

General Medical Practitioner's Annual Certificate of Pensionable Profits

Proforma for use by GMS & PMS GP Providers including GP/non GP Partners & Single-Handed GPs (NOT to be completed by Salaried (i.e. Assistant) GPs, or GPs whose services are wholly in respect of formal employment or GP Practice staff)

GP name

GP NI number

GP Practice accounts year end, which this certificate relates to / /
(e.g 30.06.2004, 31.03.2005)

Tax & NHS Pension Scheme year end, which the profits at Box 21 relate to (enter NHSPS date e.g. 31.03.2005) / /

This certificate is based on
 A my provisional tax return
 B my final tax return

Read the Supplementary Notes to this Certificate on the NHSPA website and complete all entries with reference to all income and expenditure in respect of the GP provider acting in a professional medical capacity.

Calculation of GP share, or non-GP share of total NHS income and non-NHS income, for the expenses ratio

		Box No.
Step 1 Specify your GP share, or non-GP share of self-employed Practice income before expenses adjusted for tax purposes (Completion Note 1)	£ <input style="width: 150px; height: 25px;" type="text"/>	1
Step 2 Add your non-Practice taxable medical related income declared <i>elsewhere</i> on your income tax return or adjusted through expenses claim (Completion Note 2)	+ £ <input style="width: 150px; height: 25px;" type="text"/>	2
Step 3 Deduct your income included above in Boxes 1 and 2 pensioned separately (Completion Note 3)	- £ <input style="width: 150px; height: 25px;" type="text"/>	3
This is your total NHS & non-NHS income not pensioned separately	= £ <input style="width: 150px; height: 25px;" type="text"/>	4

Calculation of GP share, or non-GP share of total non-NHS income for the expenses ratio

Step 1 Specify your GP share, or non-GP share of self-employed Practice non-NHS (private) income before expenses, adjusted for tax purposes (Completion Note 4)	£ <input style="width: 150px; height: 25px;" type="text"/>	5
Step 2 Add your non-Practice taxable medical related non-NHS (private) income declared <i>elsewhere</i> on income tax return or adjusted through expenses claim (Completion Note 5)	+ £ <input style="width: 150px; height: 25px;" type="text"/>	6
This is your total non-NHS (private) income	= £ <input style="width: 150px; height: 25px;" type="text"/>	7

Calculation of non-NHS income: NHS income ratio**Box No.**

Step 1 $\frac{\text{Divide Box 7}}{\text{By Box 4}}$ $\frac{\text{£}}{\text{£}}$ Total non-NHS income = £ % 8
 Total NHS and non-NHS income

Calculation of total expenses

Step 1 Specify your Practice Accounts GP share, or non-GP share of self-employed expenses, adjusted for tax purposes (Completion Note 6) £ 9

Step 2 Add your non-Practice deductible medical related expenses claimed *elsewhere* on income tax return or in expenses claim (Completion Note 7) + £ 10

Step 3 Add interest paid on a loan for professional purposes not accounted for in boxes 9 and 10 (Completion Note 11) + £ 11

This is your total expenses = £ 12

Calculation of Pensionable Profits

Taxable profit (Completion Note 8) £ 13

Leave blank (Completion Note 9) (leave blank) 14

Less Your income included in taxable profits pensioned separately (Completion Note 3) - £ 15

Less Your total non-NHS (private) income (Box 7) - £ 16

Add Your non-NHS expenses (Box 26 or Box 33) (Completion Note 10) + £ 17

If you have not used the standard method of apportioning non-NHS expenses tick this box and enter your explanation in the box provided on page 4.

Less Your interest paid (Box 11) - £ 18

Add Any other NHS GP income NOT already in Box 13 provided it will NOT be pensioned separately (Completion Note 12) + £ 19

= £ 20

Multiply Box 20 £ x $\frac{100}{y}$

where $y = 100 + (\text{number of months post 1 April 2004 multiplied by } 1.1667)$
 e.g. for y/e 30 September, $y = 100 = (6 \times 1.1667) = 107$

This is your pensionable profit (Completion Note 13) = £ 21

Memo Enter any amount included in Box 21 which is for your **seniority** £ 21a

Memo Read the Supplementary Notes and calculate / bring forward from last year the amount of your **Pension Overlap Profits** £ 21b

Calculation of NHS Pension Scheme Contributions

Box No.

Employee pension contributions	Box 21	£ <input type="text"/>	x	6%	=	£ <input type="text"/>	22
Added years pension contributions (Completion Note 14)	Box 21	£ <input type="text"/>	x	? %	=	£ <input type="text"/>	23
Money Purchase AVC contributions (Completion Note 15)	Box 21	£ <input type="text"/>	x	? %	=	£ <input type="text"/>	24
Employer pension contributions	Box 21	£ <input type="text"/>	x	14%	=	£ <input type="text"/>	25

Calculation of Non NHS Expenses

If the standard method shown cannot be used, the alternative method shown must be used. Where the GP, or non-GP is required to use the alternative method, accounting records will need to be amended to record this information adequately on an item by item basis.

The standard method for the calculation of non-NHS expenses:

Divide Non-NHS income (Box 7)	£ <input type="text"/>	x Expenses (Box 12)	£ <input type="text"/>	=	£ <input type="text"/>	26
By total income (Box 4)	£ <input type="text"/>					

The alternative method for the calculation of non-NHS expenses:

Take the total expenses shown in Box 12		£ <input type="text"/>	27
Add Relevant expenses incurred in an Associated Company (Completion Note 16)	+	£ <input type="text"/>	28
Less Expenses wholly attributable to NHS income	-	£ <input type="text"/>	29
Less Expenses wholly attributable to non-NHS income	-	£ <input type="text"/>	30
Expenses that cannot be separately allocated to NHS or non-NHS income	=	£ <input type="text"/>	31

Ratio for allocation of expenses not separately allocated:

Divide Non-NHS income (Box 7)	£ <input type="text"/>	x (Box 31) expenses	£ <input type="text"/>	=	£ <input type="text"/>	32		
By Total income (Box 4)	£ <input type="text"/>							
Total Non-NHS expenses	Box 30	£ <input type="text"/>	+	Box 32	£ <input type="text"/>	=	£ <input type="text"/>	33

Or your own method

If the above calculation and allocation ratio does not give you a fair conclusion, you must use an alternative method of your own, and clearly explain your reasons and methodology in the box provided on page 4.

Please turn over

**If you cannot use the standard or alternative non-NHS expense calculations
(Completion Note 10) explain your alternative non-NHS expense calculation here:**

GP Declaration

Now you must read and sign the following statement and send this completed Certificate to the appropriate PCT / LHB as soon as possible and **NO LATER THAN** the 28th February following the relevant annual tax 'deadline'. If you give false information you may be liable to prosecution.

The information given in this Certificate is consistent with my relevant Inland Revenue Tax return and is correct and complete to the best of my knowledge and belief.

GP or non-GP signature _____ Date _____

PCT / LHB Agreement

I have checked the figures shown in Boxes 21 to 25 of this Certificate and am satisfied that they appear consistent with the relevant GP NHS work and income that this PCT / LHB is aware of and confirm that they have been used to confirm, record and pay over to the NHS Pensions Agency the appropriate NHS Pension Scheme contributions for the year to which this Certificate relates.

PCT / LHB authorised signature _____ Date _____

Completion Notes

For examples of where and how this Certificate should be used, please also see the Supplementary Explanatory Notes available for download from the NHS Pensions Agency's website.

Note 1

The figure in Box 1 should be your GP share, or non-GP share of total medical related income as shown in the Practice accounts, this includes GMS and PMS income, private income and reimbursements. Excludes bank interest.

Note 2

Box 2 is for medical related income NOT included in the Practice accounts and must include both salaried (Assistant GP) and self-employed medical income, e.g. on forms GP SOLO.

Note 3

'Separately pensioned' income to be included in Box 3 or Box 15 means income from GP Locum work recorded on forms GP Locum A - D, and Schedule E income in formal contracts of employment e.g. as an Assistant GP or as a Clinical Assistant in hospital work. Do not enter (deduct) income from forms GP SOLO in Box 3 or Box 15.

Note 4

The figure in Box 5 should be your GP share, or non-GP share of income from whatever sources included in the Practice accounts that is non-NHS income, e.g. clinical trials, insurance medicals, private patients.

Note 5

The figure in Box 6 should include all income declared on your tax return relating to medical services that is NOT included in the Practice accounts. See examples in Note 4 above. Any of your income that is non-medical related should not be included.

Note 6

The figure in Box 9 should be your GP share, non-GP share of total expenses in the Practice Profit and Loss account, e.g. salaries, rent, computer expenses etc. But exclude expenses not allowable for tax purposes e.g. depreciation, entertaining. Capital allowances claimed on Practice assets such as computer equipment and furniture should also be included.

Note 7

The figure in Box 10 will generally be your personal expenses that are NOT charged in the Profit and Loss account of the Practice and expenses relating to other self-employed income. Expenses not allowable for tax purposes should be excluded but personal capital allowances on cars and other personal equipment should be included.

Note 8

For a GP/non-GP, use the figure in Box 4.22 from the Partnership short page of the individual tax return. For a single-handed GP (except Salaried GPs who cannot use this pro-forma) use the figure in Box 3.92 from the Self-Employed page of the individual tax return. These figures should be stated before any deduction of overlap profits for income tax purposes. Typically, Box 13 will include Practice income to the relevant Practice year end, inclusive of NHSPS employer contributions, which will now be treated as the GPs contributions in drawings. Exclude any Schedule E income. If you are changing your accounting year end, or this is your last year in Practice and the NHS Scheme, deduct the 'Pension Overlap Profits' figure in Box 21b from the GP Taxable profit figure you would otherwise enter at Box 21. There is more about this in the Supplementary Notes to this Certificate on the NHSPA website.

Note 9

Box 14 should always be left blank.

Please turn over

Completion Notes continued:

Note 10

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

- Non-NHS income (Box 7) is less than 10% of total income (Box 4), **and**
- Non-NHS income is less than £25,000, **and**
- No Practice expenses have been recharged either wholly or partly to an Associated Company (an Associated Company is one in which the GP or non-GP exercises control to secure that the Company's affairs are conducted according to the GPs or non-GPs wishes. For this purpose control may be attributed to the shareholding of the GP or non-GP's spouse, siblings, business partners or lineal descendants of the GP or non-GP or their spouse. See Completion Note 16 for more details.

Note 11

If you have paid interest on a loan for professional purposes, enter the amount of interest as shown on Box 15.1 on your tax return.

Note 12

Include any other GP NHS income to the tax year end NOT already included in Box 13 and NOT pensioned separately. This is a 'sweep-up' box intended for any NHS GP income not already paid through the Practice (Box 13) or pensioned 'separately' in the ways listed in Completion Note 3. Include any income on forms GP SOLO for the tax year not already paid via the practice and included in Box 13.

Note 13

Box 21 is the amount of pensionable profit that will count towards your main* NHS Scheme GP pension for the year and will be a grand total of Practice and non-Practice NHS GP income, net of expenses. The amount will INCLUDE income on forms GP SOLO, for which NHS Scheme contributions have already been deducted from gross payments (eg from OOHPs) and sent to your PCT. When the PCT works out whether you have over or under paid pension contributions for the year, in Boxes 22-25, they will first deduct any contributions the PCT has, themselves, deducted from your global sum payments and any contributions that have been sent to them in respect of income on forms GP SOLO. If you joined the NHS Scheme for the first time on or after 1 June 1989, the figure arrived at here must be no greater than the level of the Inland Revenue earnings cap or NHSPS equivalent. If you are not sure whether the earnings cap applies to you refer to your PCT/LHB. The relevant annual earnings cap level can be checked on the Inland Revenue website.

* K.I.V. Any NHS income and contributions pensioned separately from this form (Note 3) has been recorded separately and the Pensions Agency will take it into account when working out your full pension.

Note 14

For the NHS Added Years calculation, enter Box 21 amount and the Added Years percentage and calculate the additional contribution. If the Added Years contract begins part way through the period, adjust the contributions shown appropriately.

Note 15

For NHS Money Purchase AVC contributions (not NHS Added Years) enter the Box 21 amount, and the MPAVC percentage, and calculate the additional amount. If the MPAVC contract begins part way through the period, adjust the contributions shown appropriately. If MPAVCs are paid as a regular monthly amount, enter the appropriate total amount in Box 24. Ensure that any shortfall in MPAVC contributions during the financial year is sent to the appropriate MPAVC provider, NOT the NHSPA.

Note 16

The relevant expenses of an associated company are those which typically would be found in the accounts of an NHS GP and which have been transferred, allocated or otherwise claimed against the profits of another business. For example, in a case where the staff of a GP's surgery are claimed in the company accounts of the same GP, in which he includes his private non-NHS income.