Possible effects on the statement of profit or loss

Statement of profit or loss applying IAS 1	
Revenue	X
Cost of goods sold	(X)
Gross profit	X
Other operating income	X ③
Selling expense	(X)
General and administrative expenses	(X) ①
Research and development expense	(X)
Income and expenses from associates and joint ventures accounted for using equity method	X ②
Other operating expenses	(X)
Operating profit or loss	**X**
Finance income	X ④
Finance costs	(X) ⑤
Profit or loss before tax	**X**
Income tax expense	(X)
Profit or loss	**X**

Statement of profit or loss applying IFRS 18	
Revenue	X
Cost of goods sold	(X)
Gross profit	**X**
Other operating income	X
Selling expenses	(X)
General and administrative expenses	(X)
Research and development expense	(X)
⑤ Other operating expenses	(X)
Operating profit or loss	X
② Share of profit or loss from associates and joint ventures	X
③ ④ Other investment income	X
Profit before financing and income taxes	**X**
Interest expense on borrowings and lease liabilities	(X)
① Interest expense on pension liabilities	(X)
Profit or loss before tax	**X**
Income tax expense	**X**
Profit or loss	**X**

Examples of possible changes in the classification of income and expenses

1. Net interest expense on net defined benefit liabilities will be classified in the financing category
2. Income and expenses from associates and joint ventures accounted for using equity method will be classified in the investing category
3. Gain or loss from the disposal of investment properties will be classified in the investing category
4. Interest income on cash and cash equivalents will be classified in the investing category
5. Foreign exchange differences arising from trade receivables will be classified in the operating category