

## **GIBRALTAR STATEMENT OF STANDARD ACCOUNTING PRACTICE No.13 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**

Statement of Standard Accounting Practice No.13 – “Accounting for research and development” together with this interpretative note will be referred to collectively as Gibraltar Statement of Standard Accounting Practice No.13 – “Accounting for research and development” (“GSSAP 13”).

With respect to paragraph 22 (b), the criteria for defining a medium-sized company in Gibraltar are equivalent to the legal definition in the United Kingdom.

### **LEGAL REQUIREMENTS IN GIBRALTAR**

SSAP 13 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 legal requirements (Schedule 6, Part 1), with respect to accounting for research and development and is consistent with the requirements of the Companies Act 1985 (as amended by the Companies Act 1989).

Compliance with the requirements of this GSSAP will ensure compliance with the legal requirements contained in the Companies (Accounts) Ordinance 1999 with respect to accounting for research and development.

### **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 GSSAP 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 GSSAP 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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