

GIBRALTAR FINANCIAL REPORTING STANDARD No 13
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 13 – “Derivatives and Other Financial Instruments” together with this interpretative note will be referred to collectively as Gibraltar Financial Reporting Standard No 13 – “Derivatives and Other Financial Instruments” (“GFRS 13”).

FRS 13 makes a number of references to other FRSs/SSAPs and these should be read as references to the corresponding GFRS.

LEGAL REQUIREMENTS IN GIBRALTAR

The Companies Ordinance 1930, does not contain disclosure requirements in respect of an entity’s risk profile, how the risks are being managed and the impact of those risks on the entity’s performance and financial condition. Adoption of this standard will not therefore contravene the Companies Ordinance 1930.

References in FRS 13 to the definition of a Bank in accordance with the United Kingdom “Banking Act 1987” should be replaced by the terms of the “Banking Ordinance 1992”.

IMPORTANT NOTE AND APPLICATION TO SMALLER ENTITIES

FRS 13 applies to all entities, other than insurance companies, that have one or more of their capital instruments listed or publicly traded on a stock exchange or market and to all banks and similar institutions.

Reporting entities applying the Gibraltar Financial Reporting Standard for Smaller Entities currently applicable are, therefore, likely to be exempted from this accounting standard.

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.
