

**HEARING AID COUNCIL
MANAGEMENT ACCOUNTS
2008/09**

Transition Period

Budgeted sums for the transition period continue to be deferred from actual retention fee income. The actual balance deferred as at 31 January 2009 is £130,360.

Results for the ten months ended 31 January 2009

There was a surplus for the period of £364k with income of £1,399k and expenditure of £1,035k.

Income

Net disciplinary costs and fines of £134k have been awarded against dispensers and companies by the Disciplinary Committee in the period. The movement in these debtors in the period from 1 April 2008 is shown on page 4 of the management accounts. The balance outstanding as at 31 January 2009 is £84k after provisions for doubtful debts of £71k in 07/08 and £16k in the period.

Expenditure

Legal services costs are forecast to be under budget for the year by £23k based upon the most likely forecast for DC cases. Worst case projections would result in further costs of £66k and best case projections would result in lower costs by £65k.

Judicial review costs were £121k for the period and are forecast at £131k for the year now that case has concluded. This forecast will increase should there be a detailed dispute over the recovery by the HAC of costs from Hidden Hearing.

Summary

The current forecast outturn for the year is an under-spend of £27k resulting in reserves of £12k carried forward into 2009/10 after allowing for the deficit brought forward of £15k as at 1 April 2008.

Key assumptions:

Disciplinary cost awards and fines brought forward, and raised in 2008/09, are fully recoverable, subject to the provision for doubtful debts to date as referred to above.

This forecast is based upon the most likely forecast outturn for DC cases with a range of possible outcomes from best case to worst case projections of £131k.

Further ongoing outturn forecasting work will be carried out.

Current estimated costs of the Judicial Review at £131k.