

I wish to submit the comment below on Charities SORP (FRS 102). It relates only to the disclosure of salaries of key staff:

The Chair's Introduction to the NCVO Report into Charity Executive Pay stated that fewer than 1% of charities employ a staff member at a rate in excess of £60,000.

I believe that it is only that 1% of charities who should have to disclose pay for those individual staff paid at a rate in excess of an agreed level, say, £60,000.

I disagree with the suggestion that any charity must disclose the salary of its key staff members to all and sundry.

It seems to be a true double whammy if you are a key member of a charity's staff, working at a low rate of pay, to also suffer the loss of privacy which means that your poor salary is public knowledge within two clicks of your employer's home page.

Whilst it may be reasonable to disclose salaries of highly paid key staff, surely it is sufficient to disclose salaries of only those staff paid above a certain level? (In fact, I am unsure why this applies only to key staff as I would have thought it was the salary level which was more relevant).

In those charities where no member of staff receives a high rate of pay, I believe it should be sufficient to state:

"No employee earns above £60,000"

rather than to disclose:

"J Smith, Chief Executive, earns £28,000
T Jones, Financial Controller, earns £24,000"

I think this applies regardless of the size of charity. *If an employee is paid at a low level, it can hardly be "best practice" to breach their right to privacy regarding their personal finances if they do not want their salary to be disclosed.*

Perhaps struggling charities may even find it more likely that their key staff get headhunted by better funded charities.

The charity should decide what is appropriate to their situation.

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