

IAS 19 *Employee Benefits* (November 2005)

Employee long service leave

The IFRIC considered whether a liability for long service leave falls within IAS 19 or whether it is a financial liability within the scope of IAS 32.

The IFRIC noted that IAS 19 indicates that employee benefit plans include a wide range of formal and informal arrangements. It is therefore clear that the exclusion of employee benefit plans from IAS 32 includes all employee benefits covered by IAS 19.

The IFRIC decided that, since the Standard is clear, it would not expect diversity in practice and would not take this item onto its agenda.