

SUMMARY OF FINANCIAL APPRAISAL

£	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	£	£	£	£	£	£	£	£
Preferred choice:								
Capital	14,868,348		4,220,000	6,081,653				
Revenue	138,371	164,125	40,662	-12,889	-166,623	-183,127	-210,069	-223,675
Total	15,006,719	164,125	4,260,662	6,068,763	-166,623	-183,127	-210,069	-223,675
Funded by:								
Existing								
Additional	15,006,719	164,125	4,260,662	6,068,763	-166,623	-183,127	-210,069	-223,675
Total	15,006,719	164,125	4,260,662	6,068,763	-166,623	-183,127	-210,069	-223,675

£	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Total
	£	£	£	£	£	£	£	£	£
Preferred choice:									
Capital									25,170,000
Revenue	-221,675	-219,533	82,535	-215,361	-213,221	-211,044	-208,717	-206,465	-1,866,704
Total	-221,675	-219,533	82,535	-215,361	-213,221	-211,044	-208,717	-206,465	23,303,296
Funded by:									
Existing									
Additional	-221,675	-219,533	82,535	-215,361	-213,221	-211,044	-208,717	-206,465	23,303,296
Total	-221,675	-219,533	82,535	-215,361	-213,221	-211,044	-208,717	-206,465	23,303,296

Detailed Financial Projections	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Totals
	2017/18	2018/19	2019/2020	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Capital expenditure	Phase 1		Phase 2	Phase 2													
Land purchase	(330,000)		(300,000)														(630,000)
Design & development management (external costs)	(1,070,520)		(420,000)	(527,775)													(2,018,295)
Non design fees	(87,000)																(87,000)
Construction & fit out	(9,230,398)		(3,500,000)	(4,398,128)													(17,128,526)
Specialist fit out	(910,000)			(150,000)													(1,060,000)
Contingency / risk	(406,497)			(737,417)													(1,143,914)
VAT incurred	(2,372,584)		(784,000)	(1,162,664)													(4,319,248)
less VAT recovered	355,888		784,000	1,162,664													2,302,552
Development management (UWTSD staff costs)	(462,237)																(462,237)
Pre-opening & finance costs (UWTSD costs)	(355,000)			(268,333)													(623,333)
Total	(14,868,348)		(4,220,000)	(6,081,653)													(25,170,000)
Funded by																	
University of Wales Trinity Saint Davids																	
committed (confirmed)	5,520,348		2,220,000	4,581,653													12,322,000
shortfall funding, pending other (confirmed)	3,000,000	-3,000,000															
Grants or sponsorship re auditorium (confirmed)	348,000																348,000
Advance rentals from tenants - S4C (confirmed)	3,000,000																3,000,000
Advance rentals from tenants (proposed)				1,500,000													1,500,000
Welsh Government grant (confirmed)	3,000,000																3,000,000
City Deal grant (proposed)		3,000,000	2,000,000														5,000,000
Total	14,868,348		4,220,000	6,081,653													25,170,000
Revenue income & expenditure																	
Rents and service charges	18,063	125,036	208,470	252,746	677,542	696,070	712,370	719,725	727,161	734,571	742,174	749,862	757,638	765,504	773,347	781,397	9,441,676
Other income		73,860	112,720	159,584	200,842	233,043	258,605	279,888	285,598	291,308	297,018	302,729	308,439	314,149	319,859	325,570	3,763,211
Catering	20,350	112,273	139,032	164,255	190,033	204,266	208,351	212,436	216,521	220,607	224,692	228,777	232,863	236,948	241,033	245,119	3,097,555
less staff costs	(100,355)	(249,384)	(254,372)	(259,459)	(337,317)	(344,064)	(350,945)	(357,851)	(364,782)	(371,738)	(378,720)	(385,729)	(392,764)	(399,828)	(406,919)	(414,039)	(5,368,265)
less other costs	(76,429)	(225,911)	(246,511)	(304,236)	(564,476)	(606,188)	(618,312)	(630,523)	(642,824)	(655,215)	(667,700)	(680,279)	(692,955)	(705,729)	(718,604)	(731,581)	(9,067,474)
Net	(138,371)	(164,125)	(40,662)	12,889	166,623	183,127	210,069	223,675	221,675	219,533	(82,535)	215,361	213,221	211,044	208,717	206,465	1,866,704
Funded by																	
University of Wales Trinity Saint Davids (confirmed)	138,371	164,125	40,662	(12,889)	(166,623)	(183,127)	(210,069)	(223,675)	(221,675)	(219,533)	82,535	(215,361)	(213,221)	(211,044)	(208,717)	(206,465)	(1,866,704)
Combined funding	15,006,719	164,125	4,260,662	6,068,763	(166,623)	(183,127)	(210,069)	(223,675)	(221,675)	(219,533)	82,535	(215,361)	(213,221)	(211,044)	(208,717)	(206,465)	23,303,296

IMPACT ON UNIVERSITY BALANCE SHEET

University of Wales Trinity Saint David Group	Without project £m	With project £m
Non current assets	180	186
Current assets	44	44
Creditors due within one year	(15)	(15)
Total assets less current liabilities	209	215
Creditors due more than one year	(26)	(26)
Provisions	(54)	(54)
Net assets	129	135
Reserves	129	135

Canolfan S4C Yr Egin: Development Budget Compared to Spend to Date
For review on the 1st December 2016

Amended to include SDLT on land acquisition

Note: This budget summary does not include running costs once the building is open



Report/Item	Comments / Clarifications / Assumptions	Consultant/Company/Organisation	Status of Services	Prior budget	Capital and Development Budget December 2016	Spend to Date (28 December 2016)	Notes	
1.0 Land Value								
1.1	Land value	N/A	Complete	£ 300,000	£ 300,000	£ -		
1.2	Stamp duty	Assumption @ 4%	Ongoing	£ -	£ 5,000	£ -	Assumed that transfer of land will not result in any stamp duty fee	
1.3	Legal fees associated with land acquisition	Eversheds/JCP	Ongoing	£ 20,000	£ 20,000	£ -	Assumed £20k to remain for transfer of land between UWTS/Charity and Yr Egin company	
1.4	Legal fees with regards to charity status and company formation	Eversheds/JCP	Ongoing	£ 5,000	£ 5,000	£ -		
1. Total Land Value				£ 325,000	£ 330,000	£ -		
2.0 Design and Development fees								
2.1	Strategic project management and cost management services	Appointment for RIBA Stage 1 - 7	Mott MacDonald	Ongoing	£ 144,959	£ 144,959	£ 93,179	NEC supervisor role removed from Mott MacDonald commission. See item 2.3.1 for removed allowance
2.2	Multi-disciplinary team	Appointment for RIBA Stage 1 - 3. Novated to the appointed contractor at the end of Stage 3.	BDP Multi-disciplinary team	Ongoing	£ 278,374	£ 278,374	£ 278,374	RIBA Stage 1, 2, additional stage 2 and stage 3
2.2.1	Multi-disciplinary team	Appointment for RIBA Stage 4 - 7. Novated to the appointed contractor at the end of Stage 3.	BDP Multi-disciplinary team	Ongoing	£ 320,869	£ 345,625	£ -	Additional commission relating to entrance/S278 detailed design
2.2.2	Multi-disciplinary team	Interior design services for S4C offices	BDP Multi-disciplinary team	Ongoing	£ 5,430	£ 5,430	£ 5,430	
2.3	Client design development	Client design development and brand manual to ensure the overall vision is met	Rural Office For Architecture	Ongoing	£ 26,445	£ 26,445	£ 13,500	
2.3.1	Design Manager	Removed from MOTT commission and supplied directly from ROA	Rural Office For Architecture	Ongoing	£ 40,810	£ 10,810	£ -	
2.3.2	NEC Supervisor Role	NEC Supervisor Role	To be appointed	To be appointed	£ -	£ 30,000	£ -	Removed from Mott Commission and NEC supervisor role will be supplied directly once appointed.
2.3.3	Business Strategy Advisor	To inform the financial modeling and space planning of the building	Rural Office For Architecture	Ongoing	£ 12,500	£ 12,500	£ 23,500	Additional spend occurred to produce the Parsons Brinckerhoff Report
2.4	Lighting specialist	Architectural lighting advice for external appearance	To be appointed	To be appointed	£ 15,000	£ 15,000	£ -	
2.5	Survey costs to date (UWTS)	As per Mott Mac Cost plan revision H - Rev.1 (30/09/16) Ecology, Arbocultural, Archaeology, Utility and Services and Acoustic Surveys	Various	Ongoing	£ 43,275	£ 43,275	£ 43,275	Includes Travel plan and ground investigation surveys
2.6	Planning application fee	As per Mott Mac Cost plan revision H - Rev.1 (30/09/16)	Cardiffshire County Council	Ongoing	£ 21,000	£ 21,000	£ 19,760	Amount paid for building planning fee with additional allowance for signage planning fee
2.7	Building control fee	As per Mott Mac Cost plan revision H - Rev.1 (30/09/16)	Cardiffshire County Council	Ongoing	£ 12,480	£ 12,480	£ 3,120	Quotation received from CCC building control
2.8	Public foot path diversion consultant		To be appointed	To be appointed	£ -	£ 15,000	£ -	Informal advice received that footpath is not a public footpath. Fee remains until formal confirmation received from CCC.
2.9	On-going project development allowances		To be appointed	To be appointed	£ -	£ -	£ -	Allowance for possible L.A Contributions
2.9.1	Further required surveys (via Main Contractor)		Main Contractor		£ -	£ 35,368	£ 14,095	A number of final surveys are expected. Discussion ongoing to establish what and final value
2.9.2	Further required surveys (UWTS)		To be appointed	To be appointed	£ -	£ 9,632	£ -	
2.9.3	Additional design fees (Stage 4 development/Value Engineering)		via Main Contractor		£ -	£ 40,000	£ -	
2. Total Design and Development Fees				£ 921,141	£ 1,045,898	£ 494,233		
3.0 Non-Design Fees								
3.1	Legal fees other than those for land acquisition	Contract management, procurement advice, management of agreement with the S4C Authority	Eversheds	Ongoing	£ -	£ 155,000	£ 4,630	
3.2	Legal fees in association with CCC Section 278		Eversheds/JCP	Ongoing	£ -	£ 10,000	£ -	
3.3	Legal fees with regards to set up of landlord and tenant leases (S4C and any other tenants)		Eversheds/JCP	Ongoing	£ 12,000	£ 12,000	£ -	
3.4	Strategic development adviser	Stade Aid and funding advice	Swallow Consulting	Ongoing	£ 5,000	£ 5,000	£ 12,062	Estimate on previous advice received
3.5	Preparation of financial modelling	Development and on-going review of the business case	Marloes Consulting	Ongoing	£ 10,000	£ 10,000	£ 12,842	Estimate on previous advice received
3.6	Promotional video		To be appointed	To be appointed	£ 10,000	£ 10,000	£ 2,362	Allowance for upgrade to existing promo video
3.7	VAT advice	VAT advice during construction	To be appointed	Ongoing	£ 5,000	£ 5,000	£ 750	Following initial advice from Centurium
3. Total Non-Design Fees				£ 42,000	£ 207,000	£ 32,646		
4.0 Additional Fit Out								
4.1	Signage	External building feature signage, road signage (White and Brown), internal wayfinding signage	To be appointed	Ongoing	£ 60,000	£ 60,000	£ 3,300	Not included in Design and Construction 4.0
4.2	Fittings, Furnishings and Equipment							
4.2.1	Radio studio fit out	Extra Over Fit Out - End tenant radio studio fit out	To be appointed	In negotiation	£ 80,000	£ 80,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0)
4.2.2	Production and post production - fit out	Extra Over Fit Out - Production and post production fit out of space to meet acoustic requirements etc...	To be appointed	In negotiation	£ -	£ 100,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0) - Item split - see item below
4.2.3	Production and post production -equipment	Extra Over Fit Out - Production and post production supply and install of specialist equipment	To be appointed	In negotiation	£ 150,000	£ 200,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0) - Related to item above
4.2.4	IT equipment (Landlord)	Extra Over Fit Out - IT provision for reception desk and landlord server room	To be appointed	In negotiation	£ 45,000	£ 45,000	£ -	Not included in Design and Construction 5.0
4.2.5	Feature lighting	Extra Over Fit Out - Feature lighting advised by lighting specialist	To be appointed	In negotiation	£ 25,000	£ 25,000	£ -	Not included in Design and Construction 5.0
4.3	Environmental mitigation	Mitigation following ecology survey recommendations and planning conditions	To be appointed	In negotiation	£ 10,000	£ 10,000	£ -	Not included in Design and Construction 5.0
4.4	Other project development costs		Kier	Ongoing	£ 140,484	£ -	£ -	Now included in 5.2 client provisional sums
4.5	Yr Egin Café	Extra Over Fit Out - Catering facility and café furniture	Kier	Ongoing	£ 200,000	£ 200,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0)- Advice from developing business strategy
4.6	Yr Egin Auditorium	Extra Over Fit Out - Auditorium fit out	Kier	Ongoing	£ 140,000	£ 140,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0)- Advice from developing business strategy and supporting quotation from Vaughan Sounds
4.7	Yr Egin Auditorium back of house	Extra Over Fit Out - Back of house fit out	Kier	Ongoing	£ 25,000	£ 25,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0)- Advice from developing business strategy
4.8	Yr Egin Staff welfare	Extra Over Fit Out - Staff welfare	Kier	Ongoing	£ 25,000	£ 25,000	£ -	Anticipated expenditure beyond Cost Plan allowances (Design and Construction 5.0)- Advice from developing business strategy
4. Total Annual Operational Budget				£ 900,484	£ 910,000	£ 3,300		
5.0 Construction								
5.1	Works Packages - Total		Kier	Ongoing	£ -	£ 8,551,735	£ 38,358	
5.2	Client Provisional sums		Kier	Ongoing	£ -	£ 183,000	£ -	
5.3	Package Adjustments (during Stage 2)		Kier	Ongoing	£ -	£ 100,385	£ -	
5.4	Opportunity Tracker - options taken into contract		Kier	Ongoing	£ -	£ 616,000	£ -	
Sub-Total: Building Works				£ 7,527,671	£ 8,018,350	£ 38,358		
5.10	Main contractor's preliminaries		Kier	Ongoing	£ -	£ 1,042,102	£ -	
5.11	Pre-Construction Fee				£ -	£ 44,317	£ -	
Sub-Total: Building Works (Incl.prelims)				£ 8,739,050	£ 9,104,769	£ 38,358		
5.12	Main contractor's overheads and profit		Kier	Ongoing	£ -	£ 169,946	£ -	
5. Works cost estimate				£ 8,892,067	£ 9,230,398	£ 38,358		
Sub-total (Items 1.0, 2.0, 3.0, 4.0, 5.0)				£ 11,080,692	£ 11,723,296	£ 668,537		
6.0 Project Risk Contingency								
6.1	Contractors Risk Allowance - post contract		Design/Employer/Construction	Ongoing	£ 485,029	£ 193,114	£ -	Employer Construction risk allowance
6.2	Clients Risk Allowance - post contract / contract risk				£ -	£ 95,000	£ -	
6.3	UWTS Risk Contingency	1% of sub-total (Items 1.0, 2.0, 3.0, 4.0, 5.0, 8.1)		Ongoing	£ 223,914	£ 118,382.96	£ -	Employer risk allowance not included in MM Cost Plan (See 'risk tab' for current known risks below the line)
6. Project Risk Contingency				£ 708,943	£ 406,497	£ -		
7.0	Inflation		UWTS	Ongoing	£ 101,856	£ -	£ -	Kier are offering a lump sum and within some of the packages there are inflation allowances, but these are spread across the package costs detailed in 5.1
7. Inflation				£ 101,856	£ -	£ -		
8.0 Marketing, Promotion and Project Staff Costs								
8.1	Project Operational Budget - During Development Period		UWTS	Ongoing - During Development	£ 235,000	£ 235,000	£ 26,287	See 'Operational' tab for breakdown. Savings noted in 'red' under 'Operational' tab for breakdown
8.2	Project Staff		UWTS	Ongoing - During Development	£ 462,237	£ 462,237	£ -	
8.0 Marketing, Promotion and Project Staff Costs				£ 697,237	£ 697,237	£ 26,287		
9.0 Procurement/Framework Costs								
9.1	SEWSCAP Levy	As per Mott Mac Cost plan revision H - Rev.1 (30/09/16)	SEWSCAP/Main Contractor	0.25% of Final Contract Sum (Construction Contract)	£ 24,255	£ 24,622	£ -	Item added by DB (Mott MacDonald) to track Levy cost
9.0 Procurement/Framework Costs				£ 24,255	£ 24,622	£ -		
TOTALS (Excl. VAT)				£ 12,612,983	£ 12,851,652	£ 594,824		
10.0 VAT								
10.1	Value Added Tax	VAT rate @ 20%	N/A		£ 2,263,138	£ 2,391,659	£ 118,965	Not including VAT on staff costs, risk and inflation calculation to be verified
10.2	VAT Recovery	Assumption @ 20% reclaim	N/A		£ 339,471	£ 2,391,659	£ -	
10.0 VAT				£ 1,923,668	£ -	£ 118,965		
OVERALL TOTAL (incl. VAT)				£ 14,536,650	£ 12,851,652	£ 713,788		

Yr Egin Phase 2, Property Appraisal
Appraisal Date October 2016

VALUES

		Sq M	Sq Ft	ERV psf	ERV	Yield	Capital Value(£) (less 6.8% Purchasers' Costs)
GIA	New Space	2,970	31,970				
	Refurbished Space	1,280	13,778				
Total		4,250	45,748				
NIA	New Space	2,228	23,977				
	less area subject to rent premium -say	-929	-10,000				
		1,298	13,977	£9.00	£125,795	9%	£1,302,680
(75% of GIA)	Refurbished Space	960	10,334	£8.50	£87,836	9%	£909,589
Total		2,258	24,311		£ 213,631		£2,212,269
Add	Rent premium	929	10,000				£1,500,000
Total value							£3,712,269

COSTS

	Quantity	Unit	Rate (£)	Cost (£)
New Build extension to Yr Egin Phase 1 (3 storey extension)	1,320	m2	£1,700	£2,244,000
Alterations to existing building where new extension links, incl façade removal	1	item	£80,000	£80,000
New Build extension to Y Llwyfan (3 storey extension)	1,650	m2	£1,700	£2,805,000
New Build additional to Y Llwyfan (1 level)	315	m2	£1,400	
Alterations to existing building where new extension links, incl façade removal	1	item	£30,000	£30,000
Refurbishment of existing Y Llwyfan office space	1,280	m2	£750	£960,000
Refurbishment of existing Y Llwyfan performance space	340	m2	£750	
External works				
Yr Egin building				
Drainage to new building	1,320	m2	£20	£26,400
Raise existing service yard (re-use where possible)	500	m2	£50	£25,000
New hard landscaping, including new service yard	1,000	m2	£80	£80,000
48nr new parking spaces	48	nr	£1,600	£76,800
New/alterations to incoming services	1	item	£50,000	£50,000
Amendments to existing drainage systems	1	item	£50,000	£50,000
Diversion of existing water main	1	item	£50,000	£50,000
Soft landscaping	1	item	£20,000	£20,000
Y Llwyfan building				
Drainage to new build extensions	1,965	m2	£20	£39,300
Alterations to existing car park	1	item	£30,000	£30,000
New hard landscaping	500	m2	£80	£40,000
New/alterations to incoming services	1	item	£25,000	£25,000
Amendments to existing drainage systems	1	item	£25,000	£25,000
Soft landscaping	1	item	£20,000	£20,000
Generally (Site wide)				
Amendments to road connections/junctions	1	item	£30,000	£30,000
Site wide connectivity improvements	1	item	£20,000	£20,000
External signage, lighting and security improvements	1	item	£20,000	£20,000
			Sub total	£6,746,500
Main Contractor Costs				
Preliminaries	£6,746,500	15%		£1,011,975
OH&P	£7,758,475	1.8%		£139,653
			Sub total	£7,898,128
Other project costs				
FFE and ICT	1	item	£150,000	£150,000
Professional Fees and Surveys	£8,048,128	12%		£947,775
Risk Allowance (contingency)	£8,995,903	10%		£674,650
Inflation adjustment (2Q 2020 as construction mid-point)	£9,670,553	0.75%		£62,767
			Sub total	£9,733,320
Total Works Cost Estimate				£9,733,320
Other client costs				
Land Costs				£300,000
Marketing and Promotion				£25,000
Finance Charges on Construction Costs @ 5% pa x 0.5				£243,333
Note: Assumes full VAT recovery			Sub total	£10,301,653
Developer's Profit	20.0%			2,060,331
Total Development Cost Estimate				£12,361,983
PROJECT DEFICIT				-£8,649,714

CANOFLAN S4C YR EGIN
 FINANCIAL MODEL
 REVISED July 2017
 VERSION: V12 REDUCED GRANT CASE
 FORECASTS (SUMMARY) - ALTERNATIVE LEASE STRUCTURE BASED ON KPMG, CENTURION, COOKE & ARKWRIGHT ADVICE

FORECASTS SUMMARY	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Notes
Years ended 31 July	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'001	£'002	£'003	
Phase																		
Construction																		
Initial tenant operations																		
+ public events programme																		
YR EGIN CO																		
Income & Expenditure (FRS102 basis)																		
<u>Income</u>																		
Rents & service charges	0	18	164	209	256	271	286	296	300	303	306	310	313	316	320	323	326	Including S4C service charge paid via UWTSO
Other income	0	0	74	113	160	201	233	259	280	286	291	297	303	308	314	320	326	
Catering	0	20	112	139	164	190	204	208	212	217	221	225	229	233	237	241	245	
Recharges to UWTSO		33	33	34	35	35	36	37	38	39	40	42	43	44	45	47	48	50% of Centre Director
Total income	0	70	383	494	614	697	759	800	830	844	859	873	887	902	916	931	945	
<u>Expenditure</u>																		
Rent payable		0	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	Rent payable to UWTSO on non S4C area @£7.40 psf 15 months RF
Staff costs	0	100	249	254	259	277	283	289	294	300	305	311	317	322	328	334	339	All staff
Other costs	0	76	226	247	304	350	387	395	403	411	418	426	434	442	449	457	465	
Finance costs	0	9	9	9	9	9	9	9	8	7	6	5	5	4	3	2	1	Interest @ 3% on UWTSO loan
Total expenditure	0	186	579	605	668	731	774	788	800	813	825	838	850	863	875	888	900	
Net profit / (loss) before tax	0	(115)	(196)	(110)	(54)	(35)	(15)	13	30	32	33	35	37	39	41	43	45	
Corporation tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net profit / (loss) after tax	0	(115)	(196)	(110)	(54)	(35)	(15)	13	30	32	33	35	37	39	41	43	45	
Cashflow																		
<u>Cashflow from operations</u>																		
Net profit / (loss) before tax	0	(115)	(196)	(110)	(54)	(35)	(15)	13	30	32	33	35	37	39	41	43	45	
Adjustments																		
finance costs	0	9	9	9	9	9	9	9	8	7	6	5	5	4	3	2	1	Add back
Working capital movements	0	(3)	(24)	(0)	(3)	(1)	(2)	0	0	0	0	0	0	0	0	0	0	Vat & other
Net cashflow from operations	0	(109)	(211)	(102)	(48)	(27)	(8)	22	38	39	40	41	42	43	44	45	46	
<u>Capital expenditure & financing</u>																		
Capital expenditure	0																	Land purchase & sale to UWTSO
Share capital investment received (UWTSO)		300																Equity investment
Loans received (UWTSO)		300																Working capital loan
Loans repaid (UWTSO)									(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	Repayment of loan over 10 years
Interest paid (UWTSO)	0	(9)	(9)	(9)	(9)	(9)	(9)	(9)	(8)	(7)	(6)	(5)	(5)	(4)	(3)	(2)	(1)	Interest @ 3% on UWTSO loan
Net capital expenditure & financing	0	591	(9)	(9)	(9)	(9)	(9)	(9)	(38)	(37)	(36)	(35)	(35)	(34)	(33)	(32)	(31)	
Net cashflow	0	482	(220)	(111)	(57)	(36)	(17)	13	(0)	2	3	5	7	9	11	13	15	
Bank b/fwd	0	0	482	262	151	95	59	42	55	54	56	60	65	72	81	92	105	
Bank c/fwd	0	482	262	151	95	59	42	55	54	56	60	65	72	81	92	105	119	
Balance sheet (FRS 102 basis)																		
Fixed assets (net of depreciation)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<u>Current assets</u>																		
Bank	0	482	262	151	95	59	42	55	54	56	60	65	72	81	92	105	119	
Other (debtors)	0	0	31	36	39	42	45	45	45	45	45	45	45	45	45	45	45	
Net current assets	0	482	293	187	134	101	87	100	100	101	105	110	117	126	137	150	165	
<u>Creditors < 1 year</u>																		
UWTSO loan	0	300	300	300	300	300	300	300	270	240	210	180	150	120	90	60	30	
Other	0	(3)	4	9	9	11	12	12	12	12	12	12	12	12	12	12	12	Vat payable
Net current liabilities	0	297	304	309	309	311	312	312	282	252	222	192	162	132	102	72	42	
Net current assets	0	185	(11)	(122)	(175)	(210)	(225)	(212)	(182)	(151)	(117)	(82)	(45)	(6)	35	78	123	
<u>Creditors > 1 year</u>																		
Net assets	0	185	(11)	(122)	(175)	(210)	(225)	(212)	(182)	(151)	(117)	(82)	(45)	(6)	35	78	123	

CANOFLAN S4C YR EGIN
 FINANCIAL MODEL
 REVISED July 2017
 VERSION: V12 REDUCED GRANT CASE
 FORECASTS (SUMMARY) - ALTERNATIVE LEASE STRUCTURE BASED ON KPMG, CENTURION, COOKE & ARKWRIGHT ADVICE

FORECASTS SUMMARY	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Notes
Years ended 31 July	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'001	£'002	£'003	
grants released	0	(3,000)	0	0	0													Deduct
advance rent received (S4C)	0	2,983	(66)	(69)	(72)	(76)	(79)	(83)	(87)	(90)	(95)	(99)	(103)	(108)	(113)	(118)	(124)	Adjust S4C rent amortisation to actual cashflow
Working capital movements	(344)	73	240	(0)	(3)	(1)	(2)	0	0	0	0	0	0	0	0	0	0	Vat & other
Net cashflow from operations	(344)	2,935	115	(41)	13	33	51	80	95	95	94	(206)	94	93	93	93	93	
Capital expenditure & financing																		
Capital expenditure	(3,129)	(9,164)	(144)															Cash cost excluding non cash costs
Grants received (WG)	0	3,000	0															Assumed non-repayable grant (may be subject to performance)
Grants received (other)	0	0	0															Grants and possible sponsorship re equipment fit out
Net capital expenditure & financing	(3,129)	(6,164)	(144)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net cashflow	(3,473)	(3,229)	(29)	(41)	13	33	51	80	95	95	94	(206)	94	93	93	93	93	
Bank b/fwd	0	(3,473)	(6,702)	(6,731)	(6,772)	(6,759)	(6,726)	(6,675)	(6,595)	(6,500)	(6,406)	(6,311)	(6,517)	(6,423)	(6,330)	(6,237)	(6,144)	
Bank c/fwd	(3,473)	(6,702)	(6,731)	(6,772)	(6,759)	(6,726)	(6,675)	(6,595)	(6,500)	(6,406)	(6,311)	(6,517)	(6,423)	(6,330)	(6,237)	(6,144)	(6,052)	
Balance sheet (FRS 102 basis)																		
Fixed assets																		
PP&E (net of depreciation)	3,060	12,293	2,909	2,818	2,727	2,636	2,545	2,454	2,363	2,272	2,181	2,090	1,999	1,908	1,817	1,726	1,635	
Current assets																		
Bank	(3,473)	(6,702)	(6,731)	(6,772)	(6,759)	(6,726)	(6,675)	(6,595)	(6,500)	(6,406)	(6,311)	(6,517)	(6,423)	(6,330)	(6,237)	(6,144)	(6,052)	
Other (debtors)	344	268	35	40	43	46	49	49	49	49	49	49	49	49	49	49	49	Vat repayment receivable
	(3,129)	(6,434)	(6,696)	(6,732)	(6,715)	(6,680)	(6,625)	(6,546)	(6,451)	(6,356)	(6,262)	(6,468)	(6,374)	(6,281)	(6,187)	(6,095)	(6,002)	
Creditors < 1 year																		
Other	0	(3)	4	9	9	11	12	12	12	12	12	12	12	12	12	12	12	
	0	(3)	4	9	9	11	12	12	12	12	12	12	12	12	12	12	12	
Net current assets	(3,129)	(6,432)	(6,700)	(6,741)	(6,725)	(6,691)	(6,638)	(6,558)	(6,463)	(6,368)	(6,274)	(6,480)	(6,386)	(6,293)	(6,200)	(6,107)	(6,014)	
Creditors > 1 year																		
Deferred income	0	(2,983)	(2,917)	(2,848)	(2,776)	(2,700)	(2,621)	(2,538)	(2,451)	(2,361)	(2,266)	(2,167)	(2,064)	(1,956)	(1,843)	(1,724)	(1,601)	Advance rent paid by S4C, amortised over 25 years
Deferred capital grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Capital grants released as performance criteria met
	0	(2,983)	(2,917)	(2,848)	(2,776)	(2,700)	(2,621)	(2,538)	(2,451)	(2,361)	(2,266)	(2,167)	(2,064)	(1,956)	(1,843)	(1,724)	(1,601)	
Net assets	(69)	2,878	(6,709)	(6,771)	(6,773)	(6,754)	(6,713)	(6,642)	(6,551)	(6,457)	(6,359)	(6,557)	(6,451)	(6,341)	(6,225)	(6,105)	(5,980)	
Reserves																		
Reserves	0	2,878	(6,709)	(6,771)	(6,773)	(6,754)	(6,713)	(6,642)	(6,551)	(6,457)	(6,359)	(6,557)	(6,451)	(6,341)	(6,225)	(6,105)	(5,980)	
Total reserves	0	2,878	(6,709)	(6,771)	(6,773)	(6,754)	(6,713)	(6,642)	(6,551)	(6,457)	(6,359)	(6,557)	(6,451)	(6,341)	(6,225)	(6,105)	(5,980)	

Workings

Rents - S4C

Prior year								79	83	87	90	95	99	103	108	113	118
Increase in S4C amortisation								4	4	4	4	4	5	5	5	5	5
Total for year								83	87	90	95	99	103	108	113	118	124

Rents & service charges - other

Prior year								286	296	300	303	306	310	313	316	320	323
Impact of 5 year rent review (7.5% increase)								7									
Service charge increases @ 2% pa								3	3	3	3	3	3	3	3	3	3
Total for year								296	300	303	306	310	313	316	320	323	326

No increase in overall occupancy at 90% +

Other income

Prior year								233	259	280	286	291	297	303	308	314	320
Increase in production & editing suites								11	17	1	1	1	1	1	1	1	1
Increase in Auditorium & heart space								13	3	3	3	3	3	3	3	3	3
Increase in other @ 2% pa								1	1	1	1	1	1	1	1	1	1
Total for year								259	280	286	291	297	303	308	314	320	326

Increase usage by 25 days plus 2% pa
 Additional grant pa plus 2% pa

Catering income

Prior year								204	208	212	217	221	225	229	233	237	241
Increase @ 2% pa								4	4	4	4	4	4	4	4	4	4
Total for year								208	212	217	221	225	229	233	237	241	245

**YR EGIN PHASE 2
OPERATIONS FORECAST**

ASSUMPTIONS

Start year	2021/22
NIA ft2	24,311
Rent psf (23,977 ft2)	£9.00
Rent psf (10,334 ft2)	£8.50
Deduction pa re £1.5m capitalised rent	-£90,000
Service charges less common area costs pa	£0
Additional staff costs pa	£60,000
Additional other costs pa	£20,000

PROJECTED INCOME & EXPENDITURE	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Totals
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Income																	
Rents (with 5 yearly rent reviews)					303,632	303,632	303,632	303,632	303,632	308,024	308,024	308,024	308,024	308,024	312,635	312,635	
Service charges @ £8 psf increasing @2% pa					194,486	198,375	202,343	206,390	210,517	214,728	219,022	223,403	227,871	232,428	237,077	241,818	
deduction re capitalised rent					(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(94,500)	(94,500)	(94,500)	(94,500)	(94,500)	(99,225)	(99,225)	
Total income					408,118	412,007	415,975	420,022	424,149	428,252	432,546	436,927	441,395	445,952	450,487	455,229	
Expenditure																	
Utility & service costs					(194,486)	(198,375)	(202,343)	(206,390)	(210,517)	(214,728)	(219,022)	(223,403)	(227,871)	(232,428)	(237,077)	(241,818)	
Staff costs					(60,000)	(61,200)	(62,424)	(63,672)	(64,946)	(66,245)	(67,570)	(68,921)	(70,300)	(71,706)	(73,140)	(74,602)	
Other costs					(20,000)	(20,400)	(20,808)	(21,224)	(21,649)	(22,082)	(22,523)	(22,974)	(23,433)	(23,902)	(24,380)	(24,867)	
					(274,486)	(279,975)	(285,575)	(291,286)	(297,112)	(303,054)	(309,115)	(315,298)	(321,604)	(328,036)	(334,596)	(341,288)	
Net income					133,632	132,032	130,400	128,735	127,037	125,197	123,431	121,629	119,791	117,917	115,891	113,941	