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# Business Plan for Bridport Cohousing Limited

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# 1. Introduction

- 1.1 This business plan has been drawn up by Bridport Cohousing Limited (BC), an organisation which is in the process of establishing a new cohousing neighbourhood on a site next to Bridport Community Hospital on the northwestern edge of the town.
- 1.2 Cohousing involves a mixture of different types and tenures of houses and flats and a range of shared facilities. All the housing will be affordable rent or affordable shared ownership. Bridport Cohousing will retain ownership of the freehold and own and manage the landscape and the shared facilities including a Common House, food growing areas, orchard, shared transport, and laundry.
- 1.3 BC has been working since 2008 to achieve its aim of creating an affordable and sustainable cohousing neighbourhood to house people from Bridport and the surrounding area.

## 2. Project description and current situation

- 2.1 The objective is to create a community of affordable properties with a mixture of tenures, ages, and families, known as Hazelmead. The residents should live in or have a link to the Bridport area, and be willing and able to contribute to the management and maintenance of the neighbourhood.
- 2.2 Bridport Cohousing Ltd was registered as a Society for community benefit with the Financial Services Authority (now the Financial Conduct Authority) in March 2012.<sup>1</sup>
- 2.3 BC completed the purchase of a seven-acre field at Mead Lane, located to the west of Bridport Community Hospital in September 2019.
- 2.4 Full planning permission was granted for 53 houses and flats and a Common House in two parts in January 2017 and July 2019. The development comprises 14 flats and 39 houses, plus two guest bedrooms and the Common House. All housing will be either affordable shared ownership or social rent.
- 2.5 The Common House will act as a hub for the neighbourhood. It will be used by approximately 120 residents and will be available for use by the wider community of Bridport. It will contain a large hall, kitchen, office, activity room, and laundry room. The grounds of the cohousing neighbourhood have been designed to include shared gardens, play areas, an orchard, cycle parking, a workshop, and electric car charging points.
- 2.6 A community share offer is planned to be launched in Summer 2021 to raise funds for the construction of the Common House and the guest rooms. The share offer will be widely promoted and enable people to become members and support the development of these facilities, which will benefit both residents and the wider community.

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<sup>1</sup> <http://bridportcohousing.org.uk/rules>

- 2.7 There is high demand for, and very poor supply of, affordable housing in West Dorset, including Bridport. BC has undertaken three surveys of the demand for affordable cohousing in 2009, 2014, and 2015. The March 2015 survey, undertaken over 18 days, showed 53 households in Bridport and surrounding parishes had a strong interest in purchasing or renting a cohousing property.
- 2.8 Approximately 15 households are eligible for affordable rental properties as potential Housing Association (HA) tenants, and six have committed to purchase grant-funded shared ownership properties from Bournemouth Churches Housing Association (BCHA), the HA that has agreed to partner with BC on the project. A further 11 households have exchanged contracts for the purchase of shared ownership properties with BC.
- 2.9 Construction of the houses began in Summer 2020 and is due to be completed in Summer 2022.
- 2.10 Once Hazelmead is established, it is expected that it will provide an example of affordable and sustainable living which other communities can learn from, and regular workshops are planned to share our experience. There is also an ambition to support other sustainable living initiatives in Bridport including expansion of a car club to be based at Hazelmead (see section 11.11) and support for other community-led affordable housing in Dorset.

## 3. Project timeline: 2012 to 2021

<b>March 2012</b>	Bridport Cohousing Ltd registered as a Society for community benefit
<b>October 2012</b>	Land purchase option signed
<b>January 2014</b>	Funding from Homes and Communities Agency (HCA) for planning application
<b>October 2014</b>	Planning application submitted for 39 houses and flats and a Common House
<b>January 2017</b>	Revised planning permission granted with conditions
<b>January 2018</b>	Community loan issue launched for purchase of land
<b>March 2018</b>	Access agreement signed with Dorset Healthcare University NHS Trust
<b>April 2018</b>	Purchase of Phase 1 land completed
<b>April 2019</b>	Heads of Terms with BCHA for lease and development agreement signed
<b>July 2019</b>	Homes England grant for social housing approved
<b>July 2019</b>	Full planning permission granted for Phase 2 for 19 affordable properties
<b>August 2019</b>	Return of tenders
<b>September 2019</b>	Purchase of Phase 2 land completed
<b>June 2020</b>	BCHA signed contract with C G Fry & Son Ltd for infrastructure and 39 properties
<b>October 2020</b>	BC signed contract with C G Fry & Son Ltd for construction of 14 properties
<b>December 2020</b>	Groundworks completed
<b>February 2021</b>	First timber frames arrive on site

## 4. Planning

- 4.1 A full planning permission for Phase 1 (39 houses and flats) was granted in January 2017 by the Local Planning Authority, West Dorset District Council (WDDC), now Dorset Council.
- 4.2 A full planning permission was granted for Phase 2 (19 houses and flats) in July 2019 with conditions.
- 4.3 The S106 agreements for both permissions have been agreed and signed to provide a guarantee of the level of affordable housing being provided.
- 4.4 All pre-start planning conditions have been approved and work has started on site.

## 5. Land ownership and access agreement with the NHS

- 5.1 Land ownership – BC have now purchased the freehold title of the field in two parts, and this is registered with the Land Registry.
- 5.2 Access – the land being purchased only had an agricultural access right via Mead Lane, so access was negotiated with the NHS via the hospital car park. The terms of the agreement with the NHS require the following:
  - option to purchase an easement for access for £30,000 by March 2021
  - lease of 16 parking spaces to NHS for 150 years (six on the option 1 land and ten on the option 2 land)
  - use of 14 parking spaces on BC land for visitors and workers at the hospital from 9am to 5pm on Monday to Friday for 150 years
  - rights for NHS to nominate healthcare workers to rent six properties on the site
  - if any houses are sold at more than 80% of open market value before 2036, the additional amount over 80% is to be paid to the NHS
- 5.3 The agreement was signed by both parties in March 2018.
- 5.4 The easement was entered into at the beginning of January 2020 and the access formed from the hospital car park into the field.

# 6. Mix of tenures and affordability

- 6.1 BC is a Registered Society for community benefit with the objective of providing affordable accommodation to local people. It aims to ensure affordability by providing houses for rent at affordable levels through working with an HA, and by providing shared ownership houses for sale. By creating a cohousing neighbourhood with shared resources, it will reduce household living costs by encouraging and enabling shared cooking and meals, food growing, shared transport, and enabling informal mutual support. The houses have been designed to have a very low energy requirement achieving the Association for Environment Conscious Building (AECB) Energy Standard. Electricity will be supplied by Hazelmead Community Energy, a new community energy company set up to supply renewable energy generated on site at a rate below the normal price. Finally, service charges will be reduced by all residents contributing time to the management of the neighbourhood thereby keeping these costs as low as possible. The Bridport Cohousing neighbourhood will therefore provide affordable living through:
- social rents and shared ownership
  - shared facilities and resources
  - low energy living
  - reduced service charges
- 6.2 The mix of size and tenure of properties given in the table below is designed to provide for the local needs, the current membership, and a mix of family types.
- 6.3 The scheme provides 26 social rent properties and 27 shared ownership properties. The purchase of the land and the access agreement require that the whole scheme remains 100% affordable. This means there is no scope for the sale of houses at open market value to provide cross subsidy to the social rent homes. The success of the scheme is therefore dependent on grants being available to make good the deficit in project finances.
- 6.4 BCHA have taken a 999 year lease on part of the land for construction of the 39 properties which are grant funded – 26 properties for social rent allocated to people on the Dorset Home Choice housing register and 13 shared ownership properties to be purchased at between 30% and 75% of open market value. These will be partly funded with a Homes England Shared Ownership and Affordable Homes Programme (SOAHP) grant. Indications are that all social renters and shared owners will be willing and able to be active members of the cohousing community.
- 6.5 The allocation of all houses is guided by the Local Lettings Policy (<http://bridportcohousing.org.uk/locallettingspolicy>) which has been developed and agreed with WDDC and BCHA and which formed part of the planning application. This policy requires the formation of a committee of BC which is made up of an equal number of residents and representatives of the Parish and Dorset Councils and BCHA. The criteria laid out in the policy cover housing need, local connection, the willingness of residents to participate in the management of the neighbourhood, and the wish to create a diverse neighbourhood.

- 6.6 The social rent properties will be managed by the HA who will be responsible for repairs and maintenance. For ease of management, these properties have been allocated as whole terraces.
- 6.7 BC will build and sell 14 shared ownership houses and will retain the unsold equity beyond 80% which will be unavailable for purchase given the asset lock provided in the Society Rules (<http://bridportcohousing.org.uk/rules>).
- 6.8 The mix and tenure has been confirmed in an affordable housing scheme which is attached to the S106 agreement. All the houses and flats are protected from being converted to open market dwellings by a condition in the lease that owners cannot purchase more than 80% because the development is in a designated rural parish. The agreement with the NHS also prevents sales above 80%.

## 7. Development and construction

- 7.1 BC and BCHA are working together in the following way to deliver the whole scheme:
- BC have leased land to BCHA for the construction of 26 social rent properties and 13 shared ownership properties
  - BC and BCHA have appointed the same employer's agent and quantity surveyor to act on their behalf in the administration of the construction contract: David Wagg of The Welling Partnership
  - BCHA construct the infrastructure for the whole site
  - BCHA construct 26 social rent properties and 13 shared ownership properties
  - BCHA construct the guest rooms within one of the blocks of flats
  - BC construct 14 shared ownership properties
  - BC construct the Common House
- 7.2 There are four key legal agreements which underpin the partnership between BC and BCHA:
- Head Lease – this sets out the obligations of BCHA to BC in regard to the letting of rental properties and the sale of shared ownership properties.
  - Model Shared Ownership Lease – this lease will be used by both BC and BCHA and will ensure all shared ownership residents have the same lease terms no matter which organisation is landlord.
  - Infrastructure Development Agreement – this gives BCHA a licence to undertake all the infrastructure works under a funding agreement with Dorset Council who have secured grant funding from Homes England.
  - Development Agreement – this sets out the joint decision making about contractor appointment, specification, variations, and step in rights if either party fails to complete construction.

- 7.3 During the development phase, BC directors will draw upon specialist advisers in the key decisions concerning selection, appointment, and management of contractors. They will utilise the services of David Wagg of The Welling Partnership to manage the construction phase and deliver the completed scheme.
- 7.4 BC commissioned Dorset Community Energy to undertake a feasibility study on the viability and implementation of an Energy Supply Company (ESCO) to fund and manage a neighbourhood-wide electricity network using roof mounted photovoltaic (PV) panels, a battery, and connection to the local grid. It recommends that by creating an ESCO to supply electricity and using air source heat pumps for heating, significant monetary and carbon savings could be achieved for the community. The PV array is being paid for by the ESCO which will own and operate the local grid and battery system. This entity is called Hazelmead Community Energy Limited (HMCE) and has now been set up with the support of Clean Energy Prospector, or CEPRO, and The Foundry – both specialists in community-owned energy. HMCE is funding the development of the microgrid, the PV arrays on all houses, and a large Tesla battery pack to maximise the use of solar energy on site and thereby maximise carbon savings.
- 7.5 HMCE is being granted a concession agreement to operate a private wire network supplying energy to all households at a guaranteed discount price and a guaranteed zero carbon source. The arrangements do not affect residents' rights to opt out and purchase electricity from other suppliers. In return for HMCE supplying the PV panels on all the units, the householders will agree to the ESCO having the right to use the solar energy that is generated to supply all households at Hazelmead.



# 8. Financial appraisal of the development loan for the housing

- 8.1 A detailed financial appraisal of the scheme has been undertaken using a fixed price design and build tender from C G Fry & Son Ltd. The fees and costs are all based on firm quotations received from lawyers, architects, and consultants. The development costs are based on a detailed tender report from The Welling Partnership, the appointed Employer's Agent for the scheme.
- 8.2 The financial appraisal has used the following assumptions:
  - 8.2.1 Construction contract with C G Fry & Son Ltd with a construction phase of 22 months. The construction cost is based on a JCT fixed price with a contingency of 5%.
  - 8.2.2 Development loan will be repaid in part by the sale of shared ownership properties – 14 will be sold at an average of 80% of Open Market Value (OMV).
  - 8.2.3 The sale price of the 14 BC-constructed properties is based on a RICS red book valuation from August 2020.
  - 8.2.4 BCHA will undertake the construction of all infrastructure at the start of the development.
  - 8.2.5 Eleven of the purchasers exchanged contracts before the start of the BC build and made advance payments to reduce the peak development loan required.
- 8.3 A development loan facility with Triodos Bank was signed in October 2020 and drawdown began Spring 2021.
- 8.4 This loan facility provides the funds required to complete the development of the 14 houses being built by BC and is repaid from the sales of the units. Contracts for the sale of 11 houses were exchanged before the first drawdown and the remaining three sales are expected to be allocated during the summer of 2021 and sales completed before construction is completed.
- 8.5 A condition of the loan is that any other funds raised such as community shares cannot be repaid until the Triodos loan is fully repaid.
- 8.6 The COVID-19 pandemic and resultant crisis has caused delays to the start of residential construction and an extended construction phase which has meant that the original projected start of operations was delayed. This meant that funds needed to support operations and finance costs were delayed and so a Government-supported Bounce Back loan was arranged in mid-2020. Interest is at 2.5% per annum and repayment over five years is due to start in December 2021.

# 9. Construction of the common facilities

- 9.1 The design of the Common House has been undertaken by Barefoot Architects who reviewed and amended it in April 2021 to give a more cost-efficient design. It will be constructed as a timber-frame building with natural fibre insulation, and externally clad with locally sourced timber and lime based render. It will be built to a high standard of energy efficiency and heated with a heat pump, with PV panels on the roof.
- 9.2 The cost of construction has been provided by BC's appointed quantity surveyor, The Welling Partnership, who in May 2021 estimated a cost for construction of £450,000 including contingency. This takes account of current build cost inflation but not projected inflation as a result of COVID-19 and supply chain constraints. However, there is time during the detailed design to revise the cost plan to stay within the final agreed budget for construction.
- 9.3 Procurement of the Common House will be done using a traditional contract form with the contractor appointed on a fully costed, detailed design. The Welling Partnership are appointed to act as the quantity surveyor and contract administrator. Construction will make use of timber frames manufactured off-site to speed up construction on-site. The professional team and contractor will be required to agree to standards for accurate sharing of information and the use of Building Information Management to enable handover and long-term management.
- 9.4 Construction of the guest rooms is being undertaken as part of the BCHA build contract and upon completion, they will be available for purchase by BC at an agreed cost as set out in the development agreement between BC and BCHA.

# 10. Funding the common facilities

- 10.1 To fund the cost of the common facilities, it is planned to launch a community share issue in Summer 2021. There is a detailed community engagement plan and marketing plan prepared by members with assistance from Wessex Community Assets and Ethex. It is planned to use the Ethex digital platform to promote the share issue nationally and to manage the share subscriptions and member registration process. This will be the second time that BC has raised investment publicly to support its work. The first time was when BC raised community loans for the purchase of the first part of the land over the Christmas period in 2018 and £251,000 was raised in three weeks. To date, £115,000 has been repaid including interest at base rate plus 3% per annum.
- 10.2 The remaining community lenders are now being offered the option to convert their loans to community shares and become members under the same terms and conditions as will be offered under the community share issue.
- 10.3 The community share issue will raise funds to cover the capital cost of the Common House and the guest rooms and to repay any community lenders that haven't converted their loans to shares. Based on past experience, the directors expect to raise the full £732,000 of the share issue.

However, they have given full consideration to what happens if less investment is raised than expected and have developed contingency plans that describe what happens if they raise less than the target. They have followed the recommendations from the Community Share Unit and have developed three scenarios or target levels – minimum, optimum, and maximum. As each target is reached, more parts of the project can be achieved and represents a significant step along the way to the final goal. These contingency plans are described in greater detail after the following summary table and detailed financial projections have been produced to show that at each level, the share issue remains viable.

- 10.4 The three targets set out the range of community shares raises:
- a minimum level of £136,000 that repays remaining land loan lenders that have not converted to shares
  - an optimum level £382,000 which allows for repayment of lenders, building a reduced size and specification Common House and guest rooms, which are funded with a mix of community shares and a bank loan
  - a maximum level of £732,000 which allows for repayment of lenders, a full size and specification Common House and guest rooms, all funded by community shares only
- 10.5 Three financial projections have been prepared for each scenario and the details are summarised below and full details provided in the appendix.

## Summary of target options

	MINIMUM TARGET LEVEL	OPTIMUM TARGET	MAXIMUM TARGET LEVEL
<b>Income</b>			
Community shares	£136,000	£382,000	£732,000
Bank loan	0	£200,000	0
<b>Total Income</b>	£136,000	£582,000	£732,000
<b>Expenditure</b>			
Repay Land Purchase Loans	£136,000	£136,000	£136,000
Common House construction costs	0	£300,000	£450,000
Purchase of two guest rooms from BCHA	0	£146,000	£146,000
<b>Total Expenditure</b>	£136,000	£582,000	£732,000

## Managing the contingency arrangements

- 10.6 If the maximum target is reached before the share offer end date, then the scheme will be closed early.
- 10.7 If the figure raised is between the optimum and maximum target by the closing date and BC has not secured the requisite loan finance, the directors reserve the right to extend the share offer for a further three months and if, during this extension, we reach the maximum target, the share offer will be closed. If we fail to secure the requisite loan finance during this extension, then any monies over the minimum target will be returned to applicants.
- 10.8 If the figure raised is between the minimum and optimum target by the closing date, the directors reserve the right to extend the share offer for a further three months, and if during this extension we reach the maximum target, the share offer will be closed. If we fail to reach the optimum target during this extension and we have failed to secure the requisite loan finance to go ahead with construction, then any monies over the minimum target will be returned to applicants.
- 10.9 If the minimum target is not reached by the closing date, the directors reserve the right to extend the share offer for a further three months and if during this extension we reach the maximum target, or reach the optimum target and have secured loan finance, the share offer will be closed. If at the end of the extension we have not met the minimum target, we shall repay all the monies received in respect of share applications in full.

## Security for borrowing

- 10.10 At the completion of the construction of the houses and flats, BC will have assets available as security for a loan in the form of the unsold equity in the 14 shared ownership properties and the guest bedrooms.
- 10.11 The value of the retained equity of the 14 shared ownership properties was independently valued by Connells in 2020 at £350,000. The two guest rooms (51m<sup>2</sup>) have been included in the value of security as one-bed two-person flats at an OMV of £146,000. Because the Common House is mainly to be used as a space which supplements the residential use and not as a commercial building, it has no open market value without a change to its planning designation.

## Long-term income to support borrowing

- 10.12 A detailed Income and Expenditure projection over 30 years has been prepared to show how BC can finance a mix of bank borrowing and community shares from a variety of income sources, which are:
- ground rent fixed at £100 per year per dwelling: £5,300 per year
  - rent on unsold equity on 14 shared ownership properties: more than £12,000 per year
  - membership fee from all residents: £6,000 per year
  - hire charges to members and non-members for use of the guest rooms and Common House: more than £13,000 per year from April 2023
  - service charge paid by all residents for provision and maintenance of all shared facilities including the Common House and guest rooms: more than £48,000 per year from April 2023

The three scenarios for the first 10 years setting out the different levels of borrowing and different mix of income are in the appendix. The figures outlined below are based on the maximum level of community shares raised.

- 10.13 The interest due on bank borrowing and community shares will be mainly paid from the service charge which is levied on all residents and varies according to the size of their property. The leases for all properties include a clause which specifies what costs will be included in the service charge and this includes the costs of borrowing to provide the common facilities. The service charge also includes other costs such as managing the estate roads, parking areas, and landscaping.
- 10.14 As a result of this structure, a large proportion of the service charge will be finance costs. Detailed research and legal advice have confirmed that these are eligible costs to include in a service charge. These charges are allowable under the regulations governing service charges and eligible for Housing Benefit and Universal Credit support payments. Service charge income is generally considered a secure income source since it is an obligation in the lease. In this case, there are 15 leaseholders: BCHA, which holds the head lease on the 39 properties, and the 14 shared ownership leaseholders. There is an allowance for voids at 2% of the rental and service charge income.

- 10.15 The repayment of bank borrowing, and withdrawable shares has been allowed for by setting aside a sum annually for repayment. The total sum for capital is calculated based on a 20 year term for the bank borrowing and repayment of community share capital over 35 years. It is planned to progressively reduce the size of the community share capital by repayment of shares when members apply to withdraw their shares and not issuing new replacement shares. This will gradually reduce the cost of annual share interest payments.

## Service charge details

- 10.16 The service charges have been projected based on an estimate of costs. The experience at other cohousing schemes has informed this, in particular, the Threshold Centre in Gillingham, Dorset, which has been in operation for 10 years.
- 10.17 The annual service charge will recover the cost of the provision of shared services which will include the management and upkeep of roads, paths and parking spaces, the common parts of flats, as well as refuse and recycling stores, estate lighting, and all matters to do with health and safety of the estate.
- 10.18 The service charge has been calculated on a square metre basis. The financial model assumes that £12.90 per square metre per annum will be charged according to the size of property. This will cover the cost of providing and servicing the common parts. In the 2027/28 financial year, this will also cover the cost of building up a sinking fund which will be built up to cover the cost of major repairs to shared spaces, particularly the roads and car parking.
- 10.19 It is expected that the voluntary input by residents, including both practical and managerial input, will help to keep this cost as low as possible.
- 10.20 The estimated costs to residents (for April 2023 to March 2024) including service charges are as follows:

MONTHLY COSTS (£)	1 BED	2 BED	3 BED	4 BED
Service charge	54.80	76.30	99.94	125.73
Rent for 80% SO	43.92	67.50	82.50	90.00
Ground rent	8.33	8.33	8.33	8.33
Membership	6.25	6.25	6.25	6.25
<b>Total monthly outgoing</b>	<b>113.30</b>	<b>158.38</b>	<b>197.02</b>	<b>230.31</b>

## Management of common facilities

- 10.21 The organisation of the management of the estate for which the service charges can be made will be overseen by a newly-formed estate management committee of the Society. This committee will have an independent chair with expertise and experience in residential estate management. The terms of the committee are set out in an amendment to the Society Rules which have been approved by the FCA under the sponsorship of Wessex Community Assets. The committee will have equal representation of BCHA and BC members.
- 10.22 The BC estate management committee will oversee the collection of rents and service charges from shared owners and make sure this is done on a monthly basis and that action is taken to address late payment of rent or service charge. The organisation of the hiring of the Common House, guest rooms, and the use of other shared space including food growing and the open space will be organised by a Cohousing Facilities Committee. The details of each income stream are given below.
- 10.23 BC management will have the option, if required, to draw on three other income streams to ensure the share interest payment can be maintained:
- rent on unsold equity
  - hiring of space in the Common House and guest rooms
  - annual membership from adult resident members and non-resident members
- 10.24 Rent on unsold equity. This is based on a maximum of 3% per annum on all of the unsold equity, and that the 14 purchasers will purchase 80% of the OMV. The financial model assumes that rent is charged at 1.8% per annum and is increased at inflation (2% per annum). The lease fixes the rent, and it can be increased by no more than the Consumer Price Index per year.

10.25 Hiring of Common House and guest rooms. There is significant scope for hiring the Common House. It will have three rentable spaces: the main hall, an office space, and an activity room. The existing membership has been surveyed to assess the potential demand from residents who work from home and would need to rent a desk in a shared space or who currently hire a hall for activities which they organise such as yoga or dance classes. The experience of BC members over the last 10 years is that there is very high demand for good quality accessible venues suitable for community events in or around Bridport, and venues are often booked months in advance. The main hall will be well equipped, including a kitchen, disabled access, and is a unique venue with plenty of outside space.

COMMON HOUSE ROOM HIRE PROJECTED APRIL 2023 TO MARCH 2024	HOURLY RATE	HOURS PER WEEK
Office	£3.10	5
Main hall	£12.20	5
Activity room – residents	£3.10	3
Activity room – non residents	£4.10	3

10.26 Hiring of guest rooms. The likely demand for use by members was assessed in November 2019 and discussions held with the Tourist Information Centre about demand for bed and breakfast facilities in the area. The intention is to preferentially rent to residents' guests and to then fill the voids with non-resident tourist bookings. Guest rooms are likely to be in high demand all year-round. Given the size of the neighbourhood, it is expected that there will be very high demand for the guest rooms from residents. However, the figures below assume a much lower projected demand given that there is, as yet, no experience of hiring the facilities.



GUEST ROOM HIRE PROJECTED APRIL 2023 TO MARCH 2024	PER NIGHT	NIGHTS PER WEEK
Guest room 1 – hired to residents	£10.20	1
Guest room 2 – hired to residents	£10.20	1
Guest room 1 – hired to non-residents	£25.50	2
Guest room 2 – hired to non-residents	£25.50	2

- 10.27 Annual membership. All active members currently pay an annual £120 subscription. This plan is projecting a reduction to £75 per annum in the interests of reducing costs to all households.
- 10.28 A summary of annual accounts for the past three years is given below. This reflects the work that BC undertook to acquire the land, invest in the land by securing planning permission, and starting the development. These figures are based on the unaudited year-end accounts and can be viewed on the Society’s website (<http://bridportcohousing.org.uk/accounts>) and the FCA website.

PROFIT & LOSS	2018/19	2019/20	2020/21
Total income	24,528	315,488	8,424
Operating profit (loss) before depreciation, interest on capital and corporation tax	11,032	222,490	(456)
Net profit (loss) after depreciation, interest on capital and tax	11,032	222,490	(259,359)

SOCIETY FUNDS	2018/19	2019/20	2020/21
Fixed assets	761,702	983,187	1,468,077
Member share capital	3,260	3,450	3,680
Society accumulated reserves (or losses)	342,577	565,067	373,704
Long term liabilities (loans)	389,251	393,584	1,122,548
Net assets	345,837	568,517	377,384

MEMBER SHARE CAPITAL	2018/19	2019/20	2020/21
Opening balance of member share capital	3,040	3,260	3,450
New share capital invested during year	220	190	230
Share capital withdrawn during year	0	0	0
Closing balance of member share capital	3,260	3,450	3,680

MEMBERSHIP LEVELS	2018/19	2019/20	2020/21
Number of members at the beginning of year	53	75	94
Number of new members joining	22	19	11
Number of members leaving	0	0	0
Number of members at the end of the year	75	94	105

USE OF SOCIETY FUNDS	2018/19	2019/20	2020/21
Interest rate on (eligible) share capital	0	0	0.00%
Interest paid on share capital	0	0	0
Net profit (loss)	11,032	222,490	(259,359)
Addition (reduction) to society reserves	11,032	222,490	(259,359)

10.29 A summary of the financial forecast for the scenario that the maximum target is raised is given below and sets out the projected Income and Expenditure detailed above and the changes in the Balance Sheet. BC achieves an operating surplus in the first year of occupation which is maintained in all future years. This is sufficient to cover interest payments and to meet requests from members wishing to withdraw shares. A more detailed set of 10 years forecasts is included in the appendix.

## INCOME AND EXPENDITURE

	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Income<sup>2</sup></b>					
Annual Income	6,000	75,832	85,046	88,684	90,256
<b>Total Income</b>	<b>6,000</b>	<b>75,832</b>	<b>85,046</b>	<b>88,684</b>	<b>90,256</b>
<b>Gross Profit</b>	<b>6,000</b>	<b>75,832</b>	<b>85,046</b>	<b>88,684</b>	<b>90,256</b>
<b>LESS Overheads<sup>3</sup></b>					
Maintenance	0	1,530	1,561	1,592	1,624
Sinking fund	0	0	0	0	0
Insurance	6,206	8,040	8,201	8,364	8,532
Heat Light Power	0	5,100	5,202	5,306	5,412
Landscape	0	2,040	2,081	2,122	2,165
Admin and accounting	2,000	2,040	2,081	2,122	2,165
Non Service Charge expenditure	7,652	16,667	16,747	16,828	16,911
Overheads	15,858	35,417	35,872	36,335	36,809
<b>EBITDA<sup>4</sup></b>	<b>(9,858)</b>	<b>40,416</b>	<b>49,174</b>	<b>52,349</b>	<b>53,446</b>
ADD Profit on sale/revaluation of fixed assets	(13,495)	(450,000)	0	0	0
LESS Interest on Shares	0	29,441	28,841	28,241	27,641
LESS Loan Interest	102,546	941	697	444	187
<b>LESS Depreciation</b>					
Building – 2% SL	7,000	9,920	9,920	9,920	9,920
Total Depreciation	7,000	9,920	9,920	9,920	9,920
<b>Net Profit</b>	<b>(132,898)</b>	<b>(449,886)</b>	<b>9,716</b>	<b>13,745</b>	<b>15,699</b>
Corporation Tax <sup>5</sup>	(23,921)	(83,594)	3,731	4,496	4,868
<b>Profit after Tax</b>	<b>(108,978)</b>	<b>(366,292)</b>	<b>5,985</b>	<b>9,248</b>	<b>10,831</b>

2 The income increases in 2023 in the first year of occupation when rent and service charge start to be paid

3 Itemised costs can be repaid from service charge with the sinking fund starting at year 15. All other costs to be paid from general income

4 EBITDA is earnings before interest, tax, depreciation and amortisation and is a good indication of the basic profitability of a scheme

5 Tax is calculated here and then set against the loss carried forward

## BALANCE SHEET

	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Fixed Assets</b>					
Cost <sup>6</sup>	590,000	496,000	496,000	496,000	496,000
Less Depreciation	(7,000)	(16,920)	(26,840)	(36,760)	(46,680)
Total Fixed Assets	583,000	479,080	469,160	459,240	449,320
<b>Current Assets</b>					
Bank	91,957	19,654	14,338	12,798	12,955
Total Current Assets	91,957	19,654	14,338	12,798	12,955
<b>Creditors Due Within One Year<sup>7</sup></b>	4,456	(168,352)	(164,621)	(160,124)	(155,257)
<b>Net current assets</b>	87,501	188,005	178,959	172,923	168,212
<b>Creditors Due After One Year</b>					
Loans <sup>8</sup>	42,094	32,387	22,435	12,231	1,769
<b>Total Creditors Due After One Year</b>	42,094	32,387	22,435	12,231	1,769
Net Current Assets / (Liabilities)	45,407	155,618	156,524	160,692	166,443
Total Net Assets	628,407	634,698	625,684	619,932	615,763
<b>Capital and Reserves</b>					
Original Share Capital	363,680	736,264	721,264	706,264	691,264
Retained Earnings <sup>9</sup>	264,726	(101,566)	(95,581)	(86,333)	(75,501)
Total Capital and Reserves	628,406	634,698	625,683	619,931	615,763
<b>Membership</b>					
Members at start of year	105	278	274	270	266
New members	173	2	2	2	2
Members Leaving	0	6	6	6	6
Members at end of year	278	274	270	266	262

6 The fixed assets that remain after completion are the unsold equity in the SO and the guest rooms.

The Common House is assumed to have no net realisable value and so its assets value is zero.

7 From 2023, the value of the loss carried forward to set against Corporation Tax in the future

8 The land loans paid off by 2022 and then the bounce back loan paid off over five years

9 The revaluation reserve is set against the writing down of the value of the Common House in 2023, because the cost of the Common House is higher than the reserve in 2022, there is a negative reserve carried forward

## CASH FLOW

	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Receipts</b>					
Sale of fixed assets	2,716,000	0	0	0	0
Add New share offers	360,000	372,584	0	0	0
Annual Income	6,000	75,832	85,046	88,684	90,256
Loans:	0	0	0	0	0
Triodos	1,491,395	0	0	0	0
<b>Total Receipts</b>	<b>4,573,395</b>	<b>448,416</b>	<b>85,046</b>	<b>88,684</b>	<b>90,256</b>
<b>Payments</b>					
Accounts payable	11,437	0	0	0	0
Land purchase loan interest	0	17,563	0	0	0
Triodos loan interest	2,592	0	0	0	0
VAT	-5,326	0	0	0	0
Contractor retention	-43,376	71,651	0	0	0
Building additions	1,851,418	356,000	0	0	0
Service charge costs	8,206	18,750	19,125	19,507	19,898
Professional Fees etc	0	16,667	16,747	16,828	16,911
Ethex Transaction fees	7,652	0	0	0	0
Share Withdrawals	0	0	15,000	15,000	15,000
Interest paid on shares	0	29,441	28,841	28,241	27,641
Corp tax	0	0	0	0	0
Loan interest	102,546	941	697	444	187
Loan capital payments:	0	0	0	0	0
Bounce back loan	7,906	9,707	9,952	10,204	10,462
Land Purchase loans	237,500	0	0	0	0
Land deposit loans	1,800	0	0	0	0
Common facilities	0	0	0	0	0
Triodos	1,831,629	0	0	0	0
Members deposits	493,014	0	0	0	0
<b>Total Payments</b>	<b>4,506,996</b>	<b>520,719</b>	<b>90,362</b>	<b>90,224</b>	<b>90,099</b>
Opening Balance	25,558	91,957	19,654	14,338	12,798
Net Inflow/(outflow)	66,399	(72,303)	(5,316)	(1,539)	157
Closing Balance	91,957	19,654	14,338	12,798	12,955

## Financial strategy and policies

- 10.30 BC has a policy to build up a reserve which is at least 25% of the annual operating expenditure. It is expected to take five years to build up this level of reserves whilst at the same time paying off the bounce back loan.
- 10.31 BC aims to repay all land loans or convert them to shares by July 2022 and to repay the bounce back loan by March 2027.
- 10.32 BC has a preference for share capital over bank borrowing to fund the common facilities because it expects that the repayment of withdrawable shares will take place over a much longer period than bank borrowing – 35 years compared to 20 years. This means that the annual costs to members are reduced and helps to achieve improved affordability. The detailed financial projections show the accumulated share capital repayments starting in the financial year April 2023 to March 2024.

## 11. Structure and governance

- 11.1 Structure. Bridport Cohousing is an incorporated entity, registered as a Society for community benefit and regulated by the Financial Conduct Authority (FCA). It has the constitution of a Community Benefit Society and is owned by its members on a one-member one-vote basis, irrespective of shareholding. Membership is open to anyone who supports its aims and objectives. Operating as a Community Land Trust (CLT), it aims to acquire, develop, and manage affordable housing and protect its housing from the speculative market.
- 11.2 Rules. Bridport Cohousing was registered in March 2012 using a set of pre-approved model rules developed by Wessex Community Assets. There followed a complete amendment to the Rules in February 2021 (<http://bridportcohousing.org.uk/rules>).

Our Rules include provision to issue a form of shares to members known as withdrawable share capital, which is unique to Registered Society law. Withdrawable share capital, also known as community shares, can be withdrawn from the Society by the member, subject to terms and conditions. The liability of its members is limited to the value of their shareholding and the value of members' community shares will never go up, but the value may go down.

A Byelaw was approved by directors on 24 April 2021 defining the way in which members can become more actively involved in the running of the Society which includes an agreement to be signed by members seeking to be active members. The Byelaw and Active Member Agreement Form A1 can be viewed on the BC website:

<http://bridportcohousing.org.uk/byelaws>.

### 11.3 Policies and Member agreements.

BC has developed a suite of policies to give all residents and external partners clarity over important and sensitive issues. These policies are reviewed each year by members. The policies that have been approved are available on the BC website.

- 11.4 Asset Lock. The BC rules include an Asset Lock which means the Society can only use its assets for community benefit. In particular:
- The only payments that can be made to members are to the value of their withdrawable share capital or interest on that withdrawable share capital.
  - The residual assets of the Society on winding up cannot be transferred except to another organisation whose assets are similarly protected.

## 11.5 Governance

Good governance is critical to the success of any enterprise and is particularly important in an enterprise which is owned by a large number of people. It is vital to balance the needs and aspirations of all members in a way that also allows the membership to participate in the decision-making process. It is also vital that the organisation is legally compliant and financially sound, and that this occurs by design and not by accident.

Bridport Cohousing aims to ensure clear channels of communication and fair and effective decision making using a system of governance called Sociocracy. Sociocracy fosters and balances equivalence and effectiveness, giving space to all voices, and devolving decision making to those affected. All active members have the opportunity to contribute their skills to the project through different governance circles and work circles.

## 11.6 Member Participation

All members are encouraged to participate in and support the Society. There are three levels of increasing participation.

**At the first level of participation**, a member joining through this share offer holds at least the minimum shareholding for membership of £500 and supports the aims and objectives of the Society. There is no ongoing subscription or other requirements related to this first level of participation. Members will be invited to open days where they will be able to experience for themselves what cohousing is actually like, maybe stay in one of the guest bedrooms and join a shared meal in the Common House - even help prepare that meal. They will also be able to enjoy the benefit of being able to hire the common facilities (rooms in the Common House or guest bedrooms) at the same preferential rates as full resident members.

All members (including all residents) will automatically become part of the General Circle.

**The General Circle** meets for Special General Meetings and Annual General Meetings (AGMs). It is also convened when important decisions of the management need to be checked with all members. In this respect, they will form the equivalent of Special General Meetings.

Additionally, should they wish, members can nominate themselves to be a director and take part in the elections at AGMs.

### **Directors' Circle:**

The Directors' Circle is responsible for managing the affairs of the Society on behalf of the membership. A member must find both a proposer and a seconder from the membership to be nominated to the Directors' Circle. There is an election process for directors which is undertaken at the AGM. One third of the directors stand down at each AGM and can stand for re-appointment.

**At the second level of participation**, a member must progress through an application process and induction process described in the Byelaws (<http://bridportcohousing.org.uk/byelaws>) which involves a work commitment and an ongoing £10 per month subscription. The member is then considered an active member.

Potential active members are invited to attend open events held regularly for interested people. After they have attended several events and a shared meal to meet as many members as possible, they complete an application form explaining why they want to become residents and what skills and interests they can offer. They are assigned an established member 'buddy' who is there to provide support and guidance.

### **Active Members' Circle**

It meets regularly for members to review progress, keep informed of the work of the other circles and to build social connections between members.

Active members may choose to make an ongoing commitment to participate in other circles and their development. They may choose something that stirs their interest or would benefit from their experience and skills.

The circles they could join, in addition to those at the first participation level are:

## **MANAGEMENT CIRCLES**

### **Coordinating Circle:**

It meets every month and deals with the day-to-day management of the Society and is empowered to take decisions on behalf of members. The circle has representatives from the other lower level work circles with more specific responsibilities so it has an important role in coordinating the work of those other circles.

### **Estate Management Circle:**

This committee of BC is required in our Rules and comprises 50% members and 50% BCHA representatives and is chaired by an independent chair. It shall ensure the proper maintenance and management of the common parts of the estate for the benefit of residents and ensure management works are carried out in a timely and efficient manner, and with due regard to principles of cohousing, environmental sustainability, and health and safety.

### **Nominations Circle**

This committee of BC contains one representative from each of the Parish Council, Dorset Council, and BCHA together with three resident BC members, one of which must be a director. This committee is detailed in our Rules and will consider applications from potential residents and nominate those that conform to the Local Lettings Policy for allocation of a property from the available housing.

BC's Local Lettings Policy ensures that the homes are allocated fairly and transparently. This policy has been agreed with BCHA, the Parish Council, and Dorset Council. We endeavour to meet the housing needs of the local community first, and are committed to diversity being a key element in this intergenerational community.



## WORK CIRCLES

which have responsibility for specific areas of the organisation, and which can create sub circles to work on particular tasks:

### **Buildings Circle**

It is responsible for everything to do with the built environment during development and after completion. During development of Hazelmead, it is also responsible for liaising with BC's professional adviser, its Employers Agent, and the main contractor. Once the building is complete, this circle will review its function and clarify its relationship with the Estate Management Circle.

### **Communications Circle**

It is responsible for facilitating effective and compassionate communication within BC through developing and maintaining systems, processes, documents, records, and information, using a variety of media, so that BC members are informed and effective. It is also responsible for ensuring that those outside of BC have access to and understand information about BC, its purpose, and the ways it operates.

### **Community Circle**

It is responsible for nurturing membership and fostering harmonious relationships within the Hazelmead community and with the wider community, through supporting members and their families, managing the membership processes, arranging social events, and overseeing training and Sociocracy development.

### **Environment Circle**

It is responsible for developing and maintaining the environment including managing the use of the Hazelmead grounds, improving the neighbourhood, growing food, reducing the effect of neighbourhood transport on the environment, and protecting local wildlife.

### **Finance Circle**

It is responsible for considering and recommending major financial decisions; overseeing the budgets of all circles; liaising with our project manager, bookkeeper and financial adviser; setting up and operating our financial systems during the development and residential phases; approving payments from BC to our agents, suppliers and contractors; and disseminating financial information to members and circles.

**At the third level of participation**, an active member can apply to become a resident and needs to go through a process of nomination and allocation as explained in our Local Letting Policy.

All residents are required to become members. Residents pay an ongoing service charge as part of their lease and may choose to make an ongoing commitment to participate in other circles and their development.

#### **11.7 Directors' Circle:**

The Directors' Circle is responsible for managing the affairs of the Society on behalf of the membership and to report back to the General Circle in exactly the same way as a management committee is responsible for managing the affairs of a limited company reporting back to members at a General Meeting.

The directors may co-opt directors to the Directors' Circle with appropriate skills and experience. Co-opted directors need not be members. Co-opted directors may attend and speak at Directors' Circle meetings but have no vote. They must stand down at each AGM, albeit the Directors' Circle may re-appoint them.

## 11.8 Current directors

There are currently six directors: five are members and one has been co-opted for their experience of working for Registered Providers of social housing, such as Housing Associations. The current directors are:

### **Judith Griffies, Chair**

Judith has retired from teaching and currently works part time in care and hospitality. Her previous employment has been in counselling, training, social, and community work. She has lived in the area for 37 years with her family. For seven years, Judith was a director of another rural CLT which built eight affordable homes. She is an experienced leader, organiser, and administrator and has had Sociocracy training

### **Vince O'Farrell, Treasurer**

Vince lives in Bridport and is a founding board member of Symene CLT Limited, another local community-led affordable housing project which was completed in 2015. He was previously a software developer, project manager, and primary school teacher. He is also Secretary or Treasurer of several other volunteer-led organisations and charities in Bridport.

### **Monica King, Secretary**

Monica is a retired higher education administrator. She has developed organisational skills in various roles, managing teams and HR processes within large and small organisations. She has had Sociocracy training.

### **Emily Richmond, Director**

Emily works as a family liaison officer in a local school for children with SEND (Special Educational Needs and Disability). She is a parent carer. With a background in mental health and a trained counsellor, she is invested in the linkage between secure housing, healthy community, and well-being. She has had Sociocracy Training.

### **Julian Jones, Director**

Julian is a retired civil servant and local government officer and has spent three years seconded to the Royal Commission on Environmental Pollution working on the landmark Transport and the Environment report. He has held the position of Treasurer in three organisations, including Bridport Cohousing Limited.

### **Phyllida Culpin, Non-Executive Director**

Phyllida has a background in regeneration social housing, community development, and social inclusion. She is currently a Non-Executive Director for Magna Housing and an independent member for Catalyst Housing. She holds other roles for housing-related organisations in the area.

## 11.9 Conflict of interest

A record of the directors' interests is held and reviewed at each meeting of directors, and these are recorded in the minutes of the meetings. If these interests have the potential to conflict with decisions at the meeting, those directors exclude themselves from that part of the meeting.

## 11.10 Professional advisers

Directors are supported by a group of professional advisers co-ordinated by Charles Couzens and Alan Heeks of the Rural Renewal Company who have extensive experience and knowledge in the arena of community-led development and cohousing. Alan Heeks led the development of the Threshold Cohousing community and managed the development of the scheme including acting as employer for the works. He holds an MBA from Harvard and was formally a director of a PLC construction materials supplier. Charles Couzens was a Director of Ecos Trust and developed several innovative housing developments in the southwest between 2005 and 2010. He is now Managing Partner of a Construction Management company for a multi-million-pound redevelopment of a site in the Strand in Central London. Charles Couzens has been the lead project coordinator on the project since 2016.

David Wagg of The Welling Partnership is appointed to act as Employers Agent on behalf of BC to manage the tendering, selection, and appointment of the contractor and to project manage the construction from start on-site through to practical completion. David is a partner of The Welling Partnership and is appointed to the Sovereign Development Framework for delivery of affordable housing across the south of England.

Sam Goss of Barefoot Architects Ltd is the Architect for the whole development.

Andy Lloyd, an accredited community housing adviser, prepared, and reviewed the project business plan.

Legal advice was provided by Peter Cooper and Sonya Bedford of Stephens Scown of Exeter.

BC's Accountant is Clare Chapman of Associative Accounting.

BC's Auditor is Nigel Harris of Burton Sweet of Shepton Mallet.

## 11.11 Partnerships:

Bridport Cohousing is working in partnership with Bournemouth Churches Housing Association (BCHA). BCHA is a not for profit, registered provider of social housing that has been supporting the local community, including those experiencing homelessness, for the past 50 years. They are building the homes for social rent and the homes available for shared ownership through the government Help to Buy scheme but are not contributing to the costs of the common facilities at Hazelmead. BC and BCHA will work together to manage the neighbourhood when we move into our new homes in 2022.

We are also working in partnership with the NHS and details of this are set out earlier in the document at Section 5 to provide six affordable houses for rent to staff working at the hospital and locally.

Finally, we are working with Co Cars Exeter on a plan to set up an electric car club based at Hazelmead. Residents have been surveyed to establish the level of demand and this is almost sufficient to get the car club up and running. Co Cars would operate the club and use one of the charging points provided by HMCE for their first car. Several BC members are already sharing their cars on an informal basis.

# 12. Risk Register

REF	DESCRIPTION	INHER- ENT	GROSS	RISK	SOURCES OF ASSURANCE	REMEDIAL ACTIONS	RESID- UAL	(NET)	RISK
		Impact	L'hood	Total			Impact	L'hood	Total
1	Health and safety: accident on site, leading to death or severe injury	5	4	20	Contractor responsible for H&S on site; restrictions on visitors; risk assessment	Monthly H&S monitoring reports by the contractor and advise from the Principal Designer	5	3	15
2	Availability of finance	4	4	16	Budget and business plan	Slow pace of development; community share offer; mortgage for self-build	4	2	8
3	Variation in construction costs	4	4	16	JCT D&B contract; Employer's Agent; all fees quoted	Only agreed variations to be accepted within the contingency allowance of 2.5%	3	3	9
4	Contractor insolvency	4	3	12	Credit check undertaken by BC accountant; Bond held under contract	Regular monitoring by the employers agent	4	2	8
5	Build time over-run: increased costs, delays to people moving in	4	4	16	Employer's Agent to manage and monitor and enforcement of contract	Increase in membership fees and/or rent on unsold equity	3	3	9
6	Ineffective governance including not enough directors	4	3	12	Professional support; sociocratic model	Assets could be transferred to another CLT, charity or HA	3	2	6
7	Data protection breach	3	4	12	Communications Circle looking into how to avoid this and adding into documents.	GDPR training	3	2	6
8	Reputational risk	3	3	9	Website: PR agreed by communications circle, maintain links with town and Parish Council		3	2	6
9	Lack of buyers; members withdrawing	3	4	12	Financial model, sales off plan of 11 or 14 properties	Waiting list; sales off plan; right to refuse sales at lower %	3	2	6
10	Site access/covenants	4	4	16	Lawyers report of full certificate of title		4	2	8
11	Regulatory or other external changes: e.g. change in leasehold policy removing ground rent income	4	4	16	Leases have been agreed and exchanged on all but 3 properties	Replace ground rent income with increased membership fee	4	2	8
<b>POST OCCUPANCY</b>									
12	Voids and bad debts	4	5	20	Role of BCHA and provide access to debt management advice; support to residents via community circle; 2% voids allowed in business plan		3	3	9

REF	DESCRIPTION	INHER- ENT	GROSS	RISK	SOURCES OF ASSURANCE	REMEDIAL ACTIONS	RESID- UAL	(NET)	RISK
13	Inability to adequately maintain homes	4	5	20	BCHA experienced in maintenance; estate management committee guiding leaseholders in regular maintenance issues and arranging shared contracts	Support to shared owners as they will be responsible for own repairs	3	3	9
14	Health and safety: safety in homes and estate	5	4	20	Use of Asset Register and maintenance plan to be provided as part of design and construction contracts; estate management committee to set up contracts for all statutory inspections and maintain Fire Risk Assessment and Estate wide risk register	Advice to all tenants and residents about home safety issues	3	3	9
15	Anti-social behaviour: neighbour disputes especially over car parking	3	5	15	A requirement for residents to participate in sociocratic decision making training and encouraged to join a work circle; non-violent communication training and community mediators offered to address issues at an early stage	Clear planning of the site to avoid conflict between residents and NHS car park users; regular attendance at local resident meetings in Cherry Tree and Parish Council	3	2	6
16	Difficulty/delay in resales: lease at 80% OMV not acceptable to lenders; purchaser reluctance to become BC members	3	3	9	Experience of eleven sales off plan before the start of construction and experience of other CLTs and cohousing with sales of leasehold SO properties	BC will retain committee to assist future sales and membership	2	2	4
17	Common House and facilities not completed	2	3	9	Share issue to raise funds up to £736,00 to be launched in Summer 2021; advice from Wessex Community Assets and Ethex on potential raise and contingency plans in place for funding with a mix of shares and bank borrowing	Reduce Common House specification and size of Common House; continue dialogue with ethical lenders active in the field of affordable housing and community enterprise	2	2	6
18	Local lettings policy not applied or inappropriate lets	4	3	12	Nominations committee has representation from Council, Parish and Housing Association and has become familiar with the application of the policy; the directors and BCHA both have a role in overseeing process is fair and open	Process in place for challenge and complaints as part of the sociocratic decision-making process	2	2	6

# Appendix: Financial summaries of the three scenarios

## Minimum shares raised – £136,000

Income reduced as a result of no Common House or guest rooms costs to include in the service charge and no hiring income.

All other income sources remain the same as described in Section 10 of the Business plan. The rent on unsold equity of 14 shared ownership units is fixed at 1.8% of the value of unsold equity. The ground rent is fixed in all leases at £100 per dwelling. The service charge includes a small amount for estate maintenance, insurance, energy costs, landscape management, and accountancy. All the costs that make up the service charge are reviewed each year and adjusted up or down according to experience.

The expenditure assumptions are low because there are no Common House or guest rooms to maintain, with few energy costs, although some still remain due to cost of estate lighting and equipment. Annual inflation of 2% is added to all expenditure. There will be a need for property owners' insurance for the estate as well as a cost for care of trees, lighting, and shared landscaping areas. There is also a fee to cover book-keeping and annual audit, and a fee to pay the professional advisers that is agreed to be paid upon completion of the project.

Share interest is reduced due to a low level of share capital and the allowance for repayment of share withdrawal means that shares can be repaid within 10 years.

The Balance Sheet shows the completion of the development phase – completing the building of the shared ownership units and their sale and payment of the retention at the end of the defects liability period.

Because there is no expenditure on the Common House build there is no loss at the end of the development and so no loss relief to carry forward and so corporation tax is due on surpluses each year.

During the development, BC is VAT registered but after completion, its turnover for supplies liable for VAT fall below the threshold for registration and so it is intended to deregister.

The valuation of assets is based on Connells' valuation in 2020.

# INCOME AND EXPENDITURE

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Income</b>										
Annual Income	6,000	47,960	50,553	50,670	50,798	50,936	51,085	45,245	45,417	45,599
<b>Total Income</b>	<b>6,000</b>	<b>47,960</b>	<b>50,553</b>	<b>50,670</b>	<b>50,798</b>	<b>50,936</b>	<b>51,085</b>	<b>45,245</b>	<b>45,417</b>	<b>45,599</b>
<b>Gross Profit</b>	<b>6,000</b>	<b>47,960</b>	<b>50,553</b>	<b>50,670</b>	<b>50,798</b>	<b>50,936</b>	<b>51,085</b>	<b>45,245</b>	<b>45,417</b>	<b>45,599</b>
<b>LESS Overheads</b>										
Maintenance	0	510	520	531	541	552	563	574	586	598
Sinking fund	0	0	0	0	0	0	0	0	0	0
Insurance	6,206	8,040	8,201	8,364	8,532	8,703	8,876	9,054	9,235	9,420
Heat Light Power	0	510	520	531	541	552	563	574	586	598
Landscape	0	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Admin and accounting	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Non Service Charge expenditure	7,652	12,667	12,667	12,667	12,667	12,667	12,667	12,667	12,667	12,667
Overheads	15,858	25,807	26,070	26,337	26,611	26,890	27,173	27,464	27,760	28,062
<b>EBITDA</b>	<b>(9,858)</b>	<b>22,153</b>	<b>24,483</b>	<b>24,334</b>	<b>24,187</b>	<b>24,046</b>	<b>23,912</b>	<b>17,781</b>	<b>17,657</b>	<b>17,537</b>
ADD Profit on sale/revaluation of fixed assets	(13,495)	0	0	0	0	0	0	0	0	0
LESS Interest on Shares	0	5,601	5,001	4,401	3,801	3,201	2,601	2,001	1,401	801
LESS Loan Interest	102,546	941	697	444	187	5	0	0	0	0
<b>LESS Depreciation</b>										
Building - 2% SL	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Total Depreciation	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
<b>Net Profit</b>	<b>(132,898)</b>	<b>8,612</b>	<b>11,786</b>	<b>12,489</b>	<b>13,200</b>	<b>13,841</b>	<b>14,311</b>	<b>8,781</b>	<b>9,256</b>	<b>9,737</b>
Corporation Tax	(23,921)	2,966	3,569	3,703	3,838	3,960	4,049	2,998	3,089	3,180
<b>Profit after Tax</b>	<b>(108,978)</b>	<b>5,646</b>	<b>8,216</b>	<b>8,786</b>	<b>9,362</b>	<b>9,881</b>	<b>10,262</b>	<b>5,782</b>	<b>6,167</b>	<b>6,557</b>

## BALANCE SHEET

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Fixed Assets</b>										
Cost	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Less Depreciation	(7,000)	(14,000)	(21,000)	(28,000)	(35,000)	(42,000)	(49,000)	(56,000)	(63,000)	(70,000)
Total Fixed Assets	343,000	336,000	329,000	322,000	315,000	308,000	301,000	294,000	287,000	280,000
<b>Current Assets</b>										
Bank	107,957	24,648	18,481	12,766	7,504	11,576	17,887	18,668	19,924	21,660
Total Current Assets	107,957	24,648	18,481	12,766	7,504	11,576	17,887	18,668	19,924	21,660
Creditors Due Within One Year	4,456	(81,792)	(78,223)	(74,520)	(70,682)	(66,722)	(62,673)	(59,674)	(56,586)	(53,406)
Net current assets	103,501	106,439	96,704	87,286	78,186	78,297	80,560	78,342	76,510	75,066
<b>Creditors Due After One Year</b>										
Loans	42,094	32,387	22,435	12,231	1,769	0	0	0	0	0
Total Creditors Due After One Year	42,094	32,387	22,435	12,231	1,769	0	0	0	0	0
Net Current Assets / (Liabilities)	61,407	74,052	74,269	75,055	76,416	78,297	80,560	78,342	76,510	75,066
Total Net Assets	404,407	410,052	403,269	397,055	391,416	386,297	381,560	372,342	363,510	355,066
<b>Capital and Reserves</b>										
Share Capital	139,680	139,680	124,680	109,680	94,680	79,680	64,680	49,680	34,680	19,680
Retained Earnings	264,726	270,372	278,588	287,374	296,736	306,617	316,879	322,662	328,829	335,386
Total Capital and Reserves	404,406	410,052	403,268	397,054	391,416	386,297	381,559	372,342	363,509	355,066
<b>Membership</b>										
Members at start of year	105	163	159	155	151	147	143	139	135	131
New members	58	2	2	2	2	2	2	2	2	2
Members leaving	0	6	6	6	6	6	6	6	6	2
Members at end of year	163	159	155	151	147	143	139	135	131	131



# CASH FLOW

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Receipts</b>										
Sale of fixed assets	2,716,000	0	0	0	0	0	0	0	0	0
Add New share offers	136,000	0	0	0	0	0	0	0	0	0
Annual Income	6,000	47,960	50,553	50,670	50,798	50,936	51,085	45,245	45,417	45,599
Loans:	0	0	0	0	0	0	0	0	0	0
Triodos	1,491,395	0	0	0	0	0	0	0	0	0
<b>Total Receipts</b>	<b>4,349,395</b>	<b>47,960</b>	<b>50,553</b>	<b>50,670</b>	<b>50,798</b>	<b>50,936</b>	<b>51,085</b>	<b>45,245</b>	<b>45,417</b>	<b>45,599</b>
<b>Payments</b>										
Accounts payable	11,437	0	0	0	0	0	0	0	0	0
Land purchase loan interest	0	17,563	0	0	0	0	0	0	0	0
Triodos loan interest	2,592	0	0	0	0	0	0	0	0	0
VAT	-5,326	0	0	0	0	0	0	0	0	0
Contractor retention	-43,376	71,651	0	0	0	0	0	0	0	0
Building additions	1,611,418	0	0	0	0	0	0	0	0	0
Service charge costs	8,206	13,140	13,403	13,670	13,944	14,223	14,507	14,797	15,093	15,395
Professional Fees etc	0	12,667	12,667	12,667	12,667	12,667	12,667	12,667	12,667	12,667
Ethex Transaction fees	7,652	0	0	0	0	0	0	0	0	0
Share Withdrawals	0	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Interest paid on shares	0	5,601	5,001	4,401	3,801	3,201	2,601	2,001	1,401	801
Corp tax	0	0	0	0	0	0	0	0	0	0
Loan interest	102,546	941	697	444	187	5	0	0	0	0
Loan capital payments:	0	0	0	0	0	0	0	0	0	0
Bounce back loan	7,906	9,707	9,952	10,204	10,462	1,769	0	0	0	0
Land Purchase loans	237,500	0	0	0	0	0	0	0	0	0
Land deposit loans	1,800	0	0	0	0	0	0	0	0	0
Common facilities	0	0	0	0	0	0	0	0	0	0
Triodos	1,831,629	0	0	0	0	0	0	0	0	0
Members deposits	493,014	0	0	0	0	0	0	0	0	0
<b>Total Payments</b>	<b>4,266,996</b>	<b>131,269</b>	<b>56,720</b>	<b>56,385</b>	<b>56,060</b>	<b>46,865</b>	<b>44,774</b>	<b>44,465</b>	<b>44,161</b>	<b>43,863</b>
Opening Balance	25,558	107,957	24,648	18,481	12,766	7,504	11,576	17,887	18,668	19,924
Net Inflow/(outflow)	82,399	(83,309)	(6,167)	(5,715)	(5,262)	4,072	6,311	781	1,256	1,737
Closing Balance	107,957	24,648	18,481	12,766	7,504	11,576	17,887	18,668	19,924	21,660

## Optimum shares raised – £382,000

A bank loan will be needed to be able to afford to pay for a smaller Common House and the purchase of the guest rooms. Income is greater than the minimum scenario as a result of increased service charge to cover the costs of the Common House and guest rooms and the hiring income from guest rooms and a smaller income from a smaller Common House. The variable costs include Common House maintenance, property insurance, energy costs, landscape management, and accountancy.

The income from the rent on unsold equity of shared ownership units and the ground rent are unchanged from the Minimum Scenario.

There is a projected income from the guest rooms which increases in the first three years. The maximum level of use for both guest rooms combined is 14 nights per week. In the first year, April 2022 to March 2023, the two guest rooms are projected to be used on average, four nights per week (30% occupancy) with two residents' guests and two non-resident guests. This increases to six nights per week (40% occupancy) increasing to a maximum of 10 nights per week (70% occupancy). The room costs increase for residents' guests and members from £10 per night to £10.40 by 2024/25 and for non-member guests from £25 per night to £26.

There is also a small income from hiring of the Common House which will comprise a main hall and kitchen. The level of use is projected to grow from three hours per week on 2022/23 to nine hrs per week in 2026/27 with the hourly charge rising from £12 per hour to £12.90.

Expenditure includes a higher amount for bank loan interest and repayment over 20 years plus interest and repayment of community shares which is projected to be gradually repaid over 35 years.

The bank borrowing is based on a 20 year term and interest rate starting at 4% per annum above base with base at 0.75%.

# INCOME AND EXPENDITURE

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Income</b>										
Annual Income	6,000	72,259	80,682	83,857	84,943	86,775	81,302	81,847	82,278	82,728
<b>Total Income</b>	<b>6,000</b>	<b>72,259</b>	<b>80,682</b>	<b>83,857</b>	<b>84,943</b>	<b>86,775</b>	<b>81,302</b>	<b>81,847</b>	<b>82,278</b>	<b>82,728</b>
<b>Gross Profit</b>	<b>6,000</b>	<b>72,259</b>	<b>80,682</b>	<b>83,857</b>	<b>84,943</b>	<b>86,775</b>	<b>81,302</b>	<b>81,847</b>	<b>82,278</b>	<b>82,728</b>
<b>LESS Overheads</b>										
Maintenance	0	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Sinking fund	0	0	0	0	0	0	0	0	0	0
Insurance	6,206	8,040	8,201	8,364	8,532	8,703	8,876	9,054	9,235	9,420
Heat Light Power	0	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585
Landscape	0	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Admin and accounting	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Non Service Charge expenditure	7,652	14,667	14,707	14,747	14,789	14,832	14,875	14,919	14,964	15,010
Overheads	15,858	31,377	31,751	32,132	32,522	32,919	33,323	33,737	34,158	34,588
<b>EBITDA</b>	<b>(9,858)</b>	<b>40,883</b>	<b>48,931</b>	<b>51,726</b>	<b>52,422</b>	<b>53,855</b>	<b>47,978</b>	<b>48,110</b>	<b>48,120</b>	<b>48,140</b>
ADD Profit on sale/revaluation of fixed assets	(13,495)	(300,000)	0	0	0	0	0	0	0	0
LESS Interest on Shares	0	15,441	14,841	14,241	13,641	13,041	12,441	11,841	11,041	10,241
LESS Loan Interest	102,546	10,309	9,791	9,202	8,618	8,092	7,748	7,350	6,954	6,539
<b>LESS Depreciation</b>										
Building - 2% SL	7,000	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920
Total Depreciation	7,000	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920
<b>Net Profit</b>	<b>(132,898)</b>	<b>(294,787)</b>	<b>14,379</b>	<b>18,363</b>	<b>20,243</b>	<b>22,803</b>	<b>17,870</b>	<b>18,999</b>	<b>20,205</b>	<b>21,441</b>
Corporation Tax	(23,921)	(54,125)	4,617	5,374	5,731	6,217	5,280	5,495	5,724	5,959
<b>Profit after Tax</b>	<b>(108,978)</b>	<b>(240,662)</b>	<b>9,762</b>	<b>12,989</b>	<b>14,512</b>	<b>16,586</b>	<b>12,590</b>	<b>13,505</b>	<b>14,481</b>	<b>15,482</b>

## BALANCE SHEET

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Fixed Assets</b>										
Cost	590,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000
Less Depreciation	(7,000)	(16,920)	(26,840)	(36,760)	(46,680)	(56,600)	(66,520)	(76,440)	(86,360)	(96,280)
Total Fixed Assets	583,000	479,080	469,160	459,240	449,320	439,400	429,480	419,560	409,640	399,720
<b>Current Assets</b>										
Bank	114,541	24,753	17,959	14,623	12,574	21,450	26,818	32,976	34,942	37,747
Total Current Assets	114,541	24,753	17,959	14,623	12,574	21,450	26,818	32,976	34,942	37,747
<b>Creditors Due Within One Year</b>	4,456	(138,883)	(134,266)	(128,892)	(123,161)	(116,944)	(111,664)	(106,169)	(100,445)	(94,487)
<b>Net current assets</b>	110,085	163,636	152,225	143,515	135,735	138,393	138,481	139,145	135,387	132,234
<b>Creditors Due After One Year</b>										
Loans	42,094	232,387	216,294	199,676	182,463	173,616	166,194	158,432	150,273	141,718
<b>Total Creditors Due After One Year</b>	42,094	232,387	216,294	199,676	182,463	173,616	166,194	158,432	150,273	141,718
Net Current Assets / (Liabilities)	67,991	(68,752)	(64,069)	(56,160)	(46,728)	(35,222)	(27,712)	(19,288)	(14,886)	(9,484)
Total Net Assets	650,991	410,328	405,091	403,080	402,592	404,178	401,768	400,272	394,754	390,236
<b>Capital and Reserves</b>										
Share Capital	386,264	386,264	371,264	356,264	341,264	326,264	311,264	296,264	276,264	256,264
Retained Earnings	264,726	24,064	33,827	46,815	61,328	77,913	90,503	104,009	118,490	133,972
Total Capital and Reserves	650,990	410,328	405,091	403,079	402,592	404,177	401,767	400,273	394,754	390,236
<b>Membership</b>										
Members at start of year	105	203	199	195	191	187	183	179	175	171
New members	98	2	2	2	2	2	2	2	2	2
Members leaving	0	6	6	6	6	6	6	6	6	6
Members at end of year	203	199	195	191	187	183	179	175	171	167

# CASH FLOW

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Receipts</b>										
Sale of fixed assets	2,716,000	0	0	0	0	0	0	0	0	0
Add New share offers	382,584	0	0	0	0	0	0	0	0	0
Annual Income	6,000	72,259	80,682	83,857	84,943	86,775	81,302	81,847	82,278	82,728
Loans:	0	0	0	0	0	0	0	0	0	0
Common facilities	0	200,000	0	0	0	0	0	0	0	0
Triodos	1,491,395	0	0	0	0	0	0	0	0	0
<b>Total Receipts</b>	<b>4,595,979</b>	<b>272,259</b>	<b>80,682</b>	<b>83,857</b>	<b>84,943</b>	<b>86,775</b>	<b>81,302</b>	<b>81,847</b>	<b>82,278</b>	<b>82,728</b>
<b>Payments</b>										
Accounts payable	11,437	0	0	0	0	0	0	0	0	0
Land purchase loan interest	0	17,563	0	0	0	0	0	0	0	0
Triodos loan interest	2,592	0	0	0	0	0	0	0	0	0
VAT	-5,326	0	0	0	0	0	0	0	0	0
Contractor retention	-43,376	71,651	0	0	0	0	0	0	0	0
Building additions	1,851,418	206,000	0	0	0	0	0	0	0	0
Service charge costs	8,206	16,710	17,044	17,384	17,733	18,088	18,448	18,818	19,194	19,578
Professional Fees etc	0	14,667	14,707	14,747	14,789	14,832	14,875	14,919	14,964	15,010
Ethex Transaction fees	7,652	0	0	0	0	0	0	0	0	0
Share Withdrawals	0	0	15,000	15,000	15,000	15,000	15,000	15,000	20,000	20,000
Interest paid on shares	0	15,441	14,841	14,241	13,641	13,041	12,441	11,841	11,041	10,241
Corp tax	0	0	0	0	0	0	0	0	0	0
Loan interest	102,546	10,309	9,791	9,202	8,618	8,092	7,748	7,350	6,954	6,539
Loan capital payments:	0	0	0	0	0	0	0	0	0	0
Bounce back loan	7,906	9,707	9,952	10,204	10,462	1,769	0	0	0	0
Land Purchase loans	237,500	0	0	0	0	0	0	0	0	0
Land deposit loans	1,800	0	0	0	0	0	0	0	0	0
Common facilities	0	0	6,141	6,415	6,751	7,078	7,422	7,761	8,159	8,555
Triodos loan	1,831,629	0	0	0	0	0	0	0	0	0
Members deposits	493,014	0	0	0	0	0	0	0	0	0
<b>Total Payments</b>	<b>4,506,996</b>	<b>362,047</b>	<b>87,476</b>	<b>87,193</b>	<b>86,993</b>	<b>77,899</b>	<b>75,933</b>	<b>75,689</b>	<b>80,312</b>	<b>79,922</b>
Opening Balance	25,558	114,541	24,753	17,959	14,623	12,574	21,450	26,818	32,976	34,942
Net Inflow/(outflow)	88,983	(89,788)	(6,794)	(3,336)	(2,049)	8,875	5,368	6,158	1,966	2,805
Closing Balance	114,541	24,753	17,959	14,623	12,574	21,450	26,818	32,976	34,942	37,747

## Maximum shares raised – £732,000

The income is slightly higher than the optimum scenario due to an increased service charge to cover the higher interest costs for the larger share capital. There is also additional hiring income from the extra spaces in the Common House – an activity room and office. This generates an extra £1,352 in 2022/23 and an extra £2,371 in 2024/25. The expenditure increases to cover the additional costs of maintenance of a larger Common House. There is also an increased contingency in case income from hiring of spaces is considered a rateable business income by the Local Authority.

# INCOME AND EXPENDITURE

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Income</b>										
Annual Income	6,000	75,832	85,046	88,684	90,256	92,771	87,392	87,893	88,416	88,961
<b>Total Income</b>	6,000	75,832	85,046	88,684	90,256	92,771	87,392	87,893	88,416	88,961
<b>Gross Profit</b>	6,000	75,832	85,046	88,684	90,256	92,771	87,392	87,893	88,416	88,961
<b>LESS Overheads</b>										
Maintenance	0	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Sinking fund	0	0	0	0	0	0	0	0	0	0
Insurance	6,206	8,040	8,201	8,364	8,532	8,703	8,876	9,054	9,235	9,420
Heat Light Power	0	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
Landscape	0	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Admin and accounting	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
Non Service Charge expenditure	7,652	16,667	16,747	16,828	16,911	16,996	17,083	17,171	17,261	17,353
Overheads	15,858	35,417	35,872	36,335	36,809	37,292	37,784	38,286	38,799	39,322
<b>EBITDA</b>	<b>(9,858)</b>	<b>40,416</b>	<b>49,174</b>	<b>52,349</b>	<b>53,446</b>	<b>55,479</b>	<b>49,607</b>	<b>49,607</b>	<b>49,617</b>	<b>49,639</b>
ADD Profit on sale/ revaluation of fixed assets	(13,495)	(450,000)	0	0	0	0	0	0	0	0
LESS Interest on Shares	0	29,441	28,841	28,241	27,641	27,041	26,441	25,641	24,841	24,041
LESS Loan Interest	102,546	941	697	444	187	5	0	0	0	0
<b>LESS Depreciation</b>										
Building - 2% SL	7,000	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920
Total Depreciation	7,000	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920	9,920
<b>Net Profit</b>	<b>(132,898)</b>	<b>(449,886)</b>	<b>9,716</b>	<b>13,745</b>	<b>15,699</b>	<b>18,513</b>	<b>13,247</b>	<b>14,046</b>	<b>14,857</b>	<b>15,678</b>
Corporation Tax	(23,921)	(83,594)	3,731	4,496	4,868	5,402	4,402	4,554	4,708	4,864
<b>Profit after Tax</b>	<b>(108,978)</b>	<b>(366,292)</b>	<b>5,985</b>	<b>9,248</b>	<b>10,831</b>	<b>13,111</b>	<b>8,845</b>	<b>9,493</b>	<b>10,149</b>	<b>10,815</b>

# BALANCE SHEET

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Fixed Assets</b>										
Cost	590,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000	496,000
Less Depreciation	(7,000)	(16,920)	(26,840)	(36,760)	(46,680)	(56,600)	(66,520)	(76,440)	(86,360)	(96,280)
Total Fixed Assets	583,000	479,080	469,160	459,240	449,320	439,400	429,480	419,560	409,640	399,720
<b>Current Assets</b>										
Bank	91,957	19,654	14,338	12,798	12,955	24,620	32,786	36,752	41,529	47,127
Total Current Assets	91,957	19,654	14,338	12,798	12,955	24,620	32,786	36,752	41,529	47,127
Creditors Due Within One Year	4,456	(168,352)	(164,621)	(160,124)	(155,257)	(149,854)	(145,453)	(140,899)	(136,192)	(131,328)
Net current assets	87,501	188,005	178,959	172,923	168,212	174,474	178,239	177,652	177,721	178,455
<b>Creditors Due After One Year</b>										
Loans	42,094	32,387	22,435	12,231	1,769	0	0	0	0	0
Total Creditors Due After One Year	42,094	32,387	22,435	12,231	1,769	0	0	0	0	0
Net Current Assets / (Liabilities)	45,407	155,618	156,524	160,692	166,443	174,474	178,239	177,652	177,721	178,455
Total Net Assets	628,407	634,698	625,684	619,932	615,763	613,874	607,719	597,212	587,361	578,175
<b>Capital and Reserves</b>										
Original Share Capital	363,680	736,264	721,264	706,264	691,264	676,264	661,264	641,264	621,264	601,264
Retained Earnings	264,726	(101,566)	(95,581)	(86,333)	(75,501)	(62,390)	(53,545)	(44,053)	(33,904)	(23,089)
Total Capital and Reserves	628,406	634,698	625,683	619,931	615,763	613,874	607,719	597,211	587,360	578,175
<b>Membership</b>										
Members at start of year	105	278	274	270	266	262	258	254	250	246
New members	173	2	2	2	2	2	2	2	2	2
Members leaving	0	6	6	6	6	6	6	6	6	6
Members at end of year	278	274	270	266	262	258	254	250	246	242



# CASH FLOW

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Receipts</b>										
Sale of fixed assets	2,716,000	0	0	0	0	0	0	0	0	0
Add New share offers	360,000	372,584	0	0	0	0	0	0	0	0
Annual Income	6,000	75,832	85,046	88,684	90,256	92,771	87,392	87,893	88,416	88,961
Loans:	0	0	0	0	0	0	0	0	0	0
Triodos	1,491,395	0	0	0	0	0	0	0	0	0
<b>Total Receipts</b>	<b>4,573,395</b>	<b>448,416</b>	<b>85,046</b>	<b>88,684</b>	<b>90,256</b>	<b>92,771</b>	<b>87,392</b>	<b>87,893</b>	<b>88,416</b>	<b>88,961</b>
<b>Payments</b>										
Accounts payable	11,437	0	0	0	0	0	0	0	0	0
Land purchase loan interest	0	17,563	0	0	0	0	0	0	0	0
Triodos loan interest	2,592	0	0	0	0	0	0	0	0	0
VAT	-5,326	0	0	0	0	0	0	0	0	0
Contractor retention	-43,376	71,651	0	0	0	0	0	0	0	0
Building additions	1,851,418	356,000	0	0	0	0	0	0	0	0
Service charge costs	8,206	18,750	19,125	19,507	19,898	20,295	20,701	21,115	21,538	21,968
Professional Fees etc	0	16,667	16,747	16,828	16,911	16,996	17,083	17,171	17,261	17,353
Ethex Transaction fees	7,652	0	0	0	0	0	0	0	0	0
Share Withdrawals	0	0	15,000	15,000	15,000	15,000	15,000	20,000	20,000	20,000
Interest paid on shares	0	29,441	28,841	28,241	27,641	27,041	26,441	25,641	24,841	24,041
Corp tax	0	0	0	0	0	0	0	0	0	0
Loan interest	102,546	941	697	444	187	5	0	0	0	0
Loan capital payments:	0	0	0	0	0	0	0	0	0	0
Bounce back loan	7,906	9,707	9,952	10,204	10,462	1,769	0	0	0	0
Land Purchase loans	237,500	0	0	0	0	0	0	0	0	0
Land deposit loans	1,800	0	0	0	0	0	0	0	0	0
Common facilities	0	0	0	0	0	0	0	0	0	0
Triodos	1,831,629	0	0	0	0	0	0	0	0	0
Members deposits	493,014	0	0	0	0	0	0	0	0	0
<b>Total Payments</b>	<b>4,506,996</b>	<b>520,719</b>	<b>90,362</b>	<b>90,224</b>	<b>90,099</b>	<b>81,106</b>	<b>79,225</b>	<b>83,927</b>	<b>83,640</b>	<b>83,362</b>
Opening Balance	25,558	91,957	19,654	14,338	12,798	12,955	24,620	32,786	36,752	41,529
Net Inflow/(outflow)	66,399	(72,303)	(5,316)	(1,539)	157	11,664	8,167	3,966	4,777	5,598
Closing Balance	91,957	19,654	14,338	12,798	12,955	24,620	32,786	36,752	41,529	47,127

