A set of financial statement comprises the following;

1. Statement of Financial position
2. **Statement of profit or loss and other comprehensive income**
3. **Separate statements of profit or loss(where presented)**
4. Statement of cash flows
5. Statement of changes in equity
6. Related notes to each of the above items

Comprehensive income =Profit or loss + other comprehensive income

Profit or loss=

Other comprehensive income=items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other IFRS.

Examples

* Changes in revaluation surplus where revaluation method is used in IAS 16 & 38
* Exchange difference in translating functional currencies into presentation currency in accordance to IAS 21
* Gains or losses on hedging
* Pension or postretirement benefit plan gains or losses

Presentation

Either of the following;

1. A single statement of profit or loss and other comprehensive income or
2. Two statements:

A separate statement of profit or loss

A statement of comprehensive income immediately following the statement of profit or loss