

# MFSA

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MALTA FINANCIAL SERVICES AUTHORITY

European Securities and Markets Authority –

Publication of Opinion on

**Accounting for cash contributions to the Deposit Guarantee Schemes**

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On 25 September 2015, the European Securities and Markets Authority (ESMA) published its opinion on the application of the IFRS requirements in relation to the recognition of cash contributions to the Deposit Guarantee Scheme (DGS) in IFRS accounts.

This opinion is limited to the accounting treatment of ex-ante non-refundable cash contributions to the DGS for which the obligating event is identified at a single point in time.

Based on the analysis of the existing IFRS requirements, ESMA concluded that as soon as the obligating event of a non-refundable cash contribution to a DGS is identified, the contribution must be recognised as an expense in full. ESMA expects the national competent authorities to take corrective actions whenever they identify material mis-statements in the application of these requirements.

For more information, please [click here](#)

Any queries in relation to this circular can be addressed to:

Mr. John Sammut Deputy Director, Securities and Markets Supervision Unit by e-mail on [jrsammut@mfsa.com.mt](mailto:jrsammut@mfsa.com.mt) or Ms. Stephanie Buhagiar Camilleri, Analyst, Securities and Markets Supervision Unit by e-mail on [scamilleri@mfsa.com.mt](mailto:scamilleri@mfsa.com.mt) in relation to listed credit institutions.

Any queries in relation to the Depositor Compensation Scheme can be addressed on e-mail address [info@compensationschemes.org.mt](mailto:info@compensationschemes.org.mt).

**Communications Unit**  
**Malta Financial Services Authority**  
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