

## Framework for Reporting Performance Measures

# Voluntary guidance to enhance the relevance of financial reporting

Revised First Edition, December 2021

### Preface to the Framework for Reporting Performance Measures

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- 1 The Accounting Standards Board's (AcSB) Framework for Reporting Performance Measures is voluntary and non-authoritative. It describes principles for selecting, developing and reporting a performance measure outside financial statements by an entity when it chooses to do so. However, the concepts and practices in the Framework, while not required, may help an entity in selecting, developing and reporting a quality performance measure in accordance with GAAP or other accounting frameworks.
  - 2 Furthermore, the Framework can also help:
    - (a) those charged with governance in overseeing the entity's process for selecting, developing and reporting a performance measure and related explanations;
    - (b) independent parties assessing a performance measure and related explanations; and
    - (c) users and others in understanding and evaluating the performance measure and explanations reported as well as providing feedback to management on the usefulness of the performance measure to encourage continuous improvements in reporting.
  - 3 A public company, a not-for-profit organization, a private company, a pension plan or other type of publicly accountable enterprise or private enterprise can apply the Framework to a financial, non-financial or operational performance measure.
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### Acknowledgement

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- Senior management, directors and advisors
- Various users of financial information
- Assurance providers, securities regulators and academics
- Standard setters from over 30 jurisdictions
- Chartered Professional Accountants of Canada (CPA Canada)
- CFA Society
- Veritas Investment Research
- Financial Executives International Canada and the Canadian Financial Executive Research Foundation



The AcSB is an independent body with the authority to establish accounting standards for use by all Canadian entities outside the public sector. The AcSB serves the public interest by establishing standards for financial reporting by all Canadian private sector entities and by contributing to the development of internationally accepted financial reporting standards.

CPA Canada is one of the largest national accounting organizations in the world, representing more than 210,000 members. CPA Canada develops leading-edge thought leadership, research, guidance and educational programs to ensure its members are equipped to drive success and shape the future.

**Disclaimer**

This publication was prepared by the Accounting Standards Board as non-authoritative guidance. For entities subject to securities legislative requirements, it should be noted that the views and conclusions expressed are not a substitute for Canadian securities regulators' materials and the requirements, guidance and concepts contained therein.

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