APPENDIX 13: CORRECTED CASHFLOW ANALYSIS (REPRODUCTION OF MR MACDONALD'S APPENDIX 3B)

APPENDIX 3B of Mr Macdonald Exact Recreation Applying Rental Growth but no Cost inflation

Row			20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	47/48	48/49	49/50
	1																															
	2	Acres yielding rental income	-		25	40	265	565	889	1,137	1,203	1,369	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469
	2A	Average rent per acre			7,520	15,000	14,849	17,488	19,771	20,775	21,106	22,411	22,196	23,979	24,204	25,163	25,163	25,448	25,886	26,152	27,641	27,641	27,924	28,407	28,672	30,161	30,161	30,445	30,975	31,241	32,729	32,729	33,014
		Annual percentage increase in rate per acre				99.47	-1.01	17.78	13.05	5.08	1.60	6.18	-0.96	8.03	0.94	3.97	0.00	1.13	1.72	1.03	5.69	0.00	1.03	1.73	0.93	5.19	0.00	0.94	1.74	0.86	4.76	0.00	0.87
		Service Charge (row 17) divided by acre (row 2)			0.000	0.000	0.238	0.177	0.397	1.242	1.847	2.076	2.047	2.329	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501	2.501
	3																															
	4	STDC Share of Business Rates as fraction of rent	0.21																													
	5	Service Charge, £(2019/20)k/acre	2.5																													
	6	Land Purchase (incl. tax) & Compensation Loan: Interest Rate	0%																													
	7	Land Purchase (incl. tax) & Compensation Loan: Repayment Period (yrs)	20																													
	8	Land Purchase (incl. tax) & Compensation Loan: First Repayment Year	28/29																													
	9	Financing Loan: Interest Rate	3%																													
	10	Financing Loan: Repayment Period (years)	25																													
	11																															
	12		Totals	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43	43/44	44/45	45/46	46/47	47/48	48/49	49/50
	13	Income and Finance In, £ (2019/20)k	20/21-49/50	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
	14																															
	15	Rental	978,480		188	600	3,935	9,881	17,576	23,621	25,391	30,680	32,606	35,225	35,555	36,965	36,965	37,383	38,027	38,417	40,604	40,604	41,021	41,730	42,119	44,306	44,306	44,724	45,503	45,893	48,079	48,079	48,497
	16	Bus. Rates	142,550				79	126	337	2,557	4,170	4,949	5,364	7,064	7,450	7,745	7,745	7,833	7,968	8,049	8,507	8,507	8,595	8,743	8,825	9,283	9,283	9,371					
	17	Service Charge	83,227				63	100	353	1,412	2,222	2,842	3,007	3,422	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674
	18	Scrap	23,099				466	466	626	493	2,635	3,358	3,198	3,198	3,198	2,548	2,548	291	74														
	19	Direct income	1227356		188	600	4,543	10,573	18,892	28,083	34,418	41,829	44,175	48,909	49,877	50,932	50,932	49,181	49,743	50,140	52,785	52,785	53,290	54,147	54,618	57,263	57,263	57,769	49,177	49,567	51,753	51,753	52,171
	20																															
	21	Assumed loan for Land purchase (incl. tax) & Compensation	31,572			31572																										
	22	TVCA Prairie Site Support	9,638	1940	2536	3251	1082	829																								
	23	MHCLG funding for prairie Site Regeneration (pre-CSR)	13,082	5623	4909	2550																										
	24	BEIS Switch of budgetted KS costs (within CSR period)	10,544			10544																										
	25	Ask of Govt (CSR Funding)	55,858	7000	10982	32531	5345																									
	26	TVCA & Government-sourced Grant and Loan income	120,694	14563	18427	80448	6427	829																								
	27																															
	28	Financing Loan	255,159				64585	57424	47939	55706	29505																					
	29																															
	30	Total Income	1,603,209	14,563	18,615	81,048	75,555	68,826	66,831	83,789	63,923	41,829	44,175	48,909	49,877	50,932	50,932	49,181	49,743	50,140	52,785	52,785	53,290	54,147	54,618	57,263	57,263	57,769	49,177	49,567	51,753	51,753	52,171
	31																															
	32																															
	33	**Expenditure and Finance Out, £(2019/20)k**																															
	34																															
	35	Demolition	(71,958)	(900)	(900)	(10,982)	(975)	(10,625)	(17,500)	(21,588)	(7,588)	(500)	(400)																			
	36	Decomissioning/cleaning of plant and facilities (COMAH)	(13,158)				(6,579)	(6,579)																								
	37	Infrastructure - Highway	(95,416)	(3,625)	(4,140)	(5,076)	(18,586)	(13,626)	(13,323)	(10,961)	(6,512)	(5,356)	(1,235)	(6,902)	(1,802)	(1,802)	(1,235)	(1,235)															
	38	Infrastructure - Marine	(26,000)							(13,000)	(13,000)																					
	39	Infrastructure - Rail	(16,226)				(1,570)	(2,027)	(2,480)	(1,995)	(1,366)	(1,333)	(1,091)	(1,091)	(1,091)	(1,091)	(1,091)																
	40	Infrastructure - Utilities (incl Elec. Infr. Provision)	(77,680)	(3,174)	(4,939)	(4,739)	(14,070)	(11,069)	(10,007)	(9,080)	(5,416)	(4,464)	(1,070)	(5,304)	(1,104)	(1,104)	(1,070)	(1,070)															
	41	Landscape and public realm	(10,588)				(833)	(930)	(925)	(689)	(415)	(336)	(89)	(1,179)	(864)	(864)	(1,776)	(1,688)															
	42	Site Preparation	(71,968)	(900)	(2,377)	(10,847)	(19,122)	(9,351)	(5,835)	(7,305)	(6,972)	(4,872)		(3,167)	(167)	(610)	(443)																
	43	Capitalisable Strategic Costs	(67,584)	(5,365)	(5,637)	(5,661)	(5,495)	(5,253)	(3,991)	(3,473)	(3,453)	(3,386)	(4,914)	(4,744)	(4,769)	(4,795)	(4,648)	(2,000)															
	44	STDC Pick up of KS+I2S+Tier3 costs	(98,433)			(11,355)	(7,678)	(5,000)	(5,000)	(5,000)	(5,000)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)
	45	Direct Costs	(549,011)	(13,964)	(17,993)	(48,660)	(74,908)	(64,460)	(59,061)	(73,091)	(49,722)	(22,947)	(11,499)	(25,087)	(12,497)	(12,966)	(12,963)	(8,693)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)
	46																															
	47	Overheads (balances Serv. Ch. & KS+I2S+T3 once prep concluded), £k	(25,012)	(600)	(620)	(818)	(645)	(657)	(670)	(683)	(690)	(696)	(703)	(710)	(717)	(724)	(731)	(738)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)
	48																															
	49	Assumed Land Purchase (incl. tax) & Compensation	(31,572)			(31,572)																										
	50	Assumed Land Purchase (incl. tax) & Compensation Loan Interest																														
	51	Assumed Land Purchase (incl. tax) & Compensation Loan Repayment (incl. historic p	(42,580)									(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	
	52	Assumed Land Purchase (incl. tax) & Compensation Loan Costs	(74,152)			(31,572)						(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	
	53																															
	54	Financing Loan Interest	(103,088)					(1,938)	(3,607)	(4,941)	(6,459)	(7,133)	(6,884)	(6,628)	(6,364)	(6,092)	(5,812)	(5,524)	(5,227)	(4,921)	(4,606)	(4,282)	(3,947)	(3,603)	(3,248)	(2,883)	(2,507)	(2,119)	(1,720)	(1,309)	(885)	(449)	
	55	Financing Loan Repayments	(255,156)					(1,771)	(3,493)	(5,075)	(7,051)	(8,291)	(8,540)	(8,796)	(9,060)	(9,332)	(9,612)	(9,900)	(10,197)	(10,503)	(10,818)	(11,143)	(11,477)	(11,822)	(12,176)	(12,542)	(12,918)	(13,305)	(13,704)	(14,116)	(14,539)	(14,975)	
	56	Financing Loan: Total	(358,244)					(3,709)	(7,100)	(10,016)	(13,510)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,424)	(15,425)	(15,424)	(15,425)	(15,424)	(15,425)	(15,425)	(15,424)	(15,424)	(15,425)	(15,424)	(15,424)	
	57																															
	58	Total Expenditure	(1,006,419)	(14,564)	(18,613)	(81,050)	(75,553)	(68,826)	(66,831)	(83,790)	(63,922)	(41,196)	(29,755)	(43,350)	(30,767)	(31,243)	(31,247)	(26,984)	-21227	(21,227)	(21,227)	(21,228)	(21,227)	(21,228)	(21,227)	(21,228)	(21,228)	(21,227)	(21,227)	(21,228)	(21,227)	(19,098)	(3,674)
	59																															
	60																															
	61	Balance, £(2019/20)k																														
	62																															
	63	Balance ie income + Finance In - Expenditure - Finance Out	596,790									633	14,420	5,559	19,110	19,689	19,685	22,197	28,516	28,913	31,558	31,557	32,063	32,919	33,391	36,035	36,035	36,542	27,950	28,339	30,526	32,655	48,497

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Direct income	1227356	0	188	600	4543	10573	18892	28083	34418	41829	44175	48909	49877	50932	50932	49181	49743	50140	52785	52785	53290	54147	54618	57263	57263	57769	49177	49567	51753	51753	52171
Assumed loan for Land purchase (incl. tax) & Compensation	31,572	0	0	31,572	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TVCA Prairie Site Support	9,638	1,940	2,536	3,251	1,082	829	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MHCLG funding for prairie Site Regeneration (pre-CSR)	13,082	5,623	4,909	2,550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEIS Switch of budgetted KS costs (within CSR period)	10,544	0	0	10,544	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ask of Govt (CSR Funding)	55,858	7,000	10,982	32,531	5,345	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total no indexation	1,348,050	14,563	18,615	81,048	10,970	11,402	18,892	28,083	34,418	41,829	44,175	48,909	49,877	50,932	50,932	49,181	49,743	50,140	52,785	52,785	53,290	54,147	54,618	57,263	57,263	57,769	49,177	49,567	51,753	51,753	52,171
Total with Indexation 2.0%	1,922,803	14,854	19,367	86,009	11,874	12,589	21,275	32,259	40,326	49,990	53,849	60,812	63,256	65,886	67,204	66,191	68,286	70,208	75,390	76,898	79,186	82,069	84,438	90,298	92,104	94,776	82,294	84,605	90,103	91,905	94,501
Total with Indexation 2.5%	2,106,968	14,927	19,557	87,280	12,109	12,900	21,909	33,382	41,935	52,239	56,548	64,173	67,079	70,210	71,966	71,229	73,844	76,294	82,327	84,385	87,322	90,944	94,029	101,047	103,573	107,100	93,451	96,547	103,325	105,908	109,432
Direct Costs	(549,011)	(13,964)	(17,993)	(48,660)	(74,908)	(64,460)	(59,061)	(73,091)	(49,722)	(22,947)	(11,499)	(25,087)	(12,497)	(12,966)	(12,963)	(8,693)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)
Overheads (balances Serv. Ch. & KS+I2S+T3 once prep concluded), £k	(25,012)	(600)	(620)	(818)	(645)	(657)	(670)	(683)	(690)	(696)	(703)	(710)	(717)	(724)	(731)	(738)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)	(974)
Assumed Land Purchase (incl. tax) & Compensation Loan Costs	(74,152)	0	0	(31,572)	0	0	0	0	0	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	(2,129)	0	0
Total no indexation	(648,175)	(14,564)	(18,613)	(81,050)	(75,553)	(65,117)	(59,731)	(73,774)	(50,412)	(25,772)	(14,331)	(27,926)	(15,343)	(15,819)	(15,823)	(11,560)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(5,803)	(3,674)	(3,674)
Total with Indexation 2.0%	(774,460)	(14,855)	(19,365)	(86,011)	(81,781)	(71,894)	(67,267)	(84,743)	(59,066)	(30,800)	(17,469)	(34,722)	(19,459)	(20,464)	(20,878)	(15,558)	(7,966)	(8,126)	(8,288)	(8,454)	(8,623)	(8,795)	(8,971)	(9,151)	(9,334)	(9,520)	(9,711)	(9,905)	(10,103)	(6,524)	(6,655)
Total with Indexation 2.5%	(811,588)	(14,928)	(19,555)	(87,282)	(83,396)	(73,674)	(69,270)	(87,694)	(61,422)	(32,186)	(18,345)	(36,641)	(20,635)	(21,807)	(22,357)	(16,742)	(8,615)	(8,830)	(9,051)	(9,277)	(9,509)	(9,747)	(9,990)	(10,240)	(10,496)	(10,758)	(11,027)	(11,303)	(11,586)	(7,519)	(7,706)
Total no indexation	699,875	-1	2	-2	-64,583	-53,715	-40,839	-45,691	-15,994	16,057	29,844	20,983	34,534	35,113	35,109	37,621	43,940	44,337	46,982	46,982	47,487	48,344	48,815	51,460	51,460	51,966	43,374	43,764	45,950	48,079	48,497
Total with indexation 2.0%	1,148,343	-1	2	-2	-69,907	-59,306	-45,991	-52,485	-18,740	19,190	36,380	26,090	43,797	45,422	46,326	50,633	60,320	62,083	67,102	68,444	70,563	73,273	75,467	81,147	82,770	85,256	72,583	74,700	80,000	85,381	87,846
Total with indexation 2.5%	1,295,380	-1	2	-2	-71,288	-60,774	-47,361	-54,312	-19,487	20,053	38,203	27,532	46,444	48,404	49,608	54,486	65,229	67,464	73,276	75,108	77,813	81,198	84,039	90,807	93,077	96,342	82,423	85,244	91,739	98,389	101,726

No Inflation	**IRR**	**11.29%**
2.0% Inflation	**IRR**	**13.52%**
2.5% Inflation	**IRR**	**14.08%**

1.02
1.025