

Appendix 3: Financial Forecasts

1) Balance Sheet Forecasts 2017- 2022

	17-18	18-19	19-20	20-21	21-22
Assets					
Fixed Assets					
Polytunnels, fencing and irrigation equipment	9,522	8,277	7,032	5,787	4,542
Land	103,350	103,350	103,350	103,350	103,350
Total Fixed Assets	112,872	111,627	110,382	109,137	107,892
Current Assets					
Bank	28,018	42,060	51,970	55,904	57,862
VAT due	478	488	498	508	518
Total Current Assets	28,496	42,548	52,468	56,411	58,380
Current Liabilities					
Prepaid veg bags	649	649	649	649	649
Corporation Tax	(506)	2,326	2,058	2,681	2,441
Total Current Liabilities	143	2,975	2,707	3,330	3,090
Current assets less current liabilities	28,353	39,573	49,761	53,081	55,290
NET ASSETS	141,225	151,200	160,143	162,218	163,182
Reserves					
Balance brought forward	44,272	45,345	53,402	60,389	69,869
Profit/(Loss) for year	1,073	8,057	6,987	9,480	8,517
Members Share Capital	95,880	97,798	99,754	92,349	84,796
CUMULATIVE RESERVES AT YEAR END	141,225	151,200	160,143	162,218	163,182

2) Five Year Profit and Loss Forecasts, 2017- 2022

	17-18	18-19	19-20	20-21	21-22
INCOME					
Veg bags	72,000	72,000	72,000	76,320	76,320
Trial bags	1,200	1,200	1,200	1,272	1,272
Veg sales: Budget	1,500	1,500	1,500	1,590	1,590
Membership	4,080	4,080	4,080	4,080	4,080
Social Events	2,500	2,500	2,500	2,500	2,500
Other	500	500	500	500	500
Gift	250	250	250	250	250
TOTAL INCOME	82,030	82,030	82,030	86,512	86,512
Minus Costs of Sales					
Wages/Labour	40,244	41,049	41,870	42,707	43,561
Equipment	650	663	676	690	704
Inputs/Other	7,250	7,395	7,543	7,694	7,848
Total Cost of Sales	48,144	49,107	50,089	51,091	52,113
Gross Profit	33,886	32,923	31,941	35,421	34,399
<i>GPM</i>	<i>41.31%</i>	<i>40.14%</i>	<i>38.94%</i>	<i>40.94%</i>	<i>39.76%</i>
Less Overheads					
Wages	10,700	10,914	11,132	11,355	11,582
General costs	833	850	867	884	902
Company running	3,200	3,264	3,329	3,396	3,464
Social Events/Facilities	3,000	3,000	3,000	3,000	3,000
Training	500	500	500	500	500
Publicity	833	850	867	884	902
Depreciation (see asset schedule)	4,472	1,245	1,245	1,245	1,245
Extraordinary Day One Costs	7,900				
Share Interest	1,880	1,918	1,956	1,995	1,847
TOTAL Overheads	33,319	22,541	22,897	23,260	23,442
SURPLUS FOR YEAR BEFORE TAX	567	10,383	9,044	12,162	10,958
Minus Corporation Tax	(506)	2,326	2,058	2,681	2,441
SURPLUS FOR YEAR After TAX	1,073	8,057	6,987	9,480	8,517
Profit brought forward	44,272	45,345	53,402	60,389	69,869
Profit carried forward	45,345	53,402	60,389	69,869	78,386

3) Five Year Cash Flow Forecast, 2017- 2022

	17-18	18-19	19-20	20-21	21-22
Operating Cash Flow					
Profit	1,073	8,057	6,987	9,480	8,517
add non cash expenses					
Depreciation	4,472	1,245	1,245	1,245	1,245
Corporation tax	(506)	2,326	2,058	2,681	2,441
Share Interest	1,880	1,918	1,956	1,995	1,847
deduct VAT spent	(1,913)	(1,952)	(1,991)	(2,030)	(2,071)
add VAT reclaimed	3,052	1,942	1,981	2,020	2,061
add debtors paying off	738				
deduct last years CT	(400)	506	(2,326)	(2,058)	(2,681)
Net Operating Cash Flow	8,396	14,042	9,910	13,334	11,358
Investing Cash Flow					
Proceeds from disposal of assets					
Purchases of assets	(112,434)	0	0	0	0
Net Investing Cash Flow	(112,434)	0	0	0	0
Financing Cash Flow					
Shares Invested	94,000				
Interest Paid	0	0	0	0	0
Shares Withdrawn	0	0	0	(9,400)	(9,400)
Net Financing Cash Flow	94,000	0	0	(9,400)	(9,400)
Net Cash Flow	(10,038)	14,042	9,910	3,934	1,958
Cash at start of period	38,056	28,018	42,060	51,970	55,904
Cash at end of period	28,018	42,060	51,970	55,904	57,862

4) Day One Costs and Sources of Capital

Capital Costs	
Land Purchase	100,000
Total Capital Costs	100,000
Extraordinary Costs associated with the capital spend	
Conversion to Ben. Com.	750
Business plan	2,500
Share offer doc.	1,000
SITR – broker with HMRC	500
Standard Mark assessment	900
Project management	1,000
Managing of share offer	2,000
Buying land Consultancy	600
Buying Land Solicitors Fees	2,000
Total Capitalised	3,350
Total not Capitalised	7,900
Total Extraordinary Costs associated with the capital spend	11,250

Sources of Capital	
Community Shares	94,000
Grant Funding (Booster)	0
Reserves Available to spend	28,972
Total Sources of Capital	122,972
Cash Reserves Left	11,722

5) Capital Assets, 2017- 2022

	17-18	18-19	19-20	20-21	21-22
Plant and Machinery					
Cost at start of year	6,424	9,522	8,277	7,032	5,787
Additions	7,570				
Depreciation	4,472	1,245	1,245	1,245	1,245
Book Value	9,522	8,277	7,032	5,787	4,542
Land					
Cost at start of year	0	103,350	103,350	103,350	103,350
Additions	103,350				
Depreciation					
Book Value	103,350	103,350	103,350	103,350	103,350

6) Tax Calculations, 2017- 2022

	17-18	18-19	19-20	20-21	21-22
Profit for the Year	567	10,383	9,044	12,162	10,958
add in depreciation	4,472	1,245	1,245	1,245	1,245
subtract capital allowances	(7,570)	0	0	0	0
Taxable profits for the year	(2,531)	11,628	10,289	13,407	12,203
less trading losses					
Chargeable profits	(2,531)	11,628	10,289	13,407	12,203
Corporation tax @ 20%	(506)	2,326	2,058	2,681	2,441