

Financial reporting in Poland only in digital form

1. Introduction

Since October 1st 2018 traditional paper-form financial statements have been replaced with electronic (digital) form. All entities maintaining books of account are affected with this change. Also, the digital form is now required for audit reports.

Preparation of the financial reports in electronic form means that these are supposed to be stored and read by a computer program (e.g. text files, graphical files, or mixed). The digital file is considered to be the original financial statements, and the printed version only a copy.

Adaptation of the above requirements implements the European Parliament and Council's directive 2017/1132, dated 14th of June 2017.

The digital form is intended for the following statements:

- Financial statements
- Statutory Management reports
- Consolidated financial statements
- Statutory management reports for the capital groups
- Reports of payments to public administration
- Consolidated reports of payments to public administration
- Audit reports

Digital-form reporting should be signed with a qualified electronic signature (in compliance with XAdES algorithm, encoding the personal identification number (PESEL) of the signing person is not required). According to the information from the Ministry of Finance, the qualified electronic signature issued in the European Union or a country outside the EU that meets the above requirements, is also accepted.

2. Financial statements

According to Polish Accounting Act, updated 1st October 2018, financial statements, both single-entity and consolidated, are supposed to be prepared in electronic form and signed with the qualified electronic signature. Financial statements are signed electronically both by a person responsible for keeping the accounts, and company's management, in compliance with general regulations of the Accounting Act (e.g., all members of management board for a private limited company).

Furthermore, the financial statements of corporate entities listed in the Register of Entrepreneurs of the National Court Register (KRS), both single-entity and consolidated, and financial statements of personal income tax taxpayers who maintain full books of accounts and are obliged to submit financial statements, are supposed to be prepared in a special logical structure, and a XSD (XML Schema Definition) file format, that have been made available in the Bulletin of Public Information (BIP) on the Ministry on Finances website. As for now, this is not required for the IFRS financial statements.

3. Statutory management reports

Statutory management reports of selected entities are also supposed to be made in the electronic form and signed with qualified electronic signature since 1st of October 2018. It concerns both the single-entity management reports as well as those of the capital groups.

Unlike the financial statements, management reports require electronic form only for corporate entities listed in Register of Entrepreneurs of the National Court Register. Therefore this requirement does not relate to, e.g., specialized open or closed investment funds .

4. Audit reports

Only the reports for the audits of corporate entities listed in the Register of Entrepreneurs of the National Court Register need to be in the digital form.

It is worth mentioning, that the Polish Act on Statutory Auditors, Audit Firms and Public Oversight does not provide any requirements on how to sign other documents, e.g. limited review reports.

Wojciech Baucz

Certified Auditor, Partner in Avanta Audit Sp. z o.o. Sp.k., HLB Poland