

Annex 2 - Impact of Financial Review on the Council										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Scenario 1 - Debt /Equity = 58:42										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest Receivable - 4.88%	330	330	330	330	330	323	321	318	315	312
SDC Cost Reimbursement	85	87	89	91	92	94	95	98	99	102
Total Income	415	417	419	421	422	417	416	416	414	414
Interest Payable - 1.5% on 5 year PWLB	-115	-115	-115	-115	-115	-115	-115	-115	-115	-115
Net Revenue Return	300	302	304	306	307	302	301	301	299	299
Capital Employed	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687
Return on Capital Employed	2.57%	2.58%	2.60%	2.62%	2.63%	2.58%	2.58%	2.58%	2.56%	2.56%
Capital Appreciation	299	363	373	385	396	408	420	433	446	459
Return on Capital Employed with Appreciation	5.13%	5.69%	5.79%	5.91%	6.02%	6.08%	6.17%	6.28%	6.37%	6.49%
MRP met from loan repaid by Oportunitas	0	0	0	0	0	-156	-42	-49	-56	-63
Scenario 2 - Debt/Equity = 63:37										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest Receivable - 4.88%	358	358	358	358	358	350	348	346	343	340
SDC Cost Reimbursement	85	87	89	91	92	94	95	98	99	102
Total Income	443	445	447	449	450	444	443	444	442	442
Interest Payable - 1.5% on 5 year PWLB	-115	-115	-115	-115	-115	-115	-115	-115	-115	-115
Net Revenue Return	328	330	332	334	335	329	328	329	327	327
Capital Employed	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687
Return on Capital Employed	2.81%	2.82%	2.84%	2.86%	2.87%	2.82%	2.81%	2.82%	2.80%	2.80%
Capital Appreciation	299	363	373	385	396	408	420	433	446	459
Return on Capital Employed with Appreciation	5.36%	5.93%	6.03%	6.15%	6.25%	6.31%	6.40%	6.52%	6.61%	6.73%
MRP met from loan repaid by Oportunitas	0	0	0	0	0	-156	-42	-49	-56	-63

Scenario 3 - Debt/Equity = 68:32										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest Receivable - 4.88%	389	389	389	389	389	382	380	377	375	371
SDC Cost Reimbursement	85	87	89	91	92	94	95	98	99	102
Total Income	474	476	478	480	481	476	475	475	474	473
Interest Payable - 1.5% on 5 year PWLB	-115	-115	-115	-115	-115	-115	-115	-115	-115	-115
Net Revenue Return	359	361	363	365	366	361	360	360	359	358
Capital Employed	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687	11,687
Return on Capital Employed	3.07%	3.09%	3.11%	3.12%	3.13%	3.09%	3.08%	3.08%	3.07%	3.06%
Capital Appreciation	299	363	373	385	396	408	420	433	446	459
Return on Capital Employed with Appreciation	5.63%	6.19%	6.30%	6.42%	6.52%	6.58%	6.67%	6.79%	6.89%	6.99%
MRP met from loan repaid by Oportunitas	0	0	0	0	0	-156	-42	-49	-56	-63