

Cashflow Comparison of Capital Disposals v Joint Venture Development

ANNEX D

| Scenario A - Sell Land | | |
|------------------------|-------------------------|------------------------|
| | Capital Receipt £000 | Revenue Impact £000 |
| Year 1 | - 1,721 | - 60 |
| Year 2 | - 1,150 | - 160 |
| Year 3 | - 3,100 | - 309 |
| Year 4 | - | - 418 |
| Year 5 | - | - 418 |
| Year 6 | - | - 418 |
| Year 7 | - | - 418 |
| Year 8 | - | - 418 |
| Year 9 | - | - 418 |
| Year 10 | - | - 418 |
| | - 5,971 | - 3,455 |

| Scenario B - Develop Land in JV (staggered start) | | | | | | | |
|---|--------------------------|---------------|----------------------|------------------------|------------------------------------|----------------|--------------------------------|
| | Cash Injection * £000 | Land Drawdown | Land Payment £000 | Cash Repayment £000 | Accrued Loan Note Interest £000 | Profit £000 | Overall Revenue Impact £000 |
| Year 1 | - | - | - | - | - | - | - |
| Year 2 | 1,588 | 1,721 | - | - | - 179 | - | - 175 |
| Year 3 | 913 | 1,150 | - | - | - 292 | - | - 282 |
| Year 4 | 3,339 | 3,100 | - | - | - 638 | - | - 617 |
| Year 5 | 90 | - | - 1,721 | - 1,731 | - 457 | - 3,123 | - 3,615 |
| Year 6 | - | - | - 398 | - 4,170 | - 414 | - | - 538 |
| Year 7 | - | - | - 3,852 | - 28 | - | - 7,500 | - 7,784 |
| Year 8 | - | - | - | - | - | - | - 418 |
| Year 9 | - | - | - | - | - | - | - 418 |
| Year 10 | - | - | - | - | - | - | - 418 |
| | 5,930 | 5,971 | - 5,971 | - 5,929 | - 1,980 | - 10,623 | - 14,265 |

| Annual Revenue Difference A v B £000 | Cumulative Revenue Difference AvB £000 |
|--|--|
| 60 | 60 |
| - 15 | 45 |
| - 27 | 72 |
| - 199 | - 127 |
| - 3,197 | - 3,324 |
| - 120 | - 3,444 |
| - 7,366 | - 10,810 |
| - | - 10,810 |
| - | - 10,810 |
| - | - 10,810 |

* Assumes funding from reserves, not borrowing

| Scenario A - Sell Land | | |
|------------------------|-------------------------|------------------------|
| | Capital Receipt £000 | Revenue Impact £000 |
| Year 1 | - 1,721 | - 60 |
| Year 2 | - 1,150 | - 160 |
| Year 3 | - 3,100 | - 309 |
| Year 4 | - | - 418 |
| Year 5 | - | - 418 |
| Year 6 | - | - 418 |
| Year 7 | - | - 418 |
| Year 8 | - | - 418 |
| Year 9 | - | - 418 |
| Year 10 | - | - 418 |
| | - 5,971 | - 3,455 |

| Scenario C - Develop Land in JV (continuous build) | | | | | | | |
|--|--------------------------|---------------|----------------------|------------------------|------------------------------------|----------------|------------------------|
| | Cash Injection * £000 | Land Drawdown | Land Payment £000 | Cash Repayment £000 | Accrued Loan Note Interest £000 | Profit £000 | Overall Revenue Impact |
| Year 1 | - | - | - | - | - | - | - |
| Year 2 | 1,588 | 1,721 | - | - | - 174 | - | - 170 |
| Year 3 | 143 | - | - | - | - 181 | - | - 173 |
| Year 4 | 770 | 1,150 | - | - | - 284 | - | - 274 |
| Year 5 | 1,876 | - | - 1,721 | - 1,731 | - 192 | - 3,123 | - 3,302 |
| Year 6 | 1,463 | 3,100 | - | - | - 440 | - | - 483 |
| Year 7 | 90 | - | - | - 2,617 | - 444 | - | - 491 |
| Year 8 | - | - | - 1,548 | - 1,582 | - 282 | - 3,732 | - 4,124 |
| Year 9 | - | - | - 2,702 | - | - | - 3,768 | - 4,031 |
| Year 10 | - | - | - | - | - | - | - 358 |
| | 5,930 | 5,971 | - 5,971 | - 5,930 | - 1,997 | - 10,623 | - 13,406 |

| Annual Revenue Difference A v B | Cumulative Revenue Difference AvB |
|------------------------------------|--------------------------------------|
| 60 | 60 |
| - 10 | 50 |
| - 136 | 186 |
| - 144 | 330 |
| - 2,884 | - 2,554 |
| - 65 | - 2,619 |
| - 73 | - 2,692 |
| - 3,706 | - 6,398 |
| - 3,613 | - 10,011 |
| 60 | - 9,951 |

* Assumes funding from reserves, not borrowing