

ANNEX A

EMOLUMENTS OF THE VICE-CHANCELLOR, PRINCIPAL OR HIGHER PAID EMPLOYEES

Disclosure requirements:

- 1 A higher paid employee is defined as the Vice-Chancellor, Principal and any employee whose total emoluments during the accounting period under review exceed £70,000.
- 2 Institutions are required to disclose the following in their audited financial statements:
 - The emoluments of the Vice-Chancellor or Principal disclosing a sub total that excludes the employer's pension contributions and a total that includes these contributions
 - the emoluments of the highest paid employee, if that is not the Vice-Chancellor or Principal
 - emoluments due to a higher paid employee but waived by the employee
 - the salary bands of higher paid employees (including the Vice-Chancellor or Principal), giving the number of such employees that fall into each band. The width of each salary band should be £10,000.
 - the aggregate amount of any compensation paid to any Vice-Chancellor, Principal or higher paid employee for loss of office (see Annex B)
 - the number of employees who have been paid such compensation
- 3 'Emoluments' mean emoluments paid to or receivable by any person for:
 - services to the institution
 - services as a director or officer of any subsidiary of the institution
- 4 For this purpose, 'emoluments' paid to or receivable by an employee include their normal salary, and:
 - fees
 - any expense allowance (to the extent that they are chargeable to UK income tax)
 - employer's pension contributions
 - the estimated money value of any benefits received other than in cash (the money value of benefits in kind should be estimated by reference to the market value of the facility provided)
- 5 Emoluments should not include the employer's national insurance contributions. Compensation for loss of office is a category of payment different from an 'emolument'. Consequently, it should not be included in that person's emoluments for banding purposes.
- 6 If more than one person has been Vice-Chancellor or Principal during the year, each such person's total emoluments for the year must be attributed to that part of the year during which they were Vice-Chancellor or Principal, and these amounts must be disclosed separately.
- 7 Disclosure of the various emoluments should show the analysis between:
 - salaries
 - benefits in kind; and
 - pension contributions