant/ important to their decision making?
37. In the absence of this information, what do you do about it?
38. What type of media organisation do you work for?
- Newspaper
 - Television
 - Online News Platform
 - Social media/ blogging
 - Other
39. How frequently do you report on not-for-profit organisations (including charities) financial or service performance?
- Regularly (at least once a month)
 - Occasionally (a few times a year)
 - Rarely
 - Never
40. Which accounting body do you represent?
- CAANZ
 - CPA
 - Other
41. What is your role within the organisation?
- Standard-setting
 - Accounting
 - Auditor
 - Ethics
 - Policy and Research
 - Member Training/Education
 - Other
42. How long have you been involved in nonprofit reporting?
- Less than 1 year
 - 1-3 years
 - 4-6 years
 - 7-10 years
 - More than 10 years

Appendix 6 – Focus Group Participant Information Sheet

Participant Information Sheet – Service Performance Reporting & Connectivity between financial and non-financial disclosures.

Project Title: Service Performance Reporting & Connectivity between financial and non-financial disclosures. (H16570)

Project Summary:

You are invited to participate in a research project led by Dr. Ushi Ghoorah and a team of 10 academics from various universities, which examines service performance reporting and the connectivity between financial and non-financial information. The aim is to enhance transparency and accountability in nonprofit organisations. The project is funded by the Australian Accounting Standards Board (AASB).

How is the study being paid for?

The study is being funded by the Australian Accounting Standards Board (AASB). This funding supports the research on service performance reporting and the connectivity between financial and non-financial information in nonprofit organisations.

What will I be asked to do?

As a participant in this study, you will be asked to take part in an online interview, conducted via Zoom or Teams, which will last approximately 45 to 60 minutes. During the interview, you will be asked questions about service performance reporting in nonprofit organisations, focusing on the connection between financial and non-financial information. Your responses will help us better understand the challenges and opportunities in nonprofit reporting. Participation is voluntary, and you can withdraw at any time without any consequences.

How much of my time will I need to give?

Approximately 45 – 60 minutes.

What benefits will I, and/or the broader community, receive for participating?

While there are no direct personal benefits for participating in this study, your involvement will contribute to important research aimed at improving service performance reporting in nonprofit organisations. The insights gained from the interviews will help enhance the transparency and accountability of nonprofit reporting practices, which could lead to more effective decision making and stronger trust between nonprofits and their stakeholders. This research may also inform policy changes and better regulatory frameworks that benefit the broader nonprofit sector and the communities they serve.

Will the study involve any risk or discomfort for me? If so, what will be done to rectify it?

There are no anticipated risks in participating in this research, aside from the minor inconvenience of taking time out of your day for the focus group. The study is designed to minimise any risks or discomfort to participants. The focus group discussion will centre on service performance reporting in nonprofit organisations and should not involve any sensitive or distressing topics. However, if at any point you feel uncomfortable or prefer not to answer a question, you are free to skip that question or withdraw from the focus group entirely without any consequences. Additionally, all responses will be kept confidential, and your participation is voluntary. If you experience any discomfort during the discussion, you may take a break or leave the session at any time. The research team is committed to ensuring a respectful and supportive environment for all participants.

How do you intend to publish or disseminate the results?

Only Dr. Ushi Ghoorah will have access to the identities of those participating in the focus group. All research team members will access the data in a de-identified format to maintain confidentiality. The de-identification process will involve removing all personally identifiable information, such as names and contact details, and replacing them with unique codes. Any references that could indirectly identify participants will also be reviewed and anonymised to ensure privacy.

The results of the study will be disseminated through a combination of industry forums, a summary document emailed to those who have expressed interest, and publication on the University's website. This approach ensures that both academic and professional audiences, as well as nonprofit organisations and regulatory bodies, have access to key insights that can inform policy and practice in service performance reporting. All data will be securely stored on a locked OneDrive account, with access restricted to Dr. Ushi Ghoorah. Research team members will only access de-identified data to ensure participant confidentiality.

Will the data and information that I have provided be disposed of?

Dr. Ushi Ghoorah will have access to data about the focus group's identity. The research team will only have access to de-identified data. The data may be used in other related projects for an extended period of time. Once transcribed, the audio record of the focus group will be deleted, with only the anonymised transcription stored for five years to support future academic research and publications. To the best of our ability, your comments in the focus group transcript will be attributed using a pseudonym, which will be known only to you and Dr. Ushi Ghoorah. This ensures confidentiality while allowing for accurate representation of your contributions. If you choose to review the transcript, you will have the opportunity to verify your responses and request any necessary clarifications before the final analysis. This process helps maintain accuracy and ensures your insights are appropriately reflected in the research.

Can I withdraw from the study?

Participation is entirely voluntary, and you are not obliged to be involved. If you do participate you can withdraw at any time without giving reason by expressing this to the researcher. If you do choose to withdraw any information that you have provided will be permanently deleted from the research study.

What if I require further information?

Please contact Dr. Ushi Ghoorah should you wish to discuss the research further before deciding whether to participate.

Dr. Ushi Ghoorah

Lecturer, Accounting

Western Sydney University

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Email: ushi.gh@westernsydney.edu.au

Privacy Notice

Western Sydney University staff and students conduct research that may require the collection of personal and/or health information from research participants.

The University's Privacy Policy and Privacy Management Plan set out how the University collects, holds, uses and discloses personal or health information. Further details about the use and disclosure of this information can be found on the [Privacy at Western Sydney webpage](#).

What if I have a complaint?

If you have any complaints or reservations about the ethical conduct of this research, you may email the Ethics Committee through Research Services: humanethics@westernsydney.edu.au.

Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome. If you agree to participate in this study, you may be asked to sign the Participant Consent Form. The information sheet is for you to keep, and the consent form is retained by the researcher/s. This study has been approved by the Western Sydney University Human Research Ethics Committee. The Approval number is H 16570.

Explanation of Consent

What will happen to my information if I agree to it being used in other projects?

Thank you for considering being a participant in a university research project. The researchers are asking that you agree to supply your information (data) for use in this project and to also agree to allow the data to potentially be used in future research projects. This request is in line with current University and government policy that encourages the re-use of data once it has been collected. Collecting information for research can be an inconvenience or burden for participants and has significant costs associated with it. Sharing your data with other researchers gives potential for others to reflect on the data and its findings, to re-use it with new insight, and increase understanding in this research area. You have been asked to agree to extended consent.

What does this mean?

When you agree to extended consent, it means that you agree that your data, as part of a larger dataset (the information collected for this project) can be re-used in projects that are

- an extension of this project
- closely related to this project
- in the same general area of this research.

The researchers will allow this data to be used by the chief investigator for additional publications. To enable this re-use, your data will be held at the University in its data repository and managed under a Data Management Plan. The stored data available for re-use will not have information in it that makes you identifiable. The re-use of the data will only be allowed after an ethics committee has agreed that the new use of the data meets the requirements of ethics review. The researchers want to keep the data for 5 years for possible re-use. After this time the data will be securely destroyed.

You are welcome to discuss these issues further with the researchers before deciding if you agree. You can also find more information about the re-use of data in research in the National Statement on Ethical Conduct in Human Research – see Sections 2.2.14 - 2.2.18.

<https://www.nhmrc.gov.au/about-us/publications/national-statement-ethical-conduct-human-research-2007-updated-2018>

Appendix 7 – Focus Group Questions

1. What is the first thing that comes to mind when you consider service performance information?
2. Do service performance reporting matter for nonprofit accountability?
3. Who do you think are the primary users of service performance information?
 - ☐ Donors
 - ☐ Regulators
 - ☐ Nonprofit boards
 - ☐ The public
 - ☐ Other

4. How should SPR disclosures be presented to best serve user needs?

Do you think not-for-profit entities should be required (i.e., mandated) to report consistent and comparable service performance information in the annual reports? Why/ why not?

- a. Do you believe that the requirements for providing Service Performance Reporting (SPR) information should vary based on the size of the entity? Specifically, should smaller entities be subject to less stringent reporting requirements compared to larger entities?
5. How should performance disclosures be provided?
 - ☐ Within financial statements
 - ☐ Separate from financial statements
 - ☐ Combination of both
 - ☐ No opinion (*Note: Are service performance reporting and financial reporting distinct?*)
6. What are your views on whether service performance information provides additional context for evaluating financial data or the overall performance of the entity (i.e., connectivity)?
7. How important is the link between service performance information and financial disclosures for decision-making?
8. What factors influence the link between financial and non-financial disclosures?
9. What challenges might preparers / auditors face in integrating financial and non-financial disclosures?
10. What type of decision would service performance reporting assist with?
 - ☐ Resource Allocation
 - ☐ Budgeting and Strategic Planning
 - ☐ Accountability and Reporting
 - ☐ Stakeholder Engagement and Communication
 - ☐ Other (please specify): _____
11. What are considered best practices in terms of service performance disclosures?
 - a. How does SPR reporting work in other jurisdictions (e.g., NZ, UK)?
 - b. What lessons can be learned from these jurisdictions (e.g., the NZ experience)?
12. What accounting, presentation or calculation issues do you foresee impacting the process of service performance reporting?
13. Considering the long-term implications, how do you perceive the balance between the value generated by SPR information and the resources required to produce it? (i.e., benefits outweigh costs or vice versa)

Appendix 8 – Email Requesting Participation

Dear «First_Name»

You are warmly invited to participate in a research focus group that is part of a national study funded by the Australian Accounting Standards Board (AASB).

The research, led by Dr. Ushi Ghoorah and a team of academics, seeks to understand whether it is worthwhile, and how best, to introduce service performance reporting in Australia, including the connection between financial and non-financial disclosures in nonprofit reporting. Focus group sessions will be held online (via Zoom or Teams), and will last approximately 45–60 minutes, scheduled this month at a time that suits you.

All sessions will be recorded for transcription purposes only, and your personal information will be de-identified and kept strictly confidential. Only anonymised data will be used in the analysis and reporting. Your contribution will support the development of more effective reporting standards and frameworks that benefit the wider nonprofit sector and its stakeholders.

To help us organise the focus groups, we kindly ask that you complete this **very short survey (2–3 minutes)** by the **end of this week**:

 [AASB Service Performance Reporting Research Project Survey](#)

If you have any questions or would like to know more before deciding to participate, feel free to contact the lead researcher:

Dr. Ushi Ghoorah

Lecturer, Accounting, Western Sydney University

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We truly appreciate your time and consideration, and we hope you will consider sharing your valuable perspective in this important research.

Kind regards,

Ushi