

Retirement bonuses, jubilee and long-service benefits, and other rewards under IAS 19, Employee Benefits – overview of our services

Summary:

PwC can calculate the amount of provisions for retirement bonuses, jubilee and long-term benefits, and other similar rewards paid to employees (e.g. payments to dependants in the event of employee's death or disablement) at your company. In the calculation, we take into account obligations arising from the Labour Code and the collective agreement, if concluded, and other regulations or practices at your company. If you wish, we can also calculate other types of provisions, e.g. provisions for the entitlement to long-term paid leave, life insurance, or post-service medical care benefits.

We undertake the calculations under IAS 19; however, the same method is applied when setting up these provisions in financial statements prepared under Slovak Accounting Standards (i.e. Regulation Nr.23054/2002-92 of the Slovak Ministry of Finance of 16 December 2002, stipulating details on accounting procedures and the framework chart of accounts for entrepreneurs using double-entry bookkeeping).



How it works:

- 1) You send us your employees' data (anonymised, if possible) and other information about your company, e.g. staff turnover, collective agreement, etc.
- 2) We use our specialized software to calculate provisions. We will discuss and explain all actuarial assumptions to you.
- 3) You receive the calculation results as a PwC report containing structured information, so that it can be easily transferred to the accounting books and stated in the notes to the financial statements.
- 4) For maximum convenience, the information in our report is provided in a form suitable for disclosure in the financial statements.

Benefits:

- 1) You save time and money, as you do not need to develop your own reliable tool for calculating the amount of these provisions.
- 2) The PwC report serves as a supporting document for your auditor, saving your time and the auditor's.
- 3) We know how important your time is – the data is provided in a predefined form and is easy to send. The assumptions used in the calculation are made by our experts.
- 4) The final PwC report contains all the information required by Slovak Accounting Standards, so by copying it into the financial statements you will meet the disclosure requirements.
- 5) Our specialized software and automated data processing minimize the possibility of human error.
- 6) A double check and annual consistency check of the information used ensures the reliability of the calculation results.



Suitable for:

All companies with a large number of employees which set up provisions for retirement bonuses and other benefits under the Labour Code, based on informal practice, or in line with internal rules or a collective agreement.

