

Exhibit 19: HIGH BICKINGTON COMMUNITY PROPERTY TRUST: REVENUE BUDGET AND STATEMENT OF CAPITAL RESOURCES

Note: this example of an operational budget was prepared by HBCPT at a point in time when various grants were in prospect and the scheme was still expected to proceed. In the end planning was refused by the First Secretary of State after the decision was “called in” as not being in conformity with the Local Plan. But it still provides a very good illustration of the budget CLTs may need to draw up.

High Bickington Community Property Trust: provision of affordable housing, workspace and community facilities							
Assumptions	Inflation	Notes	2004/05	2005/06	2006/07	2007/08	2008/09
			£	£	£	£	£
				2.50%	2.50%	2.50%	2.50%
<i>% mutual ownership</i>					50%	50%	50%
<i>% voids in workshops</i>					27%	13%	7%
<i>DCHA payment to HBCPT/unit</i>					312	321	331
Income							
Potential rents from intermediate market homes					9,675	39,859	41,055
Rent from shared ownership homes					0	0	0
Potential rents from workshops					41,595	49,158	52,939
Management income from DCHA homes					1,170	4,820	4,965
Use of community facilities					2,530	18,671	20,746
Café income (franchise)					1,250	2,500	2,563
Creche net income					500	2,050	2,101
Income from events						4,503	4,616
Leader +			18,250	18,000			
Other income				8,396	33,992		
TOTAL INCOME			18,250	26,396	90,712	121,562	128,985

Expenditure

<i>Routine maintenance (occupant responsibility)</i>					0	0	0
<i>Hsg cyclical aintenance (e.g. painting)</i>					261	1,052	1,084
<i>Housing long term repairs provision</i>					437	1,760	2,649
<i>Workshop cyclical and planned maintenance</i>					6,388	7,272	7,793
<i>Community building cyclical and planned mtnce</i>					2,555	2,909	3,311
Total maintenance provisions					9,641	12,993	14,837
Workshop services (inc building insurance)					2,508	3,775	5,681
Cleaning/maintenance of community facility					650	2,665	2,732
Housing insurance					638	2,627	2,705
Financial management and audit					1,000	1,505	2,265
Mortgages							
<i>Housing</i>					8,127	32,711	33,528
<i>Workshops</i>					20,733	20,733	20,733
<i>Community building</i>					1,180	4,720	4,720
<i>Café creche</i>					0	0	0
<i>SWRDA loan costs</i>					4,358	5,659	6,259
Housing and workshop management							
HBCPT staff							
<i>Manager</i>	1		15,980	23,370	23,954	18,415	12,583
<i>Admin post (50% full-time)</i>	2				6,720	6,888	7,060

Office overheads	3	2,270	3,026	6,203	3,683	2,517
External support (WRT)	4			5,000	5,125	5,253
TOTAL EXPENDITURE		18,250	26,396	90,712	121,497	120,873
Profit (Loss)		0	0	0	65	8,112

General reserves

This period				0	65	8,112
Brought forward	5			100,000	100,000	100,065
Carried forward				100,000	100,065	108,176

Maintenance reserves

This period				9,641	12,993	14,837
Brought forward				0	9,641	22,634
Carried forward				9,641	22,634	37,471

Notes

1. From 1.1.05 when HBCPT take over. Fulltime post required during development and first letting; assumed to reduce to 75% post during first year of operation and 0.5 post thereafter
2. Admin post would be intended to take over and run systems for rent collection and bookings as manager sets them up.
3. Assumed at 20% assuming home-working for stationery, photocopying, printing, publicity etc. NI/pension included in salaries
4. Proposal is that rent collection and tenant relationships are undertaken by HBCPT but Wessex Reinvestment Trust provides property management advice and support on new lettings, dealing with arrears and other legal matters for a retainer.
5. £100,000 dowry to provide working capital and cash flow included as part of capital cost of community building. Not shown as decreasing but failure to generate expected income or other unexpected costs make such a reserve essential