APPENDIX 23: PETER ROBERTS CALCULATIONS SHOWING IRR AT 6.6%

APPENDIX 3B of Mr Macdonald Applying 2.5% inflation to Costs and Maintaining STDC Assumed Rental Growth but No Service Charge. Also apply 5% to bring costs to current day

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
	Assumptions																															
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	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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
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	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	0
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	1144129		188	600	4,480	10,473	18,539	26,671	32,196	38,987	41,168	45,487	46,203	47,258	47,258	45,507	46,069	46,466	49,111	49,111	49,616	50,473	50,944	53,589	53,589	54,095	45,503	45,893	48,079	48,079	48,497
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	1,519,982	14,563	18,615	81,048	75,492	68,726	66,478	82,377	61,701	38,987	41,168	45,487	46,203	47,258	47,258	45,507	46,069	46,466	49,111	49,111	49,616	50,473	50,944	53,589	53,589	54,095	45,503	45,893	48,079	48,079	48,497
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)
	Total Direct Costs with inflation from today at 2.5% per annum	**(670,945)**	**(14,313)**	**(18,904)**	**(52,401)**	**(82,684)**	**(72,931)**	**(68,493)**	**(86,882)**	**(60,581)**	**(28,658)**	**(14,720)**	**(32,916)**	**(16,807)**	**(17,874)**	**(18,316)**	**(12,590)**	**(4,008)**	**(4,108)**	**(4,211)**	**(4,316)**	**(4,424)**	**(4,535)**	**(4,648)**	**(4,764)**	**(4,884)**	**(5,006)**	**(5,131)**	**(5,259)**	**(5,391)**	**(5,525)**	**(5,663)**
	Total Direct Costs with inflation to current day at 5% total	**(704,492)**	**(15,029)**	**(19,849)**	**(55,022)**	**(86,819)**	**(76,577)**	**(71,917)**	**(91,226)**	**(63,611)**	**(30,091)**	**(15,456)**	**(34,562)**	**(17,647)**	**(18,767)**	**(19,232)**	**(13,220)**	**(4,209)**	**(4,314)**	**(4,422)**	**(4,532)**	**(4,645)**	**(4,762)**	**(4,881)**	**(5,003)**	**(5,128)**	**(5,256)**	**(5,387)**	**(5,522)**	**(5,660)**	**(5,802)**	**(5,947)**
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	(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)			
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)			
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	513,563									-2,209	11,413	2,137	15,436	16,015	16,011	18,523	24,842	25,239	27,884	27,883	28,389	29,245	29,717	32,361	32,361	32,868	24,276	24,665	26,852	28,981	44,823

1144129	0	188	600	4480	10473	18539	26671	32196	38987	41168	45487	46203	47258	47258	45507	46069	46466	49111	49111	49616	50473	50944	53589	53589	54095	45503	45893	48079	48079	48497
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
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
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
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
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
1,264,823	14,563	18,615	81,048	10,907	11,302	18,539	26,671	32,196	38,987	41,168	45,487	46,203	47,258	47,258	45,507	46,069	46,466	49,111	49,111	49,616	50,473	50,944	53,589	53,589	54,095	45,503	45,893	48,079	48,079	48,497
(704,492)	(15,029)	(19,849)	(55,022)	(86,819)	(76,577)	(71,917)	(91,226)	(63,611)	(30,091)	(15,456)	(34,562)	(17,647)	(18,767)	(19,232)	(13,220)	(4,209)	(4,314)	(4,422)	(4,532)	(4,645)	(4,762)	(4,881)	(5,003)	(5,128)	(5,256)	(5,387)	(5,522)	(5,660)	(5,802)	(5,947)
(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)
(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
(803,656)	(15,629)	(20,469)	(87,412)	(87,464)	(77,234)	(72,587)	(91,909)	(64,301)	(32,916)	(18,288)	(37,401)	(20,493)	(21,620)	(22,092)	(16,087)	(7,312)	(7,417)	(7,525)	(7,635)	(7,748)	(7,865)	(7,984)	(8,106)	(8,231)	(8,359)	(8,490)	(8,625)	(8,763)	(6,776)	(6,921)
461,167	-1,066	-1,854	-6,364	-76,557	-65,932	-54,048	-65,238	-32,105	6,071	22,880	8,086	25,710	25,638	25,166	29,420	38,757	39,049	41,586	41,476	41,868	42,608	42,960	45,483	45,358	45,736	37,013	37,268	39,316	41,303	41,576

IRR 6.6%