

GIBRALTAR FINANCIAL REPORTING STANDARD No. 17
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.17 – “Retirement Benefits” – together with this interpretative note will be referred to collectively as Gibraltar Financial Reporting Standard No. 17 - “Retirement Benefits” (“GFRS 17”).

LEGAL REQUIREMENTS IN GIBRALTAR

The requirements of this GFRS do not contravene the Companies Ordinance but that the interest cost and expected return should be presented in a new format heading separate from “interest and similar charges”. Accordingly the GFRS requires these items to be included as other finance costs (or income) adjacent to interest.

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 to accounting periods ending on or after the later of 22 June 2003⁴. When applied in full, the GFRS supersedes GSSAP 24 ‘Accounting for pension costs’ and applicable UK Urgent Issues Task Force abstracts.

⁴ *In the UK, the disclosure and accounting requirements set out in the FRS are set to apply on a transitional basis with full compliance required for accounting periods ending on or after 22 June 2003. In the meantime, unless early adoption is followed, SSAP 24 Accounting for Pension Costs (together with applicable UITF abstracts) must be followed in the UK. A similar approach, including interim requirements, has been adopted by the GSA for GSSAP 24 and GFRS 17.*