

**Annex C - Assumptions**  
**Oportunitas Ltd**

Inflation		2.0%	
Capital appreciation (annual)		3.0%	
Voids	Gross yield	5.0%	
Bad debt provision	Gross yield	2.0%	
Combined voids and bad debt	Gross yield	7.0%	
Management fee	Gross yield	8.4%	Model has used 7.2% (plus VAT).
Insurance	Gross yield	4.3%	Model has used £350 per property.
Insurance for commercial premises	Gross yield	10.0%	Model has used £750 per property.
Minor repairs	Gross yield	7.2%	Model has used £620 per property.
Major repairs	Gross yield	14.4%	From year 10.
Management fee (commercial property)	Gross yield	8.4%	
Grounds maintenance (income)		36,000	
Grounds maintenance (expenditure)		-28,800	80% of Ground Maintenance income
Directors remuneration	16-17 projection	-8,400	In-house
SDC- Lead Officer	16-17 projection	-10,000	Recharge from SDC
SDC - Support	16-17 projection	-5,000	Recharge from SDC
SDC - Legal	16-17 projection	-10,000	Recharge from SDC
SDC - Finance	16-17 projection	-12,000	Recharge from SDC
Audit fee	16-17 projection	-3,000	Recharge from SDC
Property valuation fee	16-17 projection	-1,500	Third party fee
Company insurance	16-17 projection	-3,000	Third party fee
Accounting software support	16-17 projection	-500	Third party fee
Advertising	16-17 projection	-2,000	Third party fee
Bank charges	16-17 projection	-100	Third party fee
Contingency	16-17 projection	-4,500	In-house
		<u>-60,000</u>	
Corporation tax		20.0%	
Stamp Duty		4.0%	

Assume no disposals.

Assume no CT payable on profit generated by capital appreciation (deferred until disposal).

No dividends paid.