

Lorne Holiday Home replacement - recasting of forecasts based on assured funding only for the new holiday home

Note: this appendix sets out in detail the effects on cash flow and reserves, if the Trust proved unable to raise any additional funding for the replacement home project. Candidates should quote some relevant figures but they are not expected to reorder the tables in the detail shown here.

Lorne Holiday Home replacement - quarterly cash flow 2007-08 and 2008-09, as recast												
	2007-08					2008-09					Grand total	Page ref.
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total		
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Total cost of project	484	264	290	554	1,592	520	70	270	-	860	2,452	App C1
Capital receipts												
Assured external grants, exc Firth Council												
Phil A. Thropic Trust	-	-	250	-	250	-	-	-	-	-	250	P20
Jenny Russ Trust	245	-	-	245	490	-	-	-	-	-	490	P20
Sub - total	245	-	250	245	740	-	-	-	-	-	740	
Firth Social Care grant (see note)	-	-	-	-	-	-	74	74	-	148	148	P20
Sale of old home (net)	-	-	-	-	-	-	-	-	1,000	1,000	1,000	P16 & P17
	245	-	250	245	740	-	74	74	1,000	1,148	1,888	
Contribution from/(to) reserves	239	264	40	309	852	520	(4)	196	(1,000)	(288)	564	
Total funding	484	264	290	554	1,592	520	70	270	-	860	2,452	

Note: Firth Social Care Grant is 20% of other external funding (20% x £740,000 = £148,000) or £200,000 whichever is the lesser amount.

Budget projection and reserves statement, 2006/07 - 2010/11 as recast						
	2006-07	2007-08	2008-09	2009-10	2010-11	Page ref.
	£'000s	£'000s	£'000s	£'000s	£'000s	
Total Income as previously calculated	2,499	2,546	2,572	2,635	2,686	App C2
Less interest as previously calculated	-39	-41	-22	-39	-43	
Add interest as recalculated	39	41	11	25	28	
Revised total income	2,499	2,546	2,561	2,621	2,671	
Total Expenditure (no change)	2,398	2,444	2,491	2,538	2,587	App C2
Net Operating Surplus	101	102	70	83	84	
Contribution to (-)/from Holiday Home project	0	-852	288	0	0	Above
Overall surplus/ deficit (-)	101	-750	358	83	84	
Reserves b/forward from previous year	915	1,016	266	623	706	P9
Reserves c/forward to following year	1,016	266	623	706	790	
Reserves at yr end as % of revenue spending in year	42.37%	10.87%	25.02%	27.82%	30.55%	P4

The Trust does not meet the Charities Board's requirement on the level of reserves or the Trust's own policy in this respect in any year.

Lorne Holiday Home replacement - recasting of forecasts based on assured funding only for the new holiday home (continued)

Overall cash flow projection, 2007/08 & 2008/09, as recast											Page ref.
	Cash flow, 2007-08					Cash flow, 2008-09					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Receipts											
Current year	509	509	764	764	2,546	514	514	772	772	2,572	App C3 Above
Holiday Home - contribution to reserves	-	-	-	-	-	-	4	-	1,000	1,004	
Total receipts	509	509	764	764	2,546	514	518	772	1,772	3,576	
Payments											
Revenue - current year items	465	465	581	697	2,208	474	474	593	711	2,252	App C3 App C3 P25 Above
Revenue - previous year items	114	-	-	-	-	116	-	-	-	116	
Capital payments (excluding holiday home)	28	28	28	28	112	33	33	33	33	132	
Holiday Home - contribution from reserves	239	264	40	309	852	520	0	196	-	716	
Total payments	846	757	649	1,034	3,286	1,143	507	822	744	3,217	
Net quarterly cash flow	-337	-248	115	-270	-740	-629	11	-50	1,028	359	
Opening cash balance	1,150	813	566	681	1,150	410	-219	-208	-258	410	P9
Closing cash balance	813	566	681	410	410	-219	-208	-258	770	770	

On this basis, the Trust would need to make use of an overdraft facility throughout 2008/09 until the land sale proceeds had been received.

Note: the interest calculation is unchanged from Appendix C2, the shortcomings in the method of calculation used by the Trust now being still more apparent.