

Explanatory Note relating to 2024 CMO 10-Year Financial Business Plan and Budget Model in response to Ashford Borough Council Topic Paper.

Ashford Borough Council (ABC) prepared a Topic Paper in respect of the Chilmington Management Organisation (CMO) and Early Community Development, which included a statement authored by the CMO. Both rely upon the CMO Business Plan that was produced in June 2018 by ABC and their consultants on behalf of the CMO (Core Document **CD13/7**). Although the 2018 Plan contains the original assumptions on which the CMO was based, it is now very outdated and very limited reliance can be placed upon any information contained therein given that it is now almost 7 years old.

In fact, the Business Plan is updated every year by the CMO Board and has been for a number of years. It is a forward looking 10-year Financial Plan.

On 14 November 2024, the CMO's Financial Risk Committee presented the latest CMO 10-Year Financial Business Plan and Budget Model ('the **2024 Plan**') for the CMO Board approval. The 2024 Plan is the latest 10-Year financial plan by the CMO. It covers the period 2025 to 2035 and sets out the CMO's forecasts in terms of income and expenditure for that period. The 2024 Plan is appended at **Appendix 2**.

The 2024 Plan was formally approved by the CMO Board on 20 November 2024.

In order to ensure that the Inquiry is proceeding on the basis of the most up to date and relevant information, the Appellant intends to rely on the 2024 Plan in the associated CMO Round Table Session.

In summary, it will be noted that the 2024 Plan confirms:

- The Rent Charge Deed Account shows a surplus of £210,636 in 2025 and £3,255,332 in 2034/35.
- The CMO Charities Account shows a surplus of £487,098 in 2025/26 and £1,635,244 in 2034/35.
- If the Deficit Grant is excluded as an income stream within the 2024 Plan, the Combined Accounts Balance would still show a surplus. In this scenario, i.e. without the CMO receiving the Deficit Grant, the Combined Account Balance does not fall below £362,734 (in 2025) and peaks at £2,545,575 (in 2035). We refer to **Appendix 1** - CMO Business Plan to demonstrate this.
- Additionally, the Charities Account shows zero income from the Commercial Estate, but still shows a surplus in the 2024 Plan or by way of the combined accounts balance.

Thus, in summary, the Appellant considers that ABC's claims that the CMO needs the Commercial Estate Income to be unfounded. Instead, the 2024 Plan demonstrates the CMO does not require either the Deficit Grant or the Commercial Estate income in order to be able to carry out its day to day duties.

By way of information, the Rent Charge Deed Account covers/pays for:

- all standard estate management service charge costs as per any regular new build Management Company.

- the fees paid to RMG Property Management, who carry out the estate management at Chilmington.
- It also covers the operating costs of the First Premises (utilities, etc.); and

The CMO Charities Account is:

- Where the s106 Deficit Grant is paid into by ABC (once paid by Hodson)
- The Business Plan shows a surplus of £487k in 25/26 and £1.6m in 34/35.
- This is the Account where the CMO pays its staff from (who are all ABC employees).

Appendix 1
CMO Business Plan

Appendix 1 – CMO Business Plan

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Joint Bank Account Balance (with Deficit Grant)	697,734	773,353	1,188,015	1,273,995	1,359,258	1,852,492	2,426,141	3,099,702	3,918,927	4,890,575
Joint Bank Account Balance (excl Deficit Grant)	362,734	438,353	518,015	603,995	689,258	847,492	1,086,141	1,424,702	1,908,927	2,545,575

Appendix 2
2024 CMO 10-Year Financial Business Plan and Budget Model

Scenario 1 - Base Financial Sheet

CMO 10 Year Financial Plan											
	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	
Year	1	2	3	4	5	6	7	8	9	10	
RMG contract year											
RCD1 Cap	508.18	518.34	528.71	539.28	550.07	561.07	572.29	583.74	595.41	607.32	Taken as typical three bed value
Difference between RCD1 charge and Cap	- 42	- 28	- 14	- 1	- 1	- 1	- 1	- 1	- 1	- 1	
Inflation assumptions (Income)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Inflation assumption (Expenditure)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Occupations b/f	404	679	703	757	832	932	1182	1432	1682	1932	
Lakes	65	24	0	0	0	0	0	0	0	0	
Gate	0	0	0	0	0	0	0	0	0	0	
The Hamlet	12	0	0	0	0	0	0	0	0	0	
Brisley Farm - BDW	0	0	0	0	0	0	0	0	0	0	
Site 1 - Mann	198	0	0	0	0	0	0	0	0	0	
Site 2 - Brookworth	0	0	54	0	0	0	0	0	0	0	
Site 3 - Parcels D & H	0	0	0	0	0	0	0	0	0	0	
Other Sites	0	0	0	75	100	250	250	250	250	250	
Total Occupations	679	703	757	832	932	1182	1432	1682	1932	2182	
Average (three bed) RCD Charge to Residents	453	476	500	525	549	560	571	583	594	606	Inflation at line D9 added to each year.
Convergence	14	14	15	13							
Average (three bed) RCD Charge to Residents after convergence	466	490	515	538	549	560	571	583	594	606	
1. RENT CHARGE DEED ACCOUNTS											
INCOME											
RCD1 Income	316,731	344,519	389,754	447,860	511,723	661,968	818,018	980,045	1,148,225	1,322,741	
RCD2 Income	1,833	1,898	2,044	2,246	2,516	3,191	3,866	4,541	5,216	5,891	£1 fixed charge per property per RCD
RCD3 Income	24,444	25,308	27,252	29,952	33,552	42,552	51,552	60,552	69,552	78,552	
Total RCD Income	343,008	371,725	419,050	480,059	547,792	707,711	873,436	1,045,138	1,222,994	1,407,185	
EXPENDITURE											
ABC Contract	-45,000	-45,000	-45,000	0	0	0	0	0	0	0	
RMG CONTRACT (RCD1)											
Block Management UK - MGT Fee	-68,579	-71,003	-76,457	-84,032	-94,132	-119,382	-144,632	-169,882	-195,132	-220,382	Assumed new contract award Block Management £84 per plot exc vat £101 per plot inc vat
RMG - Cost Per Property											
RMG - Back Office (minimum)											
RMG - back office per property (£15)											
RMG - Company Secretary											
Grounds Maintenance (RCD1 and 3)											Excludes KCC Highways
Parcel P - Hamlet	-24,768	-25,263	-25,768	-26,284	-26,809	-27,345	-27,892	-28,450	-29,019	-29,600	Increase in 25/26 relates to final handover of all areas
Parcel Q	-23,868	-24,345	-24,832	-25,329	-25,835	-26,352	-26,879	-27,417	-27,965	-28,524	
Parcel R	-26,775	-27,311	-27,857	-28,414	-28,982	-29,562	-30,153	-30,756	-31,371	-31,999	Includes two open spaces and incidental/doorstop play so likely to be higher costs then Parcel Q. Assume comes across in first qtr 25/26
Lakes	-16,728	-17,063	-17,404	-17,752	-18,107	-18,469	-18,838	-19,215	-19,600	-19,992	Not including the reed in Pond 3
Gate	-16,728	-17,063	-17,404	-17,752	-18,107	-18,469	-18,838	-19,215	-19,600	-19,992	

Site 1 - Mann Group	-10,000	-21,630	-22,063	-22,504	-22,954	-23,413	-23,881	-24,359	-24,846	-25,343	Includes incidental/doorstop play. Assumed complete late 24/25 and
Play Space 1 & Chilmington Square	0	0	-25,000	-25,500	-26,010	-26,530	-27,061	-27,602	-28,154	-28,717	Provided by 500 occupations. Assumed handed over 1 year later
Other Sites to come forward			-10,000	-45,000	-90,000	-135,000	-180,000	-210,000	-210,000	-210,000	
Chilmington Hamlet Cricket Pavilion and Square	0	0	0	0	0	0	0	0	0	0	
Public Liability Insurance	-1,700	-1,734	-1,769	-1,804	-1,840	-1,877	-1,914	-1,953	-1,992	-2,032	
Premises costs (RCD1)											
Electricity	-2,030	-2,071	-2,112	-2,154	-2,197	-2,241	-2,286	-2,332	-2,378	-2,426	
Water	-506	-516	-527	-537	-548	-559	-570	-581	-593	-605	
Phone/broadband	-1,226	-1,251	-1,276	-1,301	-1,327	-1,354	-1,381	-1,409	-1,437	-1,465	
General Internal Repairs and Maintenance	-500	-510	-520	-531	-541	-552	-563	-574	-586	-598	
Insurance (buildings & Contents)	-4,031	-4,112	-4,194	-4,278	-4,363	-4,451	-4,540	-4,630	-4,723	-4,817	
PAT Testing	-306	-312	-318	-325	-331	-338	-345	-351	-359	-366	
Health Safety and Fire Inspection	-159	-162	-166	-169	-172	-176	-179	-183	-186	-190	
Interior Cleaning and Window Cleaning	-2,080	-2,122	-2,164	-2,207	-2,251	-2,296	-2,342	-2,389	-2,437	-2,486	
Licences (TV, music, entertainment)	-350	-357	-364	-371	-379	-386	-394	-402	-410	-418	
Intruder Alarm Maintenance	-510	-520	-531	-541	-552	-563	-574	-586	-598	-609	
Air Conditioning Maintenance	-2,315	-2,362	-2,409	-2,457	-2,506	-2,556	-2,608	-2,660	-2,713	-2,767	
Staff Livery and ID	0	0	0	0	0	0	0	0	0	0	
Staff supplies (including refreshments, stationary)	-500	-510	-520	-531	-541	-552	-563	-574	-586	-598	
Reserve (internal redecoration every five years)	-530	-541	-552	-563	-574	-586	-597	-609	-621	-634	Lease requires redecoration every five years. Collect sum and put in
Total costs	-249,190	-15,345	-15,652	-15,965	-16,284	-16,610	-16,942	-17,281	-17,627	-17,979	
Total Expenditure (-ve)	-249,190	-265,756	-309,205	-310,335	-369,061	-443,010	-517,032	-576,130	-605,305	-634,559	
Surplus/(deficit)	93,818	105,969	109,845	169,723	178,731	264,702	356,404	469,008	617,689	772,626	
Balance B/F	116,818	210,636	316,605	426,450	596,173	774,904	1,039,606	1,396,009	1,865,017	2,482,706	
Balance C/F (includes debt)	210,636	316,605	426,450	596,173	774,904	1,039,606	1,396,009	1,865,017	2,482,706	3,255,332	
<u>2. CMO CHARITIES ACCOUNT</u>											
<u>INCOME</u>											
Other income 1 - Deficit Funding From Developers	335,000	0	335,000	0	0	335,000	335,000	335,000	335,000	335,000	Balance of funding to be drawn down, next amount due 500 homes £335k- then its 750 homes until 2,500. Last years plan expected 500 to trigger but build slower than expected so moved to 25/26
Other income 2 - Community Cabin Rental	1,000	1,000	1,200	1,200	1,500	1,500	1,800	1,800	1,800	1,800	Expect this to be small but grow over time.
Other income 3 - S106 Community Development Grant Funding	0	0	0	0	0	0	0	0	0	0	Intending to spend full sum however, assume that this will be spent in year. Cost neutral
Other income 4 - Reimbursement of Legal Fees	0	0	0	0	0	0	0	0	0	0	Recovery of costs spent to correct RCD - Asking Lucy for an estimate of reasonable cost recovery. Billed Jarvis for 1,369.20, RMG reimbursement 14,850
Other income 5 - ABC Contract reimbursement	45,000	45,000	45,000	0	0	0	0	0	0	0	Planning day proposal 75 %
Other income 6 - Grants/other	0	0	0	0	0	0	0	0	0	0	Expectation to increase income from grants should increase with the more residents we have and the stronger the charity brand becomes.
Other income 7 - Bank Interest	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	Will reduce as rates expected to lower
Other income 8 - Refunds	0	0	0	0	0	0	0	0	0		
TOTAL INCOME	383,000	48,000	383,200	3,200	3,500	338,500	338,800	338,800	338,800	338,800	
<u>EXPENDITURE</u>											
General Costs											
Staff				-63,672	-74,946	-86,445	-98,174	-110,137	-112,340	-114,587	Review of Council contract at 750 homes assume CMO have own staff following review

Council Contract	-60,000	-60,000	-60,000	0	0	0	0	0	0	0	£30,000 outstanding from 23/24 (50% of contract) £34,862 25/26 (bal of £25,138 to RCD account). Assumed contract remains at £60k for next 3 years
Website Hosting	-314	-320	-327	-333	-340	-347	-354	-361	-368	-368	
Software Licence Fee (Quickbooks)	-654	-667	-680	-694	-708	-722	-736	-751	-766	-766	
ICO Annual Fee	0	0	0	0	0	0	0	0	0	0	
Audit and Accountancy for CMO	-1,620	-1,652	-1,685	-1,719	-1,753	-1,788	-1,824	-1,861	-1,898	-1,898	
Legal Fees (RCD related)	-2,185	-2,229	-2,273	-2,319	-2,365	-2,412	-2,460	-2,510	-2,560	-2,560	MH could this be reduced as problems get worked through ?
Legal Fees (governance/other)	0	0	0	0	0	0	0	0	0	0	
Charities Account Company Secretary	-282	-287	-293	-299	-305	-311	-317	-323	-330	-330	
Other Specialist Advice	-327	-334	-341	-347	-354	-361	-369	-376	-384	-391	
Bank Charges	0	0	0	0	0	0	0	0	0	0	
Interest	0	0	0	0	0	0	0	0	0	0	
Sundry Expenses	-1,061	-1,082	-1,104	-1,126	-1,148	-1,171	-1,195	-1,219	-1,243	-1,268	
Training Cost for Trustees and Volunteers	-214	-218	-223	-227	-232	-236	-241	-246	-251	-251	
Community Activity	-10,000	-10,200	-10,404	-10,612	-10,824	-11,041	-11,262	-11,487	-11,717	-11,951	Spend on top of s106 community development fund. Hope that post ABC contract, CMO will have dedicated resource to community development and therefore ability to generate external funding may be higher. 13 Nov 24 increased to £10k
Events/Activities	0	0	0	0	0	0	0	0	0	0	
Fund/Grants - CMO Community Grants Fund	0	0	0	0	0	0	0	0	0	0	Cost neutral as covered by s106 community development fund. Allocated and spent in year
Employers Liability Insurance	0	0	0	0	0	0	0	0	0	0	Guestimate for now. Sum may well increase when ABC contract ends and CMO take on staff directly. They may not be able to negotiate such a favourable rate
IT and Premises Equipment	0	0	0	-2,000	-200	-204	-208	-212	-216	-216	Depreciation following full CMO purchase
IT Equipment Purchase Set Up	0	0	0	0	0	0	0	0	0	0	No need for computers as ABC provide via contract. What else ?Further research required as to what else is needed
IT Software Purchases and Upgrades				-300	-306	-312	-318	-325	-331	-331	Not required during ABC contract. Once ABC step back CMO must purchase its own
Purchase of Other Furniture and Equipment (not IT) Set Up	-500	-1,000	-600	-600	-600	-1,500	-700	-700	-700	-700	Budgeted for set up. Small amount in following years for further equipment needs. Bigger sum in between to account for phased replacements
										0	
Communications, Marketing and PR										0	
CMO Website Maintenance	0	0	0	0	0	0	0	0	0	0	
CMO Website Growth/Refresh	0	0	0	0	0	0	0	0	0	0	
Website Hosting (see above line 109)	0	0	0	0	0	0	0	0	0	0	
Marketing Collaterol Production and Printing				-2,122	-2,165	-2,208	-2,252	-2,297	-2,343	-2,343	Low whilst council contract in place
Social Media Creation and Management				0	0	0	0	0	0	0	If outsourced post exit of CMO contract propose £250 mth
Newsletter delivery	-286	-360	-454	-572	-721	-908	-1,145	-1,442	-1,817	-1,817	
										0	
Total Expenditure (-ve)	-77,443	-78,350	-78,384	-86,943	-96,967	-109,968	-121,555	-134,247	-137,264	-139,777	
Surplus/(deficit)	305,557	-30,350	304,816	-83,743	-93,467	228,532	217,245	204,553	201,536	199,023	
Balance B/F	181,541	487,098	456,748	761,565	677,821	584,354	812,887	1,030,132	1,234,685	1,436,221	
Balance C/F	487,098	456,748	761,565	677,821	584,354	812,887	1,030,132	1,234,685	1,436,221	1,635,244	

Scenario 2 - Stopping at 400 Occupations

CMO 10 Year Financial Plan												
	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	
Year	Current Year	1	2	3	4	5	6	7	8	9	10	
RMG contract year	5											
RCD1 Cap	498.22	508.18	518.34	528.71	539.28	550.07	561.07	572.29	583.74	595.41	607.32	Taken as typical three bed value
Difference between RCD1 charge and Cap	-55	(41.71)	57	58	59	60	62	63	64	65	67	
Inflation assumptions (Income)	4%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
Inflation assumption (Expenditure)	4%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
Occupations	400											
Lakes	61	0	0	0	0	0	0	0	0	0	0	
Gate	67	0	0	0	0	0	0	0	0	0	0	
The Hamlet	86	0	0	0	0	0	0	0	0	0	0	
Brisley Farm	165	0	0	0	0	0	0	0	0	0	0	
Site 1 - Mann	21	0	0	0	0	0	0	0	0	0	0	
Site 2 - Brookworth	0	0	0	0	0	0	0	0	0	0	0	
Site 3 - Parcels D & H	0	0	0	0	0	0	0	0	0	0	0	
Other Sites	0	0	0	0	0	0	0	0	0	0	0	
Total Occupations	400	400	400	400	400	400	400	400	400	400	400	
Average (three bed) RCD Charge to Residents	444	452	461	471	480	490	499	509	520	530	541	Inflation at line D9 added to each year.
Convergence												
Average (three bed) RCD Charge to Residents after convergence	444	452	461	471	480	490	499	509	520	530	541	
1. RENT CHARGE DEED ACCOUNTS												
INCOME												
RCD1 Income	174,247	180,948	184,567	188,258	192,023	195,864	199,781	203,777	207,852	212,009	216,250	
RCD2 Income		1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	£1 fixed charge per property per RCD
RCD3 Income		14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	
Total RCD Income	174,247	196,428	200,047	203,738	207,503	211,344	215,261	219,257	223,332	227,489	231,730	
EXPENDITURE												
ABC Contract	-25,138	-45,000	-45,000	-45,000	0	0	0	0	0			
	0											
RMG CONTRACT (RCD1)	0											
Block Management UK Fee	-20,000	-40,400	-40,400	-40,400	-40,400	-40,400	-40,400	-40,400	-40,400	-40,400	-40,400	Assumed new contract award 25/26 Block Management £84 per plot exc vat £101 per plot inc vat
RMG - Cost Per Property	-30,500											Up to 500 props £58 above its £50
RMG - Back Office (minimum)	-12,285											
RMG - back office per property (£15)	0											
RMG - Company Secretary	-932											
	0											
Grounds Maintenance (RCD1 and 3)	0											Excludes KCC Highways
Parcel P	-19,380	-24,768	-25,263	-25,768	-26,284	-26,809	-27,345	-27,892	-28,450	-29,019	-29,600	
Parcel Q	-23,400	-23,868	-24,345	-24,832	-25,329	-25,835	-26,352	-26,879	-27,417	-27,965	-28,524	
Parcel R	0	-26,775	-27,311	-27,857	-28,414	-28,982	-29,562	-30,153	-30,756	-31,371	-31,999	Includes two open spaces and incidental/doorstop play so likely to be higher costs then Parcel Q. Assume comes across in last quarter of year
Lakes	-16,400	-16,728	-17,063	-17,404	-17,752	-18,107	-18,469	-18,838	-19,215	-19,600	-19,992	Not including Pond 3 Reeds only
Gate	-16,400	-16,728	-17,063	-17,404	-17,752	-18,107	-18,469	-18,838	-19,215	-19,600	-19,992	
Site 1 - Mann Group	0	0	0	0	0	0	0	0	0	0	0	Includes incidental/doorstop play. Assumed complete late 24/25 and
Play Space 1 & Chilmington Square	0	0	0	0	0	0	0	0	0	0	0	
Other Sites to come forward	0	0			0	0	0	0	0	0	0	

Chilmington Hamlet Cricket Pavilion and Square	0	0	0	0	0	0	0	0	0	0	0	
Public Liability Insurance	-1,700	-1,700	-1,734	-1,769	-1,804	-1,840	-1,877	-1,914	-1,953	-1,992	-2,032	
Premises costs (RCD1)	0	0	0							0	0	Premises costs do not currently account for any increase in usage.
Electricity	-1,500	-2,030	-2,071	-2,112	-2,154	-2,197	-2,241	-2,286	-2,332	-2,378	-2,426	
Water	-104	-506	-516	-527	-537	-548	-559	-570	-581	-593	-605	
Phone/broadband	0	-1,226	-1,251	-1,276	-1,301	-1,327	-1,354	-1,381	-1,409	-1,437	-1,465	
General Internal Repairs and Maintenance	-500	-500	-510	-520	-531	-541	-552	-563	-574	-586	-598	
Insurance (buildings & Contents)	-3,952	-4,031	-4,112	-4,194	-4,278	-4,363	-4,451	-4,540	-4,630	-4,723	-4,817	
PAT Testing	0	-306	-312	-318	-325	-331	-338	-345	-351	-359	-366	
Health Safety and Fire Inspection	-156	-159	-162	-166	-169	-172	-176	-179	-183	-186	-190	
Interior Cleaning and Window Cleaning	-1,916	-2,080	-2,122	-2,164	-2,207	-2,251	-2,296	-2,342	-2,389	-2,437	-2,486	
Licences (TV, music, entertainment)	0	-350	-357	-364	-371	-379	-386	-394	-402	-410	-418	
Intruder Alarm Maintenance	-500	-510	-520	-531	-541	-552	-563	-574	-586	-598	-609	
Air Conditioning Maintenance	0	-2,315	-2,362	-2,409	-2,457	-2,506	-2,556	-2,608	-2,660	-2,713	-2,767	
Staff Livery and ID	0	0	0	0	0	0	0	0	0	0	0	
Staff supplies (including refreshments, stationary)	0	-500	-510	-520	-531	-541	-552	-563	-574	-586	-598	
Reserve (internal decoration every five years)	-520	-530	-541	-552	-563	-574	-586	-597	-609	-621	-634	Lease requires redecoration every five years so changed to reflect this
Premises Costs Sub-total	-175,283	-211,011	-213,523	-216,086	-173,699	-176,365	-179,085	-181,858	-184,687	-187,573	-190,517	
Total Expenditure (-ve)	-175,283	-211,011	-213,523	-216,086	-173,699	-176,365	-179,085	-181,858	-184,687	-187,573	-190,517	
Surplus/(deficit)	-1,036	-14,583	-13,476	-12,347	33,804	34,979	36,177	37,399	38,645	39,916	41,213	
Balance B/F	117,854	116,818	102,235	88,759	76,412	110,216	145,194	181,371	218,769	257,414	297,330	
Balance C/F (includes debt)	116,818	102,235	88,759	76,412	110,216	145,194	181,371	218,769	257,414	297,330	338,543	
2. CMO CHARITIES ACCOUNT												
INCOME												
Other income 1 - Deficit Funding From Developers	0	0	0	0	0	0	0	0	0	0	0	Removed as stopped at 400 occupations
Other income 2 - Community Cabin Rental	800	1,000	1,000	1,200	1,200	1,500	1,500	1,800	1,800	1,800	1,800	Expect this to be small but grow over time.
Other income 3 - S106 Community Development Grant Funding	0	0	0	0	0	0	0	0	0	0	0	Intending to spend full sum however, assume that this will be spent in year. Cost neutral
Other income 4 - Reimbursement of Legal Fees	0	0	0	0	0	0	0	0	0	0	0	Recovery of costs spent to correct RCD - Asking Lucy for an estimate of reasonable cost recovery. Billed Jarvis for 1,369.20, RMG reimbursement 14,850
Other income 5 - ABC Contract re-imbursement	0	45,000	45,000	45,000	0	0	0	0	0	0	0	
Other income 6 - Grants/other	0	0	0	0	0	0	0	0	0	0	0	Expectation to increase income from grants should increase with the more residents we have and the stronger the charity brand becomes.
Other income 7 - Bank Interest	3,000	0	0	0	0	0	0	0	0	0	0	
Other income 8 - Refunds	0	0	0	0	0	0	0	0	0	0	0	
TOTAL INCOME	3,800	46,000	46,000	46,200	1,200	1,500	1,500	1,800	1,800	1,800	1,800	
EXPENDITURE												
General Costs												
Staff	0	0	0	0	-63,672	-63,672	-63,672	-63,672	-63,672	-63,672	-63,672	Assume that at 500 properties CMO employs staff instead of Council Contract. No increase for staff allowed which will be needed.
Council Contract	-64,862	-60,000	-60,000	-60,000	0	0	0	0	0			
Website Hosting	-308	-314	-320	-326	-333	-340	-346	-353	-360	-368	-375	
Software Licence Fee (Quickbooks)	-641	-653	-666	-680	-693	-707	-721	-736	-750	-765	-781	
ICO Annual Fee	0	0	0	0	0	0	0	0	0	0	0	
Audit and Accountancy for CMO	-1,588	-1,619	-1,652	-1,685	-1,718	-1,753	-1,788	-1,824	-1,860	-1,897	-1,935	
Legal Fees (RCD related)	-2,142	-2,185	-2,228	-2,273	-2,318	-2,365	-2,412	-2,460	-2,510	-2,560	-2,611	

Legal Fees (governance/other)	0	0	0	0	0	0	0	0	0	0	0	
Charities Account Company Secretary	-276	-282	-287	-293	-299	-305	-311	-317	-324	-330	-337	
Other Specialist Advice	-321	-328	-334	-341	-348	-355	-362	-369	-376	-384	-392	
Bank Charges	0	0	0	0	0	0	0	0	0	0	0	
Interest	0	0	0	0	0	0	0	0	0	0	0	CMO unlikely to have significant finance to invest in short term so leave as nil
Sundry Expenses	-1,040	-1,060	-1,081	-1,103	-1,125	-1,148	-1,171	-1,194	-1,218	-1,242	-1,267	
Training Cost for Trustees and Volunteers	-210	-214	-218	-223	-227	-232	-236	-241	-246	-251	-256	
Community Activity	0	0	0	0	0	0	0	0	0	0	0	Spend on top of s106 community development fund. Hope that post ABC contract, CMO will have dedicated resource to community development and therefore ability to generate external funding may be higher. Left as nominal for now
Events/Activities	0	0	0	0	0	0	0	0	0	0	0	
Fund/Grants - CMO Community Grants Fund	0	0	0	0	0	0	0	0	0	0	0	Cost neutral as covered by s106 community development fund. Allocated and spent in year
Employers Liability Insurance	0	0	0	0	0	0	0	0	0	0	0	Guestimate for now. Sum may well increase when ABC contract ends and CMO take on staff directly. They may not be able to negotiate such a favourable rate
IT and Premises Equipment	0	0	0	0	-2,000	-200	-204	-208	-212	-216	-216	Depreciation following full CMO purchase
IT Equipment Purchase Set Up	0	0	0	0	0	0	0	0	0	0	0	No need for computers as ABC provide via contract. What else ?Further research required as to what else is needed
IT Software Purchases and Upgrades	0	0	0	0	-300	-306	-312	-318	-325	-331	-331	Not required during ABC contract. Once ABC step back CMO must purchase its own
Purchase of Other Furniture and Equipment (not IT) Set Up	-500	-500	-1,000	-600	-600	-600	-1,500	-700	-700	-700	-700	Budgeted for 2000 set up. Small amount in following years for further equipment needs. Bigger sum in between to account for phased replacements
	0									0	0	
Communications, Marketing and PR	0									0	0	
CMO Website Maintenance	0	0	0	0	0	0	0	0	0	0	0	
CMO Website Growth/Refresh	0	0	0	0	0	0	0	0	0	0	0	
Website Hosting (see above line 109)	0	0	0	0	0	0	0	0	0	0	0	
Marketing Collateral Production and Printing	0	0	0	0	-2,122	-2,165	-2,208	-2,252	-2,297	-2,343	-2,343	Low whilst council contract in place
Social Media Creation and Management	0	0	0	0	0	0	0	0	0	0	0	If outsourced post exit of CMO contract propose £250 mth
Newsletter delivery	-227	-286	-360									Guestimate of £300 per quarter plus indexation plus 20% increase
	0											
Total Expenditure (-ve)	-72,113	-67,441	-68,148	-67,524	-75,757	-74,147	-75,245	-74,646	-74,851	-75,061	-75,217	
Surplus/(deficit)	-68,313	-21,441	-22,148	-21,324	-74,557	-72,647	-73,745	-72,846	-73,051	-73,261	-73,417	
Balance B/F	222,772	154,459	133,018	110,869	89,546	14,988	-57,659	-131,403	-204,249	-277,301	-350,562	
Balance C/F	154,459	133,018	110,869	89,546	14,988	-57,659	-131,403	-204,249	-277,301	-350,562	-423,979	

Scenario Number	Scenarios*	Risks/Challenges
1	Base Financial Sheet - modelled in RCD carry forward billing to cap. Convergence line applied to bring bills back to cap over a number of year, 3% applied on 25/26 and thereafter until cap reached.	We have enough cash to see us through with the information we have to hand. Risk therefore managed
2	Base model - no further occupations after 400 for three years and therefore no deficit grant 2 and 3 either.	CMO runs out of money 2028/29 and cannot operate. Worst case scenario.