

SCHEDULES

SCHEDULE 4

Article 8(4).

DISCLOSURE OF INFORMATION: EMOLUMENTS AND OTHER BENEFITS OF DIRECTORS AND OTHERS

1. Schedule 6 to the 1986 Order is amended as follows.
2. For the heading substitute—

*“DISCLOSURE OF INFORMATION: EMOLUMENTS
AND OTHER BENEFITS OF DIRECTORS AND OTHERS”.*

3. Insert the following provisions (which reproduce, with amendments, the former Part V of Schedule 5 to that Order) as Part I—

“PART I

CHAIRMAN'S AND DIRECTORS' EMOLUMENTS, PENSIONS AND COMPENSATION FOR LOSS OF OFFICE

Aggregate amount of directors' emoluments

- 1.—(1) The aggregate amount of directors' emoluments shall be shown.
- (2) This means the emoluments paid to or receivable by any person in respect of—
 - (a) his services as a director of the company, or
 - (b) his services while director of the company—
 - (i) as director of any of its subsidiary undertakings, or
 - (ii) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings.
- (3) There shall also be shown, separately, the aggregate amount within sub-paragraph (2) (a) and (b)(i) and the aggregate amount within sub-paragraph (2)(b)(ii).
- (4) For the purposes of this paragraph the “emoluments” of a person include—
 - (a) fees and percentages,
 - (b) sums paid by way of expenses allowance (so far as those sums are chargeable to United Kingdom income tax),
 - (c) contributions paid in respect of him under any pension scheme, and
 - (d) the estimated money value of any other benefits received by him otherwise than in cash,

and emoluments in respect of a person's accepting office as director shall be treated as emoluments in respect of his services as director.

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Details of chairman's and directors' emoluments

2. Where the company is a parent company or a subsidiary undertaking, or where the amount shown in compliance with paragraph 1(1) is £60,000 or more, the information required by paragraphs 3 to 6 shall be given with respect to the emoluments of the chairman and directors, and emoluments waived.

3.—(1) The emoluments of the chairman shall be shown.

(2) The “chairman” means the person elected by the directors to be chairman of their meetings, and includes a person who, though not so elected, holds an office (however designated) which in accordance with the company’s constitution carries with it functions substantially similar to those discharged by a person so elected.

(3) Where there has been more than one chairman during the year, the emoluments of each shall be stated so far as attributable to the period during which he was chairman.

(4) The emoluments of a person need not be shown if his duties as chairman were wholly or mainly discharged outside the United Kingdom.

4.—(1) The following information shall be given with respect to the emoluments of directors.

(2) There shall be shown the number of directors whose emoluments fell within each of the following bands—

- not more than £5,000,
- more than £5,000 but not more than £10,000,
- more than £10,000 but not more than £15,000,
- and so on.

(3) If the emoluments of any of the directors exceeded that of the chairman, there shall be shown the greatest amount of emoluments of any director.

(4) Where more than one person has been chairman during the year, the reference in sub-paragraph (3) to the emoluments of the chairman is to the aggregate of the emoluments of each person who has been chairman, so far as attributable to the period during which he was chairman.

(5) The information required by sub-paragraph (2) need not be given in respect of a director who discharged his duties as such wholly or mainly outside the United Kingdom; and any such director shall be left out of account for the purposes of sub-paragraph (3).

5. In paragraphs 3 and 4 “emoluments” has the same meaning as in paragraph 1, except that it does not include contributions paid in respect of a person under a pension scheme.

Emoluments waived

6.—(1) There shall be shown—

- (a) the number of directors who have waived rights to receive emoluments which, but for the waiver, would have fallen to be included in the amount shown under paragraph 1(1), and
- (b) the aggregate amount of those emoluments.

(2) For the purposes of this paragraph it shall be assumed that a sum not receivable in respect of a period would have been paid at the time at which it was due, and if such a sum was payable only on demand, it shall be deemed to have been due at the time of the waiver.

Pensions of directors and past directors

7.—(1) There shall be shown the aggregate amount of directors' or past directors' pensions.

(2) This amount does not include any pension paid or receivable under a pension scheme if the scheme is such that the contributions under it are substantially adequate for the maintenance of the scheme; but, subject to this, it includes any pension paid or receivable in respect of any such services of a director or past director as are mentioned in paragraph 1(2), whether to or by him or, on his nomination or by virtue of dependence on or other connection with him, to or by any other person.

(3) The amount shown shall distinguish between pensions in respect of services as director, whether of the company or any of its subsidiary undertakings, and other pensions.

(4) References to pensions include benefits otherwise than in cash and in relation to so much of a pension as consists of such a benefit references to its amount are to the estimated money value of the benefit.

The nature of any such benefit shall also be disclosed.

Compensation to directors for loss of office

8.—(1) There shall be shown the aggregate amount of any compensation to directors or past directors in respect of loss of office.

(2) This amount includes compensation received or receivable by a director or past director for—

- (a) loss of office as director of the company, or
- (b) loss, while director of the company or on or in connection with his ceasing to be a director of it, of—
 - (i) any other office in connection with the management of the company's affairs, or
 - (ii) any office as director or otherwise in connection with the management of the affairs of any subsidiary undertaking of the company;

and shall distinguish between compensation in respect of the office of director, whether of the company or any of its subsidiary undertakings, and compensation in respect of other offices.

(3) References to compensation include benefits otherwise than in cash; and in relation to such compensation references to its amount are to the estimated money value of the benefit.

The nature of any such compensation shall be disclosed.

(4) References to compensation for loss of office include compensation in consideration for, or in connection with, a person's retirement from office.

Sums paid to third parties in respect of directors' services

9.—(1) There shall be shown the aggregate amount of any consideration paid to or receivable by third parties for making available the services of any person—

- (a) as a director of the company, or
- (b) while director of the company—
 - (i) as director of any of its subsidiary undertakings, or

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(ii) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings.

(2) The reference to consideration includes benefits otherwise than in cash; and in relation to such consideration the reference to its amount is to the estimated money value of the benefit.

The nature of any such consideration shall be disclosed.

(3) The reference to third parties is to persons other than—

- (a) the director himself or a person connected with him or body corporate controlled by him, and
- (b) the company or any of its subsidiary undertakings.

Supplementary

10.—(1) The following applies with respect to the amounts to be shown under paragraphs 1, 7, 8 and 9.

(2) The amount in each case includes all relevant sums paid by or receivable from—

- (a) the company; and
- (b) the company's subsidiary undertakings; and
- (c) any other person,

except sums to be accounted for to the company or any of its subsidiary undertakings or, by virtue of Articles 322 and 323 (duty of directors to make disclosure on company takeover; consequence of non-compliance), to past or present members of the company or any of its subsidiaries or any class of those members.

(3) The amount to be shown under paragraph 8 shall distinguish between the sums respectively paid by or receivable from the company, the company's subsidiary undertakings and persons other than the company and its subsidiary undertakings.

(4) References to amounts paid to or receivable by a person include amounts paid to or receivable by a person connected with him or a body corporate controlled by him (but not so as to require an amount to be counted twice).

11.—(1) The amounts to be shown for any financial year under paragraphs 1, 7, 8 and 9 are the sums receivable in respect of that year (whenever paid) or, in the case of sums not receivable in respect of a period, the sums paid during that year.

(2) But where—

- (a) any sums are not shown in a note to the accounts for the relevant financial year on the ground that the person receiving them is liable to account for them as mentioned in paragraph 10(2), but the liability is thereafter wholly or partly released or is not enforced within a period of 2 years; or
- (b) any sums paid by way of expenses allowance are charged to United Kingdom income tax after the end of the relevant financial year,

those sums shall, to the extent to which the liability is released or not enforced or they are charged as mentioned above (as the case may be), be shown in a note to the first accounts in which it is practicable to show them and shall be distinguished from the amounts to be shown apart from this provision.

12. Where it is necessary to do so for the purpose of making any distinction required by the preceding paragraphs in an amount to be shown in compliance with this Part, the

directors may apportion any payments between the matters in respect of which these have been paid or are receivable in such manner as they think appropriate.

Interpretation

13.—(1) The following applies for the interpretation of this Part.

(2) A reference to a subsidiary undertaking of the company—

- (a) in relation to a person who is or was, while a director of the company, a director also, by virtue of the company's nomination (direct or indirect) of any other undertaking, includes (subject to the following head) that undertaking, whether or not it is or was in fact a subsidiary undertaking of the company, and
- (b) for the purposes of paragraphs 1 to 7 (including any provision of this Part referring to paragraph 1) is to an undertaking which is a subsidiary undertaking at the time the services were rendered, and for the purposes of paragraph 8 to a subsidiary undertaking immediately before the loss of office as director.

(3) The following definitions apply—

- (a) “pension” includes any superannuation allowance, superannuation gratuity or similar payment,
- (b) “pension scheme” means a scheme for the provision of pensions in respect of services as director or otherwise which is maintained in whole or in part by means of contributions, and
- (c) “contribution”, in relation to a pension scheme, means any payment (including an insurance premium) paid for the purposes of the scheme by or in respect of persons rendering services in respect of which pensions will or may become payable under the scheme except that it does not include any payment in respect of two or more persons if the amount paid in respect of each of them is not ascertainable.

(4) References in this Part to a person being “connected” with a director, and to a director “controlling” a body corporate, shall be construed in accordance with Article 354.

Supplementary

14. This Part requires information to be given only so far as it is contained in the company's books and papers or the company has the right to obtain it from the persons concerned.”.

4.—(1) For the heading to the present Part I substitute—
“PART II

LOANS, QUASI-LOANS AND OTHER DEALINGS IN FAVOUR OF DIRECTORS”.

(2) Paragraphs 1 to 3 and 5 to 14 of that Part shall be renumbered 15 to 27, and internal cross-references in that Part shall be renumbered accordingly.

(3) Paragraph 4 is omitted.

(4) In paragraph 1 (renumbered 15) for “Group accounts” substitute “The group accounts of a holding company, or if it is not required to prepare group accounts its individual accounts,”.

(5) For the heading before paragraph 11 (renumbered 24) substitute—

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“Excluded transactions”

5. In paragraph 14 (renumbered 27), make the existing provision sub-paragraph (1) and after it insert—

“(2) In this Part “director” includes a shadow director.”.

6.—(1) For the heading to the present Part II substitute—
“PART III

OTHER TRANSACTIONS, ARRANGEMENTS AND AGREEMENTS”.

(2) Paragraphs 15 to 17 of that Part shall be renumbered 28 to 30, and internal cross-references in that Part shall be renumbered accordingly.

(3) In paragraph 16 (renumbered 29), for “made as mentioned in Article 241(1)” substitute “made by the company or a subsidiary of it for persons who at any time during the financial year were officers of the company (but not directors or shadow directors)”.

7. Omit the present Part III (disclosure required in case of banking companies), the substance of which is reproduced in Part IV of Schedule 7.