

Financial reporting models: Jersey companies and the London Stock Exchange...

Insights - 05/04/2012

Financial reporting models: Jersey companies and the London Stock Exchange

UK Prospectus Rules

One of the disclosure requirements for third country issuers under the UK Prospectus Rules is that such issuers are to provide financial information according to (i) the international accounting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 (IFRS) or (ii) a third country's national accounting standards equivalent to these standards. Companies which do not report under IFRS and which are looking to list on the main market of the London Stock Exchange can benefit from the flexible provisions under Jersey company law in relation to financial reporting. Specifically, Jersey company law has not adopted IFRS as its sole financial reporting model and Jersey listed companies are permitted to prepare accounts in accordance with generally accepted accounting principles (GAAP) prescribed under Jersey law.

How should a Jersey listed company's accounts be prepared?

The Companies (GAAP) (Jersey) (Order) 2010 (the Order) prescribes the generally acceptable accounting principals for a Jersey listed company. These include:

-
-
-
-

A Jersey listed company can therefore prepare accounts under UK GAAP or IFRS amongst the other GAAP set out above.

The Order

The Order was introduced in response to an EU directive on audits (Directive 2006/43/EC) which applies to auditors of Jersey listed companies. In addition to this, the Order was introduced to improve Jersey's standards so they were in line with the International Organisation of Securities Commissions (IOSCO) standards.

Jersey listed company auditors

Any auditor of a Jersey listed company must be a 'recognised auditor' which includes an auditor included on the Register of Recognised Auditors maintained by the Jersey Financial Services Commission. Auditors who are bound by rules governing a professional body such as the Institute of Chartered Accountants in England & Wales are included on this register. The Companies (Audit) (Jersey) Order 2010 sets out the powers of the Jersey Financial Services Commission and the rules applying to auditors.

For more information about listing Jersey companies on the LSE and other stock exchanges please see: </publications/listing-jersey-holding-companies>.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

Meet the Author



Raulin Amy

Partner

Jersey

E: raulin.amy@ogier.com

T: +44 1534 514239

Key Contacts



Simon Dinning

Partner

Jersey

London

E: simon.dinning@ogier.com

T: +44 1534 514251



Nathan Powell

Partner □□

Hong Kong

E: nathan.powell@ogier.com

T: +852 3656 6054

Related Services

Corporate