

## **GIBRALTAR FINANCIAL REPORTING STANDARD No.3 INTERPRETATIVE NOTE**

*(Issued June 1995; revised December 2001)*

This interpretative note should be read in conjunction with the Explanatory Foreword to Gibraltar Accounting Standards.

### **REFERENCE**

Financial Reporting Standard No.3 – “Reporting financial performance” together with this interpretative note will be referred to collectively as Gibraltar Financial Reporting Standard No. 3 – “Reporting financial performance” (“GFRS 3”).

FRS 3 makes numerous references to other FRSs/SSAPs. These should be read as references to the corresponding GFRS/GSSAP.

### **LEGAL REQUIREMENTS IN GIBRALTAR**

FRS 3 refers to the Companies Act 1985 (as amended by the Companies Act 1989). The equivalent legislation in Gibraltar is the Companies (Accounts) Ordinance 1999, which sets out the minimum legal requirements (Schedule 7), with respect to reporting financial performance and is consistent with the requirements of the Companies Act 1985 (as amended by the Companies Act 1989).

Compliance with the requirements of this GFRS will ensure compliance with the legal requirements contained in the Companies (Accounts) Ordinance 1999 with respect to reporting financial performance.

### **APPLICATION TO SMALLER ENTITIES**

Reporting entities applying the Gibraltar Financial Reporting Standard for Smaller Entities currently applicable are exempt from this accounting standard.

However, reference should be made to the legal requirements section of this GFRS to establish whether application of the FRSSE (or part thereof) would constitute a departure from any Gibraltar legal accounting requirements.

### **DATE FROM WHICH EFFECTIVE**

The accounting and disclosure requirements set out in this GFRS should be adopted as soon as possible and regarded as recommended practice in respect of the later of (i) accounting periods ending on or after 31 December 2001 and (ii) the effective date as stipulated in the UK standard.

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