

**GIBRALTAR FINANCIAL REPORTING STANDARD No. 12
INTERPRETATIVE NOTE**

(Issued December 2001)

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

REFERENCE

Financial Reporting Standard No.12 – “Provisions, contingent liabilities and contingent assets” – together with this interpretative note will be referred to collectively as Gibraltar Financial Reporting Standard No. 12 (“GFRS 12”).

LEGAL REQUIREMENTS IN GIBRALTAR

Compliance with the requirements of this GFRS will ensure compliance with the legal requirements contained in Schedule 2 of the Companies (Accounts) Ordinance, 1999.

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.
