

2008/09 CERTIFICATE GUIDANCE & COMPLETION NOTES

INTRODUCTION

These notes relate to the main Certificate that must be completed by a Provider who is a partner or a single-hander. A separate Certificate must be completed where a Provider is a shareholder in a limited company. The 'Limited Company Certificate' has its own separate guidance and completion notes plus a 'FAQ'.

Where the same GP Provider receives income from more than one GMS/PMS/APMS contract a separate Certificate is required for each. The Ltd Co Certificate must be used where such an entity holds the contract.

NOTES

Box A

Write your full name; do not use initials. If your surname has changed in 2008/09 please also provide your previous surname.

Box B

Specify the type of contract this Certificate relates to as in some cases a Provider may hold more than one contract to provide medical services. If the contract is APMS it is likely that the Ltd Co Certificate may be appropriate as most APMS contractors are companies limited by shares.

Box C

Enter your national insurance number or individual NHS Pension Scheme reference number; this is often known as your 'SD' number and begins with SD followed by two digits representing your year of birth (i.e. 1957 is 57) then six further digits.

Box D

Your GP Practice reference number is the unique reference number allocated to you by your PCT/LHB; if not known please state 'not known'. The NHS Pension Scheme Employing Authority code is a letter followed by three digits; i.e. A123. Your Practice/Payroll Manager should know this code, however if not known please state 'not known'.

Box E

In respect of a GP Provider the host PCT/LHB is usually the PCT/LHB on whose Performers List the GP Provider is (or has been during the year) registered. However the host PCT/LHB can also be the commissioning PCT/LHB if the GP Provider has more than one Practice.

In respect of a non-GP Provider the host PCT/LHB is the commissioning PCT/LHB that the non-GP Provider is (or has been) contracted with.

Where changes of Practice and/or PCT/LHB occur, there will be implications for your Certificate and you may need to complete more than one Certificate as described below.

Follow these instructions to determine how many Certificates you are required to complete:

- a) Change of Practice, but remain within the same PCT/LHB.

In this situation, two Certificates will be required and the reference in Box D will be different on each. Where personal expenses and capital allowances have been incurred, and separate statements of these have not been prepared for the respective periods, it is acceptable to pro-rata these and include them on the relevant Certificate. Should there be private fee income assessed on self employment pages of the tax return that have not been split according to corresponding

dates relating to the change in Practice, it is also acceptable to pro-rate these fees to include them in the relevant Certificate.

b) Change of Practice, also with a change of PCT/LHB.

In this situation, two Certificates will be required and the references in Boxes D and E will be different on each. Where personal expenses and capital allowances have been incurred, and separate statements of these have not been prepared for the respective periods, it is acceptable to pro-rata these and include them on the relevant Certificate for that period. Should there be private fee income assessed on self employed pages of the tax return that have not been split according to corresponding dates relating to the change in Practice, it is also acceptable to pro-rate these fees to include them in the relevant Certificate.

The host PCTs/LHBs in this instance are the PCTs/LHBs on whose 'Performers List' you are registered (or contracted with) either before the change in Practice or at the 'year end', dependent upon which Certificate is being completed.

c) Change of PCT/LHB (i.e. due to a merger), but remain with the same Practice.

In this situation, one Certificate only should be completed, with the entry at box E relating to the host PCT/LHB upon whose 'Performers List' you appear at the end of the relevant year (i.e. 31 March 2009).

Box F

The appropriate 'year end' will be that which falls into the tax year 2008/09 (the year ended 5 April 2009), for instance 30 June 2008, 31 October 2008, 28 February 2009, 31 March 2009 etc, and forms the basis for the entries to the 2008/09 tax returns.

Box G

The year ends for Practice and other private fee work may differ. This should not affect the Certificate. Each 'year end' relating to the tax year (refer to Box H below) is taken to reflect income for the pension year.

Box H

This is the NHS Pension Scheme 'year end' corresponding to the tax 'year end'. Whilst the tax year finishes on 5 April each year, the NHS Pension Scheme 'year end' finishes on 31 March each year. To all intents and purposes, the '5 day' difference between these dates can be ignored. This prevents anomalous treatment whereby an accounting year ended 5 April 2009 falls into the tax year 2008/09, but not into the NHS Pension Scheme year ended 31 March 2009. Because an accounts year ended 5 April falls into the tax year, this will also be deemed to fall into the Pension Scheme year. The golden rule is that the tax return entries form the basis of the pensionable pay.

Box I

Prior to 1 April 2008, members who first joined the Scheme on or after the 1 June 1989 were subject to the pensionable earnings cap; i.e. the member could only pension in the NHS Pension Scheme income, from whatever NHS source, up to the prescribed limit. If a member joined before 1 June 1989 but had a break in pensionable employment of more than a year after 1 June 1989 they were also subject to the cap. With effect from 1 April 2008 the earnings cap has been removed and mainline employer and tiered employee contributions are based upon full NHS pensionable pay.

EXCEPTION – if a Scheme member who was subject to the cap is buying Added Years under an agreement that started before 1 April 2008, those Added Years remain subject to the cap. Contributions in respect of the Added years are still limited to a cap of £117,600.00.

Any added years agreements starting on or after 1 April 2008 are NOT subject to the earnings cap and are payable on the full actual NHS pensionable pay, as will be the employer and tiered employee contributions. Do NOT enter "YES" in box I if this is the case.

Please refer to the completion notes for box 39 when considering the application on the cap. Please refer to Technical Newsletter (TN) 17/2008 on NHS Pensions website for further information or contact 'practitioners@nhspa.gov.uk'.

Box J

NOTE YOUR 2008/09 PARTNERSHIP (WHERE APPLICABLE) AND PERSONAL TAX RETURNS WILL NEED TO HAVE BEEN COMPLETED TO ENABLE YOU TO MAKE THE ENTRIES ON YOUR 2008/09 CERTIFICATE OF PENSIONABLE PAY.

OCCASIONALLY, PARTICULARLY IN THE FIRST YEAR OF PRACTICE OR SELF EMPLOYMENT, PROVISIONAL FIGURES MAY BE USED IN YOUR TAX RETURN WHERE THE CORRECT DETAILS ARE NOT YET KNOWN. THE ENTRIES ON THE CERTIFICATE SHOULD STILL FOLLOW THOSE PROVISIONAL FIGURES.

IN THE SAME MANNER AS THE TAX RETURN, AN AMENDMENT WILL NEED TO BE MADE TO THE CERTIFICATE WHEN THE ACTUAL DATA IS AVAILABLE, EVEN THOUGH THIS IS AFTER THE SUBMISSION DEADLINE.

Box 1

The figure in Box 1 should be your share of total medical related income derived from the appropriate partnership accounts, allowing for any prior allocation of income that may occur, for instance in respect of property, seniority, medical examination fees, appraisals etc.

This includes NHS income, private income and reimbursements, together with private fee income and locum income paid into the Practice, but excludes bank interest received and any non-taxable income such as PAYE internet filing incentives and some legacies, bequests and donations. Single-handed Providers should enter 'nil'.

Where NHS superannuable fee based income (i.e. OOHs) earned under a contract for services (i.e. **NOT** income from a salaried position) has been paid into the Practice, the amount paid is deemed to include employer and employee contributions. The amount to include on Box 1 should be the gross amount payable, including all employer and employee superannuation contributions. It should be noted that this 'pooled' income is not GP SOLO income. GP SOLO income is income from a NHS pensionable source (where contributions have already been deducted) that the GP does not wish to 'pool'. See NHS Pensions Technical Newsletters (TNs) 8/2009, 3/2006, and TN 3/2005.

TREATMENT OF POOLED SALARIES FOR ACCOUNTING PURPOSES:

Where a GP holds an office of employment, it is strictly taxable as employed income. However, this can lead to practical difficulties in GP partnerships, where such income is frequently pooled and shared between the partners.

It is possible, however, to have such income treated as the receipt of professional fees and taxable under Schedule DII of Part IV of TA 1988. See HM Revenue and Customs' Employment Income Manual (reference EIM03000 to EIM03004) for further details.

Where this concession is utilised, and the salary is not grossed up in the accounts for employer superannuation, GPs should be aware that they may not be pensioning sufficient earnings.

Further, where salaried fees are paid into the Practice and pooled between the partners, even where the position is deducted for tax purposes and taxed as employed income, it should be noted that there may be anomalies between the superannuable pay of the partners and the taxable pay of the partners.

Care may therefore need to be taken when preparing accounts, tax calculations and superannuation calculation to prevent problems.

GPs must pension all their GP (Practitioner) income, they cannot 'pick an mix'. If, however a GP Provider is a GP Scheme member and decides to 'opt out' of any salaried Officer posts (i.e. clinical assistant) they cannot pension that 'opted out Officer income' by a back door route through the Practice accounts.

Box 2

Box 2 is for single-handers to declare their GMS, PMS, APMS, and SPMS income, private income and reimbursements (excluding bank interest received and any non-taxable items such as PAYE internet filing incentives and some legacies, bequests and donations) and income of those GPs who have private fees that are not fed into the partnership tax return but which is reported separately on the self employment pages of the personal return. This Box will include GP SOLO income on a fee paid basis (i.e. not as an employed position) and locum income.

If you are a partner in Practice with private fee income that is fed into the partnership tax return, and not reported on self employment pages of your personal return, there should be no entry in this box as the income will be included in Box 1 above.

Box 3

Box 3 must include all salaried income where the GP would receive a P60. This includes salaried schedule E income (i.e. Clinical Assistant, Hospital Practitioner, CMO, Salaried GP, and Bed Fund posts) paid under PAYE, regardless of whether tax or national insurance has been deducted. Also include income that is recorded in Box C of the GP form SOLO where the PCT/ LHB/OOHP has paid it under PAYE; this sometimes happens in respect of PEC earnings.

Where you receive a P60 in respect of a salaried position, but that income is pooled in the partnership for profit sharing, you should **NOT** include this income here UNLESS you have followed the statutory method of taxing employed income described in the notes to Box 1 above. Where you are including such pooled salaried appointments here, it is the entry per the tax return Box 1 that is required, i.e. not including the employer contribution deducted along with the income from Box 1 above.

Do not include a salary received from a limited company that holds a GMS, PMS, SPMS or APMS contract. The pensioning of such salaries will be dealt with through the separate Certificate for limited companies.

Box 4

Box 4 must include any ad-hoc private work (i.e. university or medical school) and any fee based NHS work that was not salaried and is not included in Boxes 1,2 or 3 above. This may include income before a deduction for expenses reported at box 15 of page TR3 of your main tax return.

Do not include pensionable income derived from a limited company. A GP Provider's salary and dividend income from such a source may be pensionable, but the specific Certificate for such income should be used to determine the pensionable pay applicable.

Box 5

Box 5 is the income stated in Boxes 1, 2, 3, or 4 which has already been 'pensioned'. This is likely to be NHS income from GP Locum work (the **full** amount before 10% reduction for notional expenses) and **pensionable** income from salaried NHS work (i.e. Clinical Assistant, Hospital Practitioner, CMO, Salaried GP, and Bed Fund posts). This will also include any salaried income pensioned through the University Superannuation Scheme.

Fee based (self employed) income that has had superannuation paid upon it and recorded on the GP SOLO form should not be included in box 5. **Solely** for the purpose of this Certificate, this income is not regarded to have been 'pensioned separately'.

Note that this box only includes income included in boxes 2, 3 and 4 that has been pensioned separately. No entry should be made in this box in respect of salaried appointments that have been pooled in the Practice and allocated in profit share. Where, however, statutory tax treatment of the salaried position has been followed, you will be required to enter here the amount included in box 3 that relates to pooled income.

Box 6

Box 6 is the total NHS and non-NHS income, which has not already been 'pensioned' elsewhere, for the purposes of this Certificate.

Box 7

The figure in Box 7 should be your share of income from whatever sources included in the Practice accounts that is non-NHS income; e.g. clinical trials, insurance medicals, DWP medicals, private patients, police work, medical school and university income paid direct from the school/university, medico legal reports, etc.

Box 7 will also include external locum income (i.e. not performed for other members of your own Practice) not previously pensioned.

Box 8

The figure in box 8 should be the non-NHS income reported through your self employment pages; clinical trials, insurance medicals, DWP medicals, private patients, police work, medical school income paid direct from the school, medico legal reports, etc.

Box 8 will also include locum income not previously pensioned.

For income from an Out of Hours Provider to be pensionable, the OOHP needs to be an approved Scheme Employing Authority. A list of OOHPs that are Employing Authorities can be found in the 'FAQs' located on NHS Pensions website in the 'GP Forms' section. Please refer to this to determine if OOHs income is pensionable.

Box 9

The figure in Box 9 should be the non-NHS income reported on the employment pages of your tax return.

Box 10

Box 10 must include any non-NHS ad-hoc private fee work and fee based medical related work that was not salaried and is not included in Boxes 7, 8 or 9 above. This may include income reported at Box 15 of page TR3 of your main tax return.

Box 11

It will be rare to have an entry in this Box as there are few types of non-NHS income that will already be pensioned separately. One example, however, would be university income received direct and already pensioned through the University Superannuation Scheme.

Box 12

Box 12 is your total non-NHS income that has not already been pensioned.

Box 13

Provides the ratio to determine the percentage of expenses attributable to non-NHS income under the standard and alternative methods of calculation. See notes to Boxes 61 to 68.

Box 14

Box 14 must state your share of **all** of the Practice partnership expenses derived from the Practice accounts, e.g. staff salaries, administrative expenses, drugs etc. Exclude expenses that are non-allowable for tax purposes; e.g. depreciation, entertaining, etc. Capital allowances claimed on Practice assets such as computers equipment and furniture should be included.

Where any personal expenses and capital allowances have been incurred and these are fed through the partnership tax return for tax reporting purposes, they should be included in box 14 after adjustment for private use.

Box 15

This will include a single-hander's total expenses, adjusted for tax purposes.

For GPs in partnership, Box 15 will also include the tax adjusted personal expenses and capital allowances that are not set against profits in the partnership tax return, but set against private fee income declared on the self employment pages of the personal return.

Box 16

Box 16 will include the tax relievable expenses entered on the employment pages in respect of employment income earned concurrently to earnings. Expenses set against employment income earned prior to commencing or after ceasing as a Provider should **NOT** be included.

Box 17

Includes tax relievable expenses included, or set against income declared, elsewhere on your tax return; e.g. at Box 16 of page TR3 of your main tax return.

Box 18

Box 18 is interest payable on your share of a loan for professional purposes not already declared in Boxes 14 to 17, and will usually reflect the entry made at box 5 under 'Other tax reliefs' on the Additional information pages of your tax return.

Box 19

This is your total expenses incurred in respect of **all** your income for the purposes of this Certificate.

Box 20

Will reflect taxable practice partnership income (Box 1 less Box 14) and should correspond to Box 7 of your partnership pages of your tax return.

Box 21

Will reflect taxable single-hander or private fee based self employed income (Box 2 less Box 15) and should correspond to Box 30 of the self employed (short) pages or Box 63 of the self employment (full) pages of your tax return.

Box 22

Will be your taxable employment income according to your tax return and will reflect Box(es) 1 less the total of boxes 17, 18, 19 and 20.

Box 23

Will be your taxable medical related income declared elsewhere on your tax return.

Box 24

Is the total of Boxes 20 to 23.

Box 25

See comments re Box 18.

Box 26

Will include the total of income pensioned separately in Box 24, including salaried appointments (net of expenses) from Box 22 where superannuation has been deducted at source, and taxable locum income included in Boxes 20 and 21 upon which superannuation has been paid.

Income where contributions have been deducted and reported on GP SOLO forms should **NOT** be included in Box 26. For the purposes of calculating pensionable income, this is not considered to be income pensioned separately.

By contrast to the comments regarding the entry to Box 5, where salaried appointments are pooled in a partnership and shared in profit share, and the concessionary treatment of pooled salaries has been used to tax this income under Schedule DII, the amount to be deducted here will be the gross amount of the P60 in your name (inclusive of the employee and Added Years contributions deducted at source together with the employer contributions where the accounts have grossed up for this element) and not your share of the pooled salaried income.

Where the statutory method has been used and the salaried income is deducted from Box 1 and reported at Box 3, the amount to be included here will be that in Box 22.

By virtue of the different nature of a salaried position, the recording of that superannuable income occurs outside the scope of the Certificate. Should an equivalent amount not be deducted here, the overall superannuable income would be overstated.

It can therefore be seen that Box 26 will not always equate to Box 5.

Box 27

The figure to be stated in Box 27 is the figure in Box 12.

Box 28

Box 28 is a 'mop up' box and should include any NHS 'ad hoc' income (inclusive of employer contributions) not already declared on this Certificate and not already 'pensioned' elsewhere.

Box 29

See the notes in respect of Boxes 61 to 68.

Box 30

See the notes in respect of Boxes 61 to 68.

Box 31

Box 31 is the pensionable pay **prior** to apportionment that strips out employer contributions according to HMRC guidance.

Box 32

Box 32 is the total of all income, from whatever source, declared in Box C of the GP SOLO forms for the accounting year that falls in 2008/09. It should be noted that NHS pensionable fee based income that is paid directly into the Practice (i.e. 'pooled') is not GP SOLO income. Where 'pooling' occurs, the amount paid to the Practice will be the gross fee plus the employer contributions.

GP SOLO income relates to NHS fee based income (i.e. OOHs) paid directly to the individual GP Provider or indirectly paid through the payroll (i.e. PEC positions) where employee contributions have been deducted and reported on the GP SOLO form and the relevant Employing Authority has paid the employer contributions.

Box 33

Is the total pensionable 'apportionable income' excluding the SOLO income.

Box 34

Is your NHS Practice profits after employer contributions have been 'stripped out'.

Box 35

Re-enter your total GP SOLO income; i.e. the figure in Box 32.

Box 36

This is your individual GMS, PMS, APMS, or SPMS Practice profits (excluding employer contributions) before adjustment for pension overlap.

Boxes 37, 37a, 37b and 37c

The entry at Box 37 will reflect the pension overlap (derived from all Practice and SOLO income) deductible due to changes in accounting dates, cessation or retirement. You should refer to the pensions overlap guidance for examples and more information.

Box 38

This is your total NHS pensionable profits (including SOLO income) prior to any potential 'capping.'

Box 38a

Seniority payments have to be separately identifiable in the Certificate in accordance with the SFE mainly for the purposes of the calculation of Average Adjusted Superannuable Income.

The figure in this box should be the amount of seniority allocated to you as per the Practice accounts. No adjustment should be made for employer superannuation contributions.

Box 39

Also see notes to Box 1. Only enter a figure in this box if you are capped JUST for Added Years purposes. From 1 April 2008 a cap does not apply to mainstream (i.e. GMS/PMS) pensionable pay.

The figure in this Box would normally be the earnings cap relevant to added years contracts for 2008/09 (£117,600).

Care should be taken, however, when entering a figure here and you also have income pensioned separately (for instance salaried appointments or GP locum income) or pensionable income derived from a limited company, as the correct amount may not be the full value of the cap as an amount of the cap may be allocated against these other sources. .

Where the cap applies to your added years contract, your **total** NHS pensionable income from **all** NHS sources in the year ending 31 March 2009 cannot exceed £117,600.

NHS Pensions cannot advise on the application of the cap to any particular source of NHS income. Professional assistance should be sought where is required bearing in mind other possible NHS pensionable income.

Boxes 40 to 43

These Boxes state the percentages at which the varying classes of contribution are paid.

Tiered employee contributions:

For pensions year 2008/09 employee contributions are broadly based on the Provider's certified pensionable income in year 2006/07 regardless of the actual certified income in year 2008/09.

Employee contributions in 2008/09 may therefore be 5%, 6.5%, 7.5% or 8.5%; employer contributions are 14%. Please refer to the FAQs and Technical Newsletters (TNs) 5/2008 and 6/2008 for more detailed guidance.

IMPORTANT NOTE:

TN 5/2008 (<http://www.nhsbsa.nhs.uk/Pensions/2499.aspx>) provides an annex, including a flowchart for determining the rate of employee contribution you are to pay in 2008/09. Please follow those instructions. The rate payable in 2008/09 will be determined by the Provider's aggregated pensionable income for year 2006/07. The aggregate of pensionable income includes:

- Type 1 (Principal) Practitioner certified profits
- Type 2 (Assistant) Practitioner income
- Pensionable GP Locum (Practitioner) income (i.e. 90% of the gross)
- OOHs posts
- PEC posts

Income from PAYE salaried Officer (i.e. clinical assistant/hospital) posts and Bed Fund posts should be excluded from the aggregation above and should be allocated a contribution tier separately according to the rules governing Officers in 2008/09 within the scheme.

IMPORTANT NOTE REGARDING GP LOCUM WORK

Where, as a result of the above, it transpires that, following aggregation and allocation to a tier, the incorrect percentage of employee contribution has been paid on 2008/09 GP Locum income through forms A & B, the GP must contact the PCT/LHB to make good locally any arrears/apply for a refund. Any arrears/refund in respect of GP Locum contributions are ring-fenced and are outside the scope of this Certificate. Please refer to the notes on GP Locum form B for further information.

Added Years, Money Purchase AVCs and Additional Pension arrangements:

The percentages or amounts payable for each of these arrangements will be dependent upon your own circumstances.

Added Years

Where an Added Years contract begins on your birthday part way through the 2008/09 year, an 'average' percentage will need to be entered in box 41. For instance, if your Added Years contributions cost is 5%, but the contract to begin paying this commenced on 1st October 2008, the average percentage, calculated on a daily basis, is 2.49% (5% x 182/365). Similarly, where an Added Years contract ends in the year, an apportioned percentage for the days to the end of the contract should be calculated.

Money Purchase AVCs

The figure in box 42 is your provisional NHSPS Money Purchase AVCs if you have a NHS Money Purchase AVC contract with the Prudential, Standard Life, or Equitable Life. This is generally based on a percentage of your pensionable pay however can be a fixed amount. Where it is a fixed amount, the annual amount should be entered in box 42a rather than box 42. The amount in box 42a should then be copied into box 46.

Do not enter details in respect of any Free Standing AVC's.

Additional Pension purchase

From 1 April 2008 a new Additional Pension purchase was introduced whereby members can buy blocks of additional pension in multiples of £250 up to a maximum of, currently, £5,000. Where an Additional Pension contract started in 2008/09, it will be necessary to enter the contributions due in Box 42b for the period from commencement to 31 March 2009. Contributions for Additional Pension are payable either by a single lump sum or regular monthly payments. Where the chosen method is a single lump sum, the amount due should be entered in Box 42b. Where the chosen method is by regular monthly contributions, the amount to be entered in Box 42b is the monthly contribution quoted multiplied by the number of whole months the contract has run from inception to 31 March 2009. As monthly payments are fixed (subject to future review and adjustment), no apportionment should occur as happens with added years.

Boxes 44 to 47

Are the contributions due for the year, arrived at by multiplying the pensionable pay figure from Box 38 (or 39 for Added Years if the cap applies to your Added Years contract) to the relevant percentage figure from Boxes 40 to 43.

Where you have a NHS Money Purchase AVC paid as a fixed amount, the figure in Box 46 will match that in Box 42a.

Where you have an Additional Pension contract, the figure in Box 46 will match that in Box 42b.

Where you have a combination of arrangements (i.e. MPAVC + Additional Pension) the amount at Box 46 will reflect the total amount.

Boxes 48 to 51

These Boxes must state the Practice based contributions already paid that relate to 2008/09 (i.e. not including payments made in respect of a previous year).

These figures should include payments already made to your host PCT/LHB or deducted from your global sum or contract price payment 'on account' throughout the year by the PCT/LHB.

There is no link of these boxes to any payments relevant for tax relief purposes. The entries in these Boxes will relate to those contributions made in respect of 2008/09 that were paid or deducted by the PCT/LHB before this Certificate is submitted.

Boxes 52 to 55

These figures should include payments made to or deducted on your behalf by NHS Pension Scheme Employing Authorities in respect of GP SOLO income, and includes a credit for employer contributions deemed to have been paid by that Employing Authority, and which is entered on the PCT's/LHB's Exeter system as relating to the pension year ended 31 March 2009.

The entries will reflect the totals from Boxes D, E and F of all your GP SOLO forms relating to income for the year ended 31 March 2009, even where the income assessed as pensionable is for an accounting year other than the pension year.

A list of Out of Hours Providers registered as Scheme Employing Authorities is available on the FAQs.

Boxes 56 to 59

Are the final payable (or refundable) contributions for 2008/09 after taking account of contributions that have already been paid. For example, the contributions shown in Box 56 are calculated by deducting the amounts in Boxes 48 and 52 from the amount shown in Box 44.

Box 60

Is the total of the contributions declared in Boxes 56 to 59. If the Provider has underpaid contributions the arrears of contributions must be paid immediately. If the Provider has overpaid contributions they must be repaid (by the PCT/LHB) straightaway.

Box 61

Non-NHS expenses are calculated using the standard method where:

- Non-NHS income (box 12) is less than 10% of total income (Box 6), **and**
- Non-NHS income (box 12) is less than £25,000

The standard method apportions the total expenses from Box 19 in relation to the ratio of non-NHS income to total income (Box 12 over Box 6).

Boxes 62 to 67

Even though the conditions at note 61 above are met, it is not imperative that the standard method is used. The alternative method may be used, providing explanation and justification is given at Box 68.

Where the standard method described is not used, then the alternative method should be used. If this is the case, tick Box 30 and use your knowledge of your affairs to extract expenses wholly attributable to NHS and non-NHS work following the process in these Boxes. After extracting such expenses, whatever remains may be apportioned according to the ratio at Box 13.

Where both the standard and alternative methods of allocating expenses does not provide a fair conclusion, you must use your own method of allocating expenses and clearly explain the reasons and methodology at Box 68.

Box 68

You should include here any explanatory information or points that will assist the PCT/LHB in processing your Certificate.

This will include justifications for use of the alternative method of calculating non-NHS expenses entered at Box 29 even where the conditions for use of the standard method described above (points re Box 61) are met.

This Box will also include explanations and calculations when using your own method of calculating non-NHS expenses, for instances in years of exceptionally large expenditure or capital allowances or where anomalous results are found when using the standard or alternative methods.