

Financial Statements and The Risk of Threats to the Continuation of the Company's Activity: A Literature Review^{1*}

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Abstract

Information generated in accounting enables the assessment of the level of risk associated with the business activity conducted and the identification of symptoms of threats to its continuation. There is still a research gap in the economy on how to increase the reliability and credibility of information for investors and shareholders to warn them about the risk of threats to the continuation of operations.

The purpose of the article is to present the symptoms and information about the inability to continue operations that are crucial for the stakeholders of financial statements. The article will analyze key assumptions based on financial report data, indicating the threat or lack thereof to the continuation of the company's operations.

The research methods used are based on literature studies in the field under research and the presentation of methods for examining the threat to the continuation of operations, followed by an analysis of the premises indicating the threat to the continuation of operations based on the analysis of financial data from the financial statements of selected companies.

The financial data analysis is intended to answer the question whether it is possible to observe certain symptoms and indications of the threat to the continuation of the companies' operations based on the financial data from the financial statements and to determine the prognostic value of the applied research methods.

Keywords: Financial Statements, Risk Of Threats, Bankruptcy, Continuation Activity, Financial Analysis

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