

MEADFOOT BEACH HUTS CAPITAL SCHEME

Construction Capital Costs

	Current £	Original £
69 Lower Chalets @ £8,000	824,130.00	552,000.00
68 Roof Chalets @ £8,000	816,130.00	544,000.00
Electricity	87,750.00	87,750.00
Water	6,400.00	6,400.00
Interior Fitting Out £250 per unit	89,010.00	33,250.00
<i>Sub Total:</i>	<i>1,823,420.00</i>	<i>1,223,400.00</i>

Additional Costs

Railings and Steps	85,000.00	85,000.00
Rock Bolting/Pins	75,000.00	75,000.00
Rock Fencing	25,000.00	25,000.00

Sub Total: *185,000.00* *185,000.00*

Contingency 147,340.00 147,340.00

Total Construction & Demolition Cost: *2,155,760.00* *1,555,740.00*

Corporate Funding (New Growth Points) *(250,000.00)*

Net Cost (Borrowing Requirement) ***1,905,760.00*** ***1,555,740.00***

Operating Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Repair and Maintenance	3,000.00	3,000.00	3,000.00	3,000.00	5,000.00
Facilities Management	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Insurance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
National Non Domestic Rates (NNDR)	27,000.00	27,000.00	27,000.00	27,000.00	27,000.00
Prudential Borrowing @ £1,905,760 over 25 years	130,381.06	130,381.06	130,381.06	130,381.06	130,381.06
<i>Total:</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>166,381.06</i>	<i>168,381.06</i>



Income

Based on 100% occupancy for 133 units for 52 weeks

	Year 1 (30%)	Year 2 (15%)	Year 3 (5%)	Year 4	Year 5
19 Lower Chalets @ £1300	24,700.00	24,700.00	24,700.00	24,700.00	24,700.00
46 Lower Chalets @ £1300 (Discounted for existing Customers)	41,860.00	50,830.00	56,810.00	59,800.00	59,800.00
45 Roof Chalets @ £2060	92,700.00	92,700.00	92,700.00	92,700.00	92,700.00
23 Roof Chalets @ £2060 (Discounted for existing Customers)	33,166.00	40,273.00	45,011.00	47,380.00	47,380.00
1 Roof Chalets @ £2500	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
1 Commercial Unit @ £5,000	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
1 Beach Office/Store	0.00	0.00	0.00	0.00	0.00
<i>Total:</i>	<i>199,926.00</i>	<i>216,003.00</i>	<i>226,721.00</i>	<i>232,080.00</i>	<i>232,080.00</i>
<i>Less Bad Debt/Void (Non occupation) @ 2%</i>	<i>3,898.52</i>	<i>4,220.06</i>	<i>4,434.42</i>	<i>4,541.60</i>	<i>4,541.60</i>
<i>Less VAT @ 20%</i>	<i>32,671.25</i>	<i>35,297.16</i>	<i>37,047.76</i>	<i>37,923.07</i>	<i>37,923.07</i>
<i>Total income:</i>	<i>163,356.23</i>	<i>176,485.78</i>	<i>185,238.82</i>	<i>189,615.33</i>	<i>189,615.33</i>
Total Income Minus Operating Costs	-3,024.83	10,104.72	18,857.76	23,234.27	21,234.27
<i>Loss of previous budgeted current net income including effect of anticipated decommissioning of previous chalets at a rate of 3 y/y as projected in original business plan.</i>	<i>(19,233.26)</i>	<i>(16,633.33)</i>	<i>(12,632.84)</i>	<i>(12,632.84)</i>	<i>(12,632.84)</i>
Operational Surplus/(Deficit)	(22,258.09)	(6,528.61)	6,224.92	10,601.43	8,601.43