

# GROWTH COMPANY

## INVESTOR

THE INDEPENDENT VOICE ON **FAST GROWING COMPANIES**

## Directors' salaries on AIM 2005

During a year in which more than 400 companies have joined AIM, *Growth Company Investor's* third annual survey of directors' pay reveals that the average remuneration – including pension payments and bonuses – of a chief executive on the London Stock Exchange's junior market has fallen more than five per cent to £137,000. The highest paid in our sample are shown in **Table 1**.

This may reflect the fact that many of the new admissions have been investment companies with no trading business. Nevertheless, a study by accountant Deloitte found that FTSE 250 chief executives receive a basic salary of £352,000, more than twice that of their AIM equivalents.

Our report also shows that the average total board pay of AIM companies has risen marginally, by 0.9 per cent, to £382,200. **Table 2** reveals those in our sample that receive the most. It has remained around this level over the past three years, indicating that the mounting costs of compliance, by appointing more non-executive directors, has not affected AIM companies.

The survey of 700 companies on AIM, out of a possible total of 1,311 that were on the market at the end of September, also scrutinises the pay of both the largest and smallest companies in our sample, by market capitalisation and turnover. We also assess the most profitable and those with the biggest losses.

This shows that the average boardroom total of the largest 100 AIM companies in the survey, capitalised between £60 million and £930 million, is £653,600, whereas the average of the 100 best-paid AIM boards is a much heftier £1.04 million.

Elsewhere in our research, we have discovered that AIM's finance directors received an average £95,600, up 4.6 per cent from last year, and the average allotted to the total non-executive group was £8,500.

Additionally, the survey examines the pay of the bosses and boardrooms of the torrent of companies that have joined AIM over the past year.

**You can order your copy of the full report, and discover which executive teams are delivering the best value for money for investors.**

GROWTH COMPANY INVESTOR						1
HIGHEST-PAID CEOs						
Company	CEO salary (£k)	Market cap (£m)	% change in market cap*	Latest turnover (£m)	CEO's salary as % of turnover	
Hamworthy	9976	85.29	51.14	90.60	1.10	
Monsoon	826.0	538.09	64.93	271.41	0.30	
Personal Group	754.0	65.98	15.19	4.92	15.33	
NETeller	736.7	1013.35	258.42	47.40	0.90	
Sterling Energy	699.3	212.48	76.60	11.46	6.10	
Sportingbet	677.0	931.22	396.36	1,526.20	0.04	
Moneybox	665.0	78.18	101.34	42.86	1.55	
Ramco Energy	613.0	12.71	42.33	36.93	1.66	
Majestic Wine	591.0	165.56	-15.48	148.26	0.40	
I-Mate	590.0	311.14	n/a	77.23	0.76	
Tenon	589.0	49.78	-11.99	80.30	0.73	
Halladale	587.0	33.66	58.03	13.37	4.39	
Numis	584.0	195.52	80.00	32.73	1.78	
Rugby Estates	581.0	39.09	n/a	36.70	1.58	
Dic	496.9	108.33	n/a	30.78	1.61	
DCS	475.0	3.69	73.24	42.20	1.13	
Colefax	469.0	17.18	5.5	63.38	0.74	
Systems Union	467.2	124.39	31.14	104.23	0.45	
Tolent	428.0	25.60	n/a	122.78	0.35	
Songbird Estates	427.2	264.20	83.91	209.50	0.20	

\* change over year to Sept 05

GROWTH COMPANY INVESTOR						2
HIGHEST-PAID BOARDS						
Company	Board total (£k)	Market cap (£m)	% change in market cap*	Latest turnover (£m)	Total board pay as % of turnover	
Andrews Sykes	4,529.0	109.31	-15.66	62.68	7.23	
Hamworthy	3,538.9	85.29	51.14	90.60	3.91	
Monsoon	2,433.0	538.09	64.93	271.41	0.90	
Rugby Estates	2,311.0	39.09	n/a	36.70	6.30	
Arbuthnot	2,022.0	59.78	n/a	49.86	4.06	
Halladale	1,838.0	33.66	58.03	13.37	13.75	
Tenon	1,798.0	49.78	-11.99	80.30	2.24	
Sportingbet	1,587.0	931.22	396.36	1,526.20	0.10	
Majestic Wine	1,573.0	165.56	-15.48	148.26	1.06	
Sterling Energy	1,537.0	212.48	76.60	11.46	13.41	
InTechnology	1,521.0	70.51	-36.52	223.51	0.68	
Ramco Energy	1,465.0	12.71	42.33	36.93	3.97	
Fayrewood	1,396.0	64.17	0.00	506.67	0.28	
Millfield	1,350.0	47.32	14.22	41.90	3.22	
Personal Group	1,347.0	65.98	15.19	4.92	27.38	
Highbury House	1,327.0	8.06	n/a	113.81	1.17	
Vantis	1,282.1	55.61	6.37	23.75	5.40	
Moneybox	1,245.0	78.18	101.34	42.86	2.90	
Avesco	1,234.0	19.50	59.31	53.98	2.29	
International Greetings	1,233.0	156.50	24.19	126.70	0.97	

\* change over year to Sept 05

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## Directors' salaries on AIM 2005

This new unique report has been compiled by the award-winning team at *Growth Company Investor*, published by Vitesse Media plc who also publish *Business XL*. A summary of the research is on the reverse of this document, and shows you key figures in our investigation of Directors' Salaries on AIM.

You can order the **full 16-page** research report **Directors' Salaries on AIM 2005** today, for just £195 (+VAT). For the third year in a row, the complete report focuses on the remuneration of all directors and boards of AIM-quoted companies. It provides in-depth information on the highest- and lowest-paid chief executives and entire boards on AIM, and how these have changed over the past year. The remuneration is also measured against changes in companies' market capitalisation, turnover and pre-tax profits or losses, in order to reveal which companies' directors are providing the best value for shareholders.

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