

Presentation of Income Information in Financial Statements of Capital Groups Listed on the Warsaw Stock Exchange, Drawn up in accordance with the IFRS

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Abstract

Objective: The objective of this study is to present the principles of presenting income information in financial statements drawn up according to International Financial Reporting Standards.

Research methodology / approach: The primary research method was the analysis of financial data from the 130 largest entities listed on the Warsaw Stock Exchange.

Research limitations / implications: The study is limited to the presentation of income information included in statements of comprehensive income drawn up in accordance with the principles contained in IAS 1 for the years 2022-2023. Further research may concern subsequent years both preceding and following the specified research period.

Original contribution / value: The investigated entities utilise the flexibility offered by IAS 1 regarding the structure of the statements themselves, distinguishing various numbers of partial levels of financial result, as well as in the terminology used, often assigning terms entrenched for years and derived from the Accounting Act to different levels of financial result. Such a presentation of information indicates a lack of standardisation in the presentation of financial information.



Keywords: financial result, comprehensive income, other comprehensive income, IFRS, accounting standards

Introduction

The profit and loss of an entity is one of the most important economic categories used by a wide range of stakeholders. It forms the basis for assessing the financial condition of the entity (in terms of profitability) and the effectiveness of its management. It determines the company's ability to continue as a going concern, its development and the interest of capital providers, without whom this development is not possible.

The aim of this study is to synthetically present the principles of presenting income information in the statement of comprehensive income drawn up according to the principles set out in the International Financial Reporting Standards and to assess the manner of presenting this information in the financial statements of selected entities.

The objective was achieved based on an analysis of the available literature on the subject, including solutions enshrined in the International Financial Reporting Standards (source analysis method) and an empirical study of the information contained in the statements of comprehensive income of the 130 largest capital groups listed on the Warsaw Stock Exchange. The time scope of the analysis covered the years 2022-2023. The quantitative analysis utilised descriptive statistics methods, and in interpreting the results, the outcomes of earlier research conducted in this area were also considered.

The study consists of two parts. The first part presents the most important aspects concerning the presentation of income information contained in IAS 1. The second part discusses the findings of the empirical study mentioned above.

1. Principles for the presentation of income information in accordance with IAS 1

Since 2009, information regarding the financial result generated by entities preparing financial statements according to the IFRS has been presented in the statement of comprehensive income, which replaced and expanded the classical income statement and introduced the concept of comprehensive income. The new concept of presenting income information was introduced as a result of a tumultuous and lengthy discussion regarding the place of presentation of certain items arising from changes in the

value of net assets, over which the management of the entity has little control, such as transitional or non-operational items arising mainly from the measurement of assets and liabilities at the balance sheet date. The discussion pitted two approaches against each other: the current operating performance concept and the comprehensive income concept. According to the former, the aforementioned items should not be presented in the income statement, as they do not depend on management decisions, and after all, the result is the primary measure of evaluating management effectiveness. They should therefore be included in other elements of the financial statements, for example in equity in the balance sheet (Szycha 2012, p. 67). The comprehensive income concept, on the other hand, posits that these aforementioned items should not be included in equity, as they do not depend on the owners of this capital, and thus should be reflected in the result for the period (O'Hanlon and Pope 1999, p. 459). Proponents of this approach emphasise that it better measures the value creation process and allows predicting the entity's ability to generate cash and cash equivalents (Marchini and d'Este 2015, p. 1725), as well as minimises negative effects associated with the phenomenon of profit manipulation by transferring costs from the result to equity (Chambers et al. 2007, p. 561).

The concept of comprehensive income was introduced into the IFRS in 2007 as a result of the amendment to IAS 1 Presentation of Financial Statements, which contains principles for preparing the basic components of financial statements. As a result of this amendment, the traditional income statement was replaced by a new statement of comprehensive income. It includes the previous net income (NI) of the entity determined according to the principles of the traditional income statement, which is then expanded by other comprehensive income (OCI) previously included in equity. The net income adjusted by the value of other comprehensive income thus produces a new level of result – comprehensive income (CI).

It should be emphasised that IAS 1, in terms of the form of preparation and presentation of information in the basic components of the financial statements, unlike national solutions contained in the Accounting Act, offers much greater freedom. It does not impose a single form of preparation for the different components of the financial statements in the form of a template but indicates the minimum scope of information, which may be expanded if the entity believes that a more detailed presentation will allow the user to better understand its financial situation. This also applies to the statement of comprehensive income, which is the subject of this study, where no fixed structure is imposed during its preparation. The entity may distinguish more detailed groups of income or costs than those included in paragraph 82 of IAS 1 as the minimum scope of information. Additionally, the entity has the option to use its own terminology. This applies to both the name of the statement itself and the items of income, costs, or results presented therein. Such freedom allows for a better reflection of the entity's business model, although on the other hand, as

many authors note, it may lead to conceptual chaos and hinder the comparability of information contained in the financial statements of different entities (Buk 2013, p. 13; Sajnóg 2014, p. 482).

In terms of drawing up the statement of comprehensive income, IAS 1 offers the choice of one of two forms of presentation, i.e. in the form of a single statement encompassing the current financial result subsequently extended by other comprehensive income, or two separate statements, i.e. the classical income statement ending with net income and the statement of comprehensive income, which builds on that result (IAS 1, par 10A). Analogous to national solutions regarding the determination of net income, IAS 1 in paragraph 99 gives the right to choose the method of presenting information about the costs of core activities, i.e. by nature (comparative variant) or by function and cost carriers (functional variant).

As for information concerning other comprehensive income, IAS 1 allows for the freedom of choice in its presentation, i.e. in net amounts, thus immediately considering the tax effects they cause, or in gross amounts, showing separately the total amount of income tax related to the presented OCI (IAS 1, par. 91). However, the standard imposes an obligation to present information concerning other comprehensive income divided into two separate categories, i.e. those that will not be reclassified to profit or loss and those that will be reclassified under certain conditions. The obligation for such a presentation was introduced by the amendment to IAS 1 in June 2011, with mandatory application from 1 July 2012. The aim of the changes was to increase the transparency of information on comprehensive income and facilitate their comparability (Strojek-Filus 2015, p. 135).

2. Statement of comprehensive income in light of empirical research

The statement of comprehensive income remains the subject of numerous empirical studies which focus on the following three issues (Strojek-Filus 2015, p. 129):

- The method of presenting information on comprehensive income;
- The impact of adopted presentation solutions on the assessment of the financial situation of the entity;
- The impact of information concerning other comprehensive income and comprehensive income on the market price of shares and investment decisions.

In Europe, empirical research on the method of presentation and utilisation of information contained in the statement of comprehensive income has been conducted by, among others: O. Ferraro (2011), M. Agostini, C. Marcon (2013) and T. Cristofaro, B. Falzago (2014), who examined entities listed on the Milan Stock Exchange, R.

Cimini (2013), who studied entities listed on stock exchanges in France, Germany, and Italy, I. Jianu, I. Jianu, I. Gusatu (2012), who analysed the statements of entities listed on the London Stock Exchange, J. Backhuijs, K. Camfferman, L. Oudshoorn (2017), who studied companies listed on the Amsterdam Stock Exchange, V. Obradovic and N Karapavlovic (2017), analysing the financial statements of entities in Serbia, P. Gazzola and S. Amelio (2014), who analysed data for companies listed on the Prague Stock Exchange, I. Baumane (2018) – for entities listed on the Riga Stock Exchange, M. Lapkova and J. Stasova (2014), who analysed the statements of companies preparing financial statements according to IAS/IFRS in Slovakia, and A. Ozcan (2015), who included in his study entities listed on the Istanbul Stock Exchange.

In Poland, this subject matter has been addressed by, among others, A. Szychta (2011, 2012, 2013), B. Bek-Gaik (2011, 2013), A. Sajnóg (2014, 2016, 2017, 2018, 2019), J. Gad (2015), A. Piosik (2016), P. Prewysz-Kwinto (2018, 2019, 2020, 2021), analysing data contained in the financial statements of companies listed on the Warsaw Stock Exchange. In the presented conclusions, the most common observation was that it is very difficult to compare information. This was due to the great freedom with which the data were presented in the financial statements. It was also emphasised that there is great variability over time in the value of other comprehensive income, which, translating into the value of comprehensive income, may weaken or even limit its use by stakeholders in making accurate economic decisions.

3. Research methodology and characteristics of the study group

The study involved 140 entities listed on the Warsaw Stock Exchange and included on 30 March 2024 in three main indices, i.e. WIG20, mWIG40, and sWIG80. The selection of entities for the study was not random but purposeful. An entity listed as part of the mentioned indices could be included in the study group provided that three conditions were simultaneously met:

- In accordance with Regulation (EU) No 1606/2002 of the European Parliament and of the Council and Article 45 of the Accounting Act, the entity prepared financial statements according to International Financial Reporting Standards throughout the period covered by the study, i.e. in the years 2022-2023;
- To maintain consistency of the compared data, the study included entities whose financial year ended on 31 December;
- To maintain consistency of the compared data, the study included only entities that prepared financial statements in Polish currency, thereby

excluding those having their main registered office outside our country's borders (these were mainly companies from Ukraine).

Based on these criteria, the study group consisted of 130 entities, of which 20 from the WIG20 index, 36 from the mWIG40 index, and 74 from the sWIG80 index. If the examined entities formed a capital group, the analysis included data from consolidated statements; in other cases, data from individual statements were considered.

The entities included in the study represented various sectors, detailed in Table 1.

Table 1. Structure of the examined entities by type of activity.

No.	Sector	N	%	No.	Sector	N	%
1	biotechnology	6	4,62	11	IT	21	16,15
2	construction	15	11,54	12	media	3	2,31
3	chemicals	5	3,85	13	automotive	5	3,85
4	developer	6	4,62	14	garment	5	3,85
5	electromechanical and machinery	4	3,08	15	food	2	1,54
6	energy	9	6,92	16	telecommunications	2	1,54
7	pharmaceutical	4	3,08	17	transport	3	2,31
8	financial	16	12,31	18	mining	4	3,08
9	retail and wholesale trade	6	4,62	19	other	10	7,69
10	metallurgy	4	3,08	20	total	130	100

Source: own study.

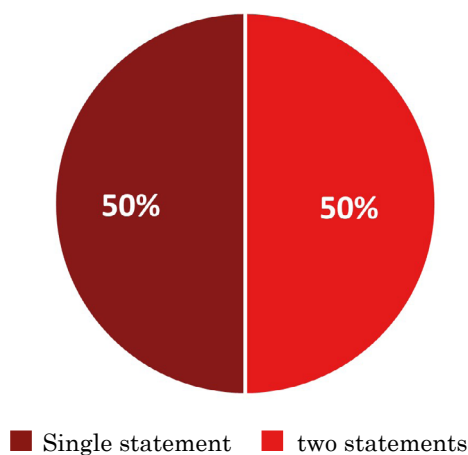
In the study group, entities from the information technology, financial, and construction sectors predominated. In the "other" group were included, among others, entities from the tourism, furniture, and new technology sectors.

The aim of the study was to assess how entities listed on the Warsaw Stock Exchange and preparing financial statements according to the IFRS currently present information regarding their generated result. Due to the purposeful selection of the sample and the limitation of the study only to entities included in the three main indices of the Warsaw Stock Exchange and preparing financial statements according to the IFRS, the results obtained and presented in this article are not representative of the entire population understood as all entities listed on the Warsaw Stock Exchange.

4. Findings of the study

The study began by determining the form of presentation of the statement of comprehensive income used by the entities included in the study, i.e. a single document or two separate statements. The findings are presented in Chart 1.

Chart 1. Form of preparation of the statement of comprehensive income.



Source: own study.

Half of the entities covered by the study decided to present information regarding the result in the form of a single document, while the other half chose the form of two separate statements. Thus, the form of presentation changed compared to the results of studies previously conducted by A. Szychta (2012), B. Bek-Gaik (2013), J. Gad (2016), or P. Prewysz-Kwinto (2018), who indicated a more frequent presentation of the statement of comprehensive income in the form of two separate documents. Such a form of presentation was chosen by: 60 per cent of the 31 entities studied by

B. Bek-Gaik in 2012, 75 per cent of the 24 groups studied by A. Szychta, respectively 60 per cent in 2012 and 63.3 per cent in 2013 and 2014 among the 30 entities studied by J. Gad and – 61.7 per cent of the 60 entities in the years 2015, 2016, and 2017 studied by P. Prewysz-Kwinto. The difference from earlier results may, however, stem from the inclusion of a much larger group of entities, also smaller ones.

This assumption is confirmed by a more detailed analysis taking account of the size of the entity measured by belonging to the appropriate index. It shows that the largest entities included in the WIG20 index more often chose presentation in the form of two separate statements (75 per cent) than one (25 per cent). In medium-sized entities listed in the mWIG40 index, the trend was the opposite, i.e. 61.1 per cent of entities chose the form of a single statement, and only 38.9 per cent chose two statements. Among smaller sWIG80 entities, the structure was similar to that for the entire study group, i.e. 51.4 per cent chose presentation in the form of a single statement, and 48.6 per cent - two separate documents.

Analysing the obtained results in terms of the type of activity conducted by the examined entities, it was noted that companies in the financial sector (81.25 per cent, including all banks) and the biotechnology and construction sectors – 66.7 per cent each – more often chose the presentation of information on comprehensive income in the form of two separate statements. The single statement form was more often chosen by companies in the transport sector (100 per cent), garment (80 per cent), and chemicals and pharmaceutical sectors – 75 per cent each.

The next stage of the study was the analysis of the method of presenting information on the costs of core activities in the income statement. It commenced with determining the method of drawing up this component of the financial statements, i.e. whether the costs of core activities were presented by their nature (comparative variant) or by place of origin and cost carriers (functional variant). The analysis excluded financial statements of banks and entities conducting insurance activities, as they prepare the income statement according to separate principles specific for them. Thus, the analysis covered 118 entities excluding 11 banks and one insurance company.

It demonstrated that in the examined entities, the presentation of the costs of core activities by place of origin and cost carriers (functional variant) was more frequently used – 79.6 per cent than by nature (comparative variant) – 21.4 per cent. It is worth adding that in the case of one entity, the analysis of the income statement alone did not allow for a clear assessment of which method was applied, as the income from sales were opposed by only one collective item called *operating costs*, which after adjustment for other operating income and costs immediately gave the *result from operating activities*.

When analysing the method of presenting the costs of core activities in terms of the size of the entity, measured by belonging to a stock index, it should be noted that

the percentage of entities drawing up the income statement using the functional method was greatest for small entities – it amounted to 82.4 per cent and decreased in reverse correlation with size. For medium-sized entities included in the mWIG40 index, this ratio amounted to 74.2 per cent, and for the largest enterprises included in the WIG20 index, only 71.4 per cent. The functional variant was chosen by all entities in the chemicals and fuel, development, automotive, garment sectors, and over 91 per cent of those in the construction sector (only one entity out of 15 decided to present costs by nature).

The analysis of the income statements of the examined capital groups also showed that they differ from each other in the number of partial financial results distinguished. In entities drawing up the income statement in the functional variant, apart from the net income, three other levels of financial result were most frequently distinguished, i.e. gross profit from sales, operating result, and result before tax – such a method of presentation was chosen by 85.1 per cent of those studied. It is worth adding that the terminology employed to define the different levels of financial result was varied, often contrary to the terminology entrenched for many years resulting from the Accounting Act. As an example, gross profit from sales was referred to as gross result, typically associated with result before tax.

Five levels of financial result (additionally sales result), i.e. as assumed by the income statement formula included in the Accounting Act, was shown by 10.6 per cent of the examined entities. In the case of just 4.3 per cent of entities, apart from the net income, only two levels of financial result were disclosed, with three entities showing operating and pre-tax results, while one showed gross profit from sales and pre-tax result, while presenting management, sales costs, as well as income and costs of other operating and financial activities collectively.

It is noteworthy that the method of presentation of the different levels of financial result was more homogeneous in large and medium-sized entities included in the WIG20 and mWIG40 indices – most of them showed four levels of financial result, i.e. without sales result, calculating the operating result after gross profit from sales. The observed differences primarily concern smaller entities included in the sWIG80 index.

In entities preparing the income statement in the comparative variant, three levels of financial result, i.e. operating result, result before tax, and net income, were most frequently presented. This method of presentation was chosen by 62.5 per cent of entities. One-third of those studied showed four levels of financial result, with 2/3 of them being the classic sales result, and the remainder presenting EBITDA instead of the sales result. In one entity, the income statement included only the operating and net income.

The further part of the study was devoted to the presentation of information on other comprehensive income. This analysis covered only the statements of entities

that disclosed other comprehensive income in at least one of the examined years. The group subjected to analysis thus consisted of 118 entities, as 12 did not show OCI in any of the examined years. Three of these entities belonged to the mWIG40 index, and the remaining nine to the sWIG80 index. All the largest entities included in the WIG20 index showed OCI. According to the amendment to IAS 1 made in 2011, information on other comprehensive income should be presented divided into two groups, i.e. those items that are subject to reclassification to the income statement and those that are not subject to such reclassification. Despite the obligation imposed by IAS 1, only 93.2 per cent of the examined entities presented OCI divided into two groups. The remaining 7.8 per cent did not comply with the obligation imposed by IAS 1, even though all financial statements were audited by a statutory auditor. Two of these entities were included in the mWIG40 index, and the remaining six in the sWIG80 index. It is worth adding that one of these entities presented a collective value of OCI in the income statement – the specification was only found in the explanatory note. Additionally, two entities that did not show other comprehensive income included in the income statement, in the part relating to this element, the division into the two groups required by IAS 1. The remaining ten entities that did not disclose OCI presented this element of the statement as a single collective item *other comprehensive income*, next to which they inserted a value of 0 or a dash.

Analysing the type of other comprehensive income, it should be indicated that income that can be reclassified to the income statement was more frequently shown. It occurred in 80 per cent of the entities discussed in the study. Income that cannot be reclassified to the income statement was presented by 60 per cent of them. Other comprehensive income subject to reclassification was shown by 95 per cent of entities included in the WIG20 and mWIG40 indices and only 72 per cent of those listed as part of the sWIG80 index. Similarly, other comprehensive income not subject to reclassification to the financial result occurred among 80 per cent of the largest WIG20 entities, 47.1 per cent of medium-sized mWIG40 entities, and 55.9 per cent of those listed as part of the sWIG80 index. This means that other comprehensive income occurs more frequently in large entities than in smaller ones.

Among OCI subject to reclassification, exchange differences from the translation of foreign operations (80 per cent), cash flow hedges (46 per cent), and revaluation differences of available-for-sale financial assets (24 per cent) were most frequently shown. In the case of other comprehensive income not subject to transfer to the income statement, actuarial profits and losses related to employee benefits (91.4 per cent) and investments measured at fair value (24.3 per cent) were most frequently presented. Other types of other comprehensive income occurred sporadically, and their share did not exceed 5 per cent.

When analysing the method of presenting information on other comprehensive income, it should be noted that IAS 1 allows the presentation of these items in net or

gross amounts, with separate presentation of the value of the income tax adjustment. The study revealed that among all entities showing other comprehensive income, 49.2 per cent chose the first method of presentation (i.e. in net amounts), and 50.8 per cent chose the second method (in gross amounts with a separate item concerning the income tax adjustment). More frequently, large entities from the WIG20 index chose presentation in gross values, and entities from the mWIG40 and sWIG80 indices – presentation in net values.

In evaluation of the method of presenting other comprehensive income, attention was also paid to the manner of its formation relative to the value of the generated net income. The structure of the net income and OCI in terms of its level (positive and negative) is presented in Table 2.

Table 2. Structure of net income (NI) and other comprehensive income (OCI) in terms of their value (positive, negative).

	2023				2022			
	+		-		+		-	
	N	%	N	%	N	%	N	%
	NET INCOME (NI)							
WIG20	18	90,0	2	10,0	18	90,0	2	10,0
WIG40	31	86,1	5	13,9	32	88,9	4	11,1
WIG80	56	75,7	18	24,3	61	82,4	13	17,6
Total	105	80,8	25	19,2	111	85,4	19	14,6
	OTHER COMPREHENSIVE INCOME (OCI)							
WIG20	8	6,8	12	10,2	11	9,3	9	7,6
WIG40	10	8,5	23	19,5	18	15,3	15	12,7
WIG80	17	14,4	48	40,7	41	34,7	24	20,3
Total	35	29,7	83	70,3	70	59,3	48	40,7

Source: own study.

A positive net financial result was achieved in 2023 by 80.1 per cent of the examined entities, a percentage lower than in 2022, when 85.4 per cent showed a net profit. The highest percentage of entities generating a positive level of net result concerns the largest entities included in the WIG20 index, while the lowest concerns the smaller ones listed as part of the sWIG80 index. It is also worth noting that 59.2 per cent of examined entities improved their net income in 2023 compared to 2022. The most entities that improved their net result belonged to the WIG20 index (65 per cent),

while the fewest to the sWIG80 index – 58.1 per cent. Additionally, the analysis showed that during the examined period, the change from a positive to a negative financial result or vice versa concerned only 12.3 per cent of entities.

When analysing the information presented in Table 2 concerning other comprehensive income, it should be noted that its value was significantly more varied. A positive level of OCI was achieved in 2023 by just under 30 per cent of entities examined, and in 2022 this percentage was almost twice as high, at 59.3 per cent. It is worth noting that the percentage of entities showing a positive value of OCI was smallest for the WIG20 largest entities and largest for sWIG80 entities. This trend also persisted in 2022 and was the opposite of that observed for the net income.

It should also be noted that in 2023, for 60 per cent of the examined enterprises, the sign of other comprehensive income (positive, negative) changed to the opposite. This indicates significantly greater variability of other comprehensive income compared to the net result.

Due to the fact that the other comprehensive income shown by the examined entities had different values during the examined period, the absolute value of the OCI's share in the net income was additionally calculated, i.e. without considering its nature – profit/loss. The examined entities were divided into six groups depending on the value of the calculated OCI/NI index, then on the basis of the size of each group and the percentage share. The findings are presented in Table 3.

Table 3. Structure of the study group by absolute value of the OCI's share in NI.

Value of OCI/NI	2023		2022	
	N	%	N	%
=<1,0%	33	28,0	41	34,7
1,01% do 10%	34	28,8	35	29,7
10,01 do 25%	18	15,3	21	17,8
25,01% do 50%	11	9,3	5	4,2
50,01 do 100%	12	10,2	12	10,2
>100%	10	8,5	4	3,4

Source: own study.

Based on the analysis of the results presented in Table 3, it should first be noted that for most of the examined entities, OCI constituted a small percentage of their net income. In 2023, over half of those examined showed an OCI/NI ratio below 10 per cent. In 2022, this share reached as much as 66 per cent. Similarly, the ratio were

lower than 25 per cent in 2023 for 2/3 of all enterprises examined, and in 2022 for over 80 per cent. On the other hand, the share of entities for which OCI constituted at least 50 per cent of the net income was 18.7 per cent in 2023, and 13.6 per cent in 2022. It should be noted that the findings presented in Table 3 are consistent with the results obtained earlier by, among others, J. Backhuijs, K. Camfferman, and L. Oudshoorn (2017, p. 348) – examining entities listed on the Dutch Stock Exchange, T. de Cristofaro and B. Falzago (2014, p. 28) – examining entities listed on the Italian Stock Exchange, R. Cimini (2013, p. 12) – examining entities listed on the French, Italian, and German Stock Exchanges, M. Frenzla and A. Szychta, (2013, p. 120) – examining entities listed on the Warsaw Stock Exchange, and P. Prewysz-Kwinto (2021, p. 77) – examining entities listed on the Polish, French, and German Stock Exchanges. None of these studies confirmed a significant share of OCI in NI.

A more detailed analysis of the level of the OCI's share in NI revealed, however, that higher values occur more frequently among large entities included in the WIG20 index, and less frequently among small entities listed as part of the sWIG80 index. In 2023, the share of entities showing OCI's share in NI above 50 per cent was 30 per cent for WIG20 entities, 21.2 per cent for mWIG40 entities, and only 13.9 per cent for those listed as part of the sWIG80 index. Similarly, the share of entities showing OCI's share in NI below 10 per cent was 30 per cent for WIG20 entities, 45.5 per cent for mWIG40 entities, and as much as 70.8 per cent for SWIG80 entities. An identical trend occurred in 2022.

5. Conclusion

The analysis of the method of presenting income information in the statements of comprehensive income of the 130 largest entities listed on the Warsaw Stock Exchange allowed for many significant conclusions. First of all, it should be noted that when evaluating the method of information presentation, i.e. in the form of one statement vs. two separate statements, the results of previously conducted studies in this area were not confirmed. The share of entities choosing presentation in the form of a single document was identical to those choosing two separate statements. It was noted, however, that medium-sized entities included in the mWIG40 index more often chose the form of a single document, and two statements – the largest companies listed as part of the WIG20 index. Additionally, it was noted that the method of drawing up the statement of other comprehensive income may depend on the type of activity.

The investigated entities utilise the flexibility offered by IAS 1 regarding the structure of the statement itself, distinguishing various numbers of partial levels of financial result, as well as in the terminology employed, often assigning terms

entrenched for years and derived from the Accounting Act to different levels of financial result. The examined entities distinguish various numbers of partial financial results, with greater differentiation in this regard being visible in those statements that present the costs of core activities by nature (comparative variant) and by smaller entities included in the sWIG80 index. It should be emphasised that although such diversity in the structure of distinguished levels of financial result is fully compliant with the regulations contained in IAS 1, it certainly makes it difficult for users of financial information to compare data and analyse them, as was already emphasised in previously conducted studies.

As for the method of presenting information concerning other comprehensive income, it should be emphasised that not all entities complied with the obligation imposed by IAS 1, i.e. concerning their presentation divided into income that can and cannot be reclassified to the financial result. Moreover, entities equally utilised the possibility of presenting these items, i.e. in net amounts or gross amounts, showing separately the value of the income tax adjustment.

The analysis also showed that in the examined entities, OCI that can be reclassified to the income statement occurs more frequently, and among it, exchange differences from the translation of foreign operations dominate. OCI that will not be reclassified to the income statement is disclosed less frequently, and among it, actuarial gains and losses related to employee benefits dominate.

The study also showed, thus confirming the results of earlier research, that the share of other comprehensive income in the net result is small. In 2023, it did not exceed 10 per cent among over 56 per cent of entities examined; in 2022 the percentage of these entities was higher, totalling almost 66 per cent. On the other hand, in 2023 the share of entities for which OCI constituted at least 50 per cent of the net income was less than 20 per cent, and in 2022, it was less than 15 per cent. A high share of OCI in the value of net profit is presented more often by large entities included in the WIG20 index, and less frequently by small entities listed as part of the sWIG80 index.

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