CORPORATE PLAN

2017 – 2022

MARCH 2017

(Updated June 2017)

Registered address:
90 Beech Avenue
Nottingham NG7 7LW

Charitable Social Landlord under the
Co-operative and Community Benefit Societies Act 2014
Registration No: 26310R

HCA Registration: L3808

National Housing Federation Member

INVESTOR IN PEOPLE

Plan Approval Journey:
Board – 5th November 2016 & 8th December 2016
Staff – 27th January 2017
Tenants & residents – 6th March 2017

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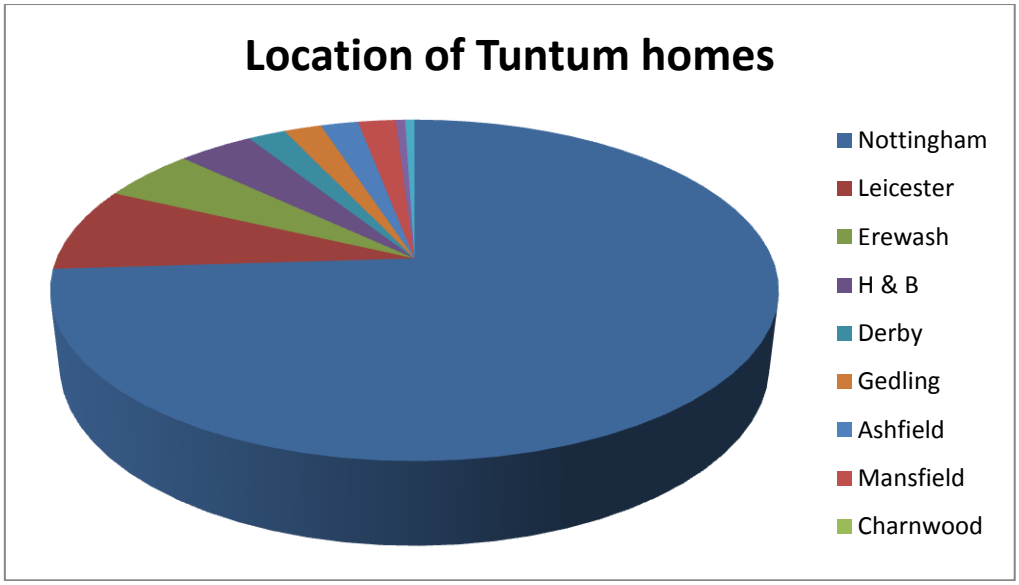
Vision: Quality homes, quality services, quality lives
Mission: To be a dynamic, viable and independent social business providing good quality homes and excellent services, supporting people and communities in need and improving lives.
Key Values: **T**rustworthiness and integrity **U**niting diverse people and making a difference **N**ew ideas and approaches as an independent organisation **T**enant and customer driven **U**sing surpluses to improve lives and communities **M**otivated, positive and diligent board and staff

1.0 BACKGROUND AND OPERATIONAL ENVIRONMENT

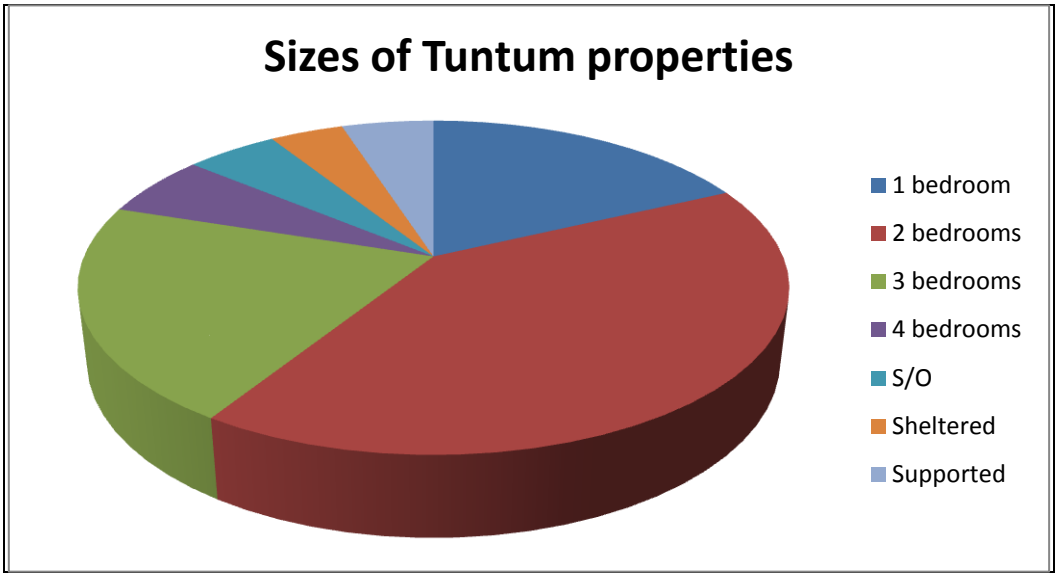
1.1 Introduction

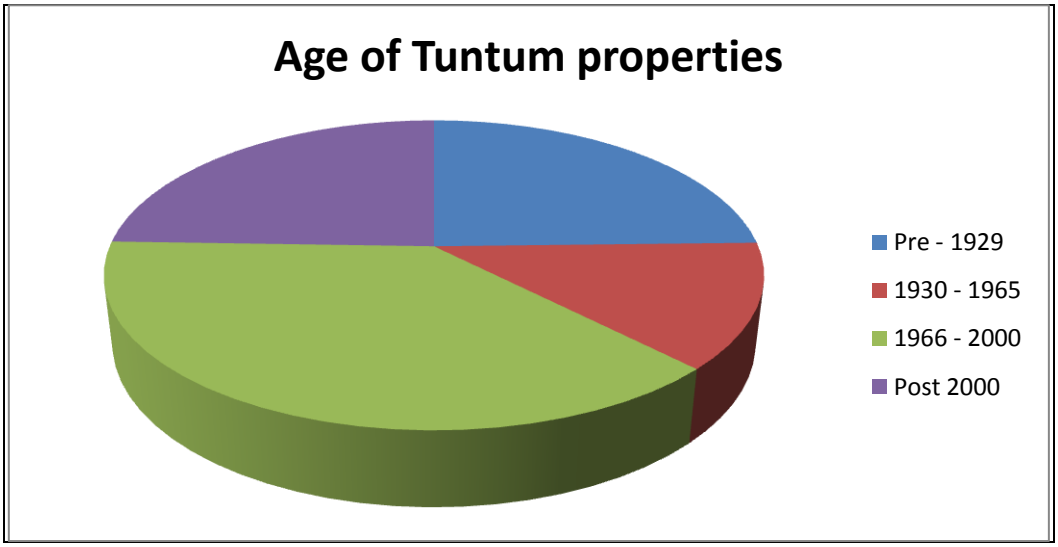
1.1.1 Tuntum is a BME-led social housing business registered with the Housing Corporation in 1988. It is currently the only independent housing association of its kind left in the East Midlands. Our principal activities are aimed at benefitting the community by developing and managing housing for people in housing need, and by providing specialist facilities, services and amenities.

1.1.2 We operate in 11 local authority areas comprising the cities of Nottingham, Leicester and Derby and the boroughs of Hinckley and Bosworth, Rushcliffe, Erewash, Gedling, Broxtowe, Mansfield, Charnwood and Ashfield.



1.1.3 We have a range of properties of different sizes and ages. These are as follows:





1.1.4 We are led by a skilled Board and Executive Team comprising individuals with significant skills and years of relevant experience. These are listed in Appendix 2. Currently, the Regulatory grading with the HCA is G2/V1.

1.1.5 Our five-year Corporate Plan is a rolling document which is reviewed every year following a process which includes: a Board planning day; follow-up discussion at Board meetings; consultation with tenants and staff; final approval at the last Board meeting of the financial year. The final plan is then circulated to lenders and other stakeholders and uploaded to the website.

1.2 Our Corporate Plan Objectives

1.2.1 To ensure that the Board and staff are adequately skilled and deliver effective governance and efficient operational performance.

1.2.2 To deliver excellent standard of services to tenants and leaseholders which achieve high levels of satisfaction and to maintain the Association's properties in good condition.

1.2.3 To develop more homes for people in housing need including specialist housing and homes for sale.

1.2.4 To be more entrepreneurial by exploring new business opportunities (housing and non-housing) but building on the good reputation of the Association and existing staff skills.

1.2.5 To remain financially strong within sound and embedded Risk Management and Value for Money frameworks.

1.2.6 To deliver viable and efficient care services.

1.2.7 To deliver initiatives which enhance the social, economic and environmental situation of local communities.

1.3 Our Development Growth Strategy & Programme

1.3.1 Our Development Strategy and planned programme for the next five years are as follows:

- To remain active members of the Blue Skies Consortium for all future housing developments and to continue to use Partnership Opportunity Development LLP (POD) for the provision of development services.

- To achieve growth of an additional 250 homes from 2016/17 to 2021/22 made up of affordable rent and shared ownership sales and including up to 50 refurbished properties for Specialist Housing. Some houses for outright sale are anticipated but only where incidental and necessary to enable housing for rent or shared ownership sale.

- To focus new developments in Nottingham City, but continue to explore development opportunities that exists within the one hour's drive from Head Office.

- To ensure that all new developments are compatible with the approved housing strategy of the local authority in the area where the developments are planned.

- To develop with HCA subsidy for all future developments. This will include the approved allocations for 60 homes to be developed under shared ownership (30) and rent to buy (30) plus assumptions of subsidy for

affordable homes and shared ownership using the Continuous Market Engagement.

- To explore up to 100 stock transfers @ values without the need for equity subsidy from existing Tuntum stock. This could also be part of a stock rationalisation process.

- To ensure that schemes are fully appraised using the approved modelling criteria in compliance with the Risk Management Framework prior to approval of each scheme

1.3.2 Our Development Programme now assumes developing the following homes between 2016/17 and 2021/22.

	16/17	17/18	18/19	19/20	20/21	21/22
Affordable rent:						
Approved Schemes	11	34	15			
Projected Schemes			28	30	10	
Shared ownership:						
Approved Schemes	8	9				
Allocated Units			8	10	20	10
Rent to buy:						
Allocated units				10	10	10
Specialist Housing			10	10	10	
Total	19	43	61	60	50	20

1.4 Our Treasury Management Strategy

1.4.1 Our Treasury Management Strategy has the following elements:

- To keep within all bank covenants:
  - Gearing – 55%
  - Income Cover – 1:1
- The risk tolerance for the level of gearing as calculated using the existing bank covenants methodology shall not exceed above 52.25%.
- That liquid cash balances shall not fall below the equivalent of 3 months cashflow requirement.
- To maintain a balance of at least 70:30 for fixed interest and variable interest loans.
- To raise the appropriate level of funds over the next five years to enable the Plan's growth to be achieved through a combination of Revolving Credit Facilities, Private Placements and traditional bank loans where appropriate.
- To ensure that there is sufficient access to cash resources to fund the full cost of all developments.

1.5 Our Subsidiary - HomeCare Plus (HCP)

1.5.1 Our subsidiary HCP provides care services primarily to the elderly from the African Caribbean community in Nottingham. We currently employ 32 staff at HCP and provide care to over 86 people. In addition, we run the HomeCare Plus Academy which trains unemployed people in the skills to provide domiciliary care services.

1.5.2 HCP has been facing significant financial challenges which have resulted in unsustainable revenue deficits subsidised by Tuntum. As a result, the Board has approved a Recovery Plan which requires HCP to break even from July 2017. The Board receive quarterly reports on the performance of the Plan and agreed on receipt of the last report to allow the Recovery Plan to run its course until August 2017.

1.5.3 Subject to the success of the Recovery Plan, our intention is to continue to grow HCP towards a turnover of 900 hours per week by the end of 2017 and that HCP will continue to run at least at that level as a social business for the five years of this plan.

1.6 Our Strategy for Specialist Housing

1.6.1 The provision of Specialist Housing is a fundamental element of our business strategy. We have a reputation in the sector for providing innovative solutions to meet various needs in a culturally-sensitive way.

1.6.2 We reviewed our strategy for Specialist Housing in the light of the proposed changes to the funding regime from 2019. We have decided to preserve and grow this area of operation by focusing on meeting the needs of older people, female ex-offenders, people with mental health issues and refugees. The target is to grow the Specialist Housing provision by refurbishing up to 50 properties (existing and acquisitions) over the five years depending on demand and revenue funding. However, none of this growth will be implemented until the revenue funding streams and loan funding are confirmed.

1.6.3 In order to deliver the revised strategy we will be carrying out the following key activities over the next 12 months:

- Adapt the client groups currently being housed, so that they will continue to be a viable business by being made eligible for the 'top up' grant funding being proposed from April 2019.
- Ensure that the current staffing complement is fit for the purpose of the new approach.
- Ensure the current level of service charges will be justifiable under a new regime.

- Grow our number of bedspace units by converting from internal stock up to 12 units primarily aimed at refugee housing.
- To develop an exit strategy in the event that existing or future schemes do not qualify for the new form of government funding for specialist housing.
- Establish new sources of funding such as from CCGs, Big Lottery and charitable grant bodies.

1.7 Our Asset Management Strategy

1.7.1 We have recently reviewed our Asset Management Strategy and the key objectives are:

- To fulfil statutory and regulatory obligations to maintain homes, including testing, servicing and management as required.
- To maximise the return on our assets.
- To review our stock to ensure continuing operational and financial viability and to consider a process of investment or divestment.
- To provide homes to the highest possible standard to meet the needs of our residents and the community.
- To develop new homes to meet the needs of our residents and the community.
- To deliver a consistent, cost effective and efficient repairs service that achieves value for money and high levels of customer satisfaction.
- To maximise occupation of our homes through efficient management, improvement and repair of our stock
- To meet Decent Homes Standards and continuously assess the condition of our homes and estates.
- To measure, monitor and improve the energy efficiency of our homes and address the issue of affordable warmth.
- To involve and consult with our residents on all aspects of our maintenance service.
- To improve resident satisfaction levels across our services.
- To deliver continuous improvement through performance management.

1.7.2 In relation to the current condition of our stock and how we intend to improve our maintenance service, the following gives a summary:

- We have the appropriate level of stock condition knowledge derived from a programme of surveys to ensure 100% compliance with Decent Homes Standard.

- We have reviewed the quality of our DLO service to be satisfied that it offers value for money and can be expanded.

- We are reviewing the quality of our repairs service using a 'six sigma' approach.

- We regularly consult with residents on service improvement.

- We have delivered all our targets in relation to key health & safety requirements.

- We deliver 100% gas safety for our tenants.

1.8 Our Value For Money Strategy

1.8.1 We are committed to achieving the best value for money and outcomes from our operations based on the following underlying strategic principles:

- **Economy**: We strive to minimize the cost and resources for what goes into providing our services, for example the salary cost of employees, material costs, office rent, vehicle costs etc;
- **Efficiency:** This is a measure of productivity, primarily associated with the process and delivery of procurement;
- **Effectiveness:** We aim to do the "right" things for the services we provide in order to maximise the impact achieved and deliver the best outcomes for customers.

1.8.2 As a result of the above, we set targets each year to maximise our Value for Money and measure our outcomes against similar housing associations based on size and location.

1.9 Our Social Value Strategy

1.9.1 We are committed to delivering social value through our housing and our non-housing activities. Our target is to achieve up to 15% of our turnover in 'added' social value for non-housing activities using the HACT Social Value Calculator. For the year ended 31st March 2016, this value was calculated at £1,533,996. For this purpose, we budget a small amount of £11k from the surplus generated.

1.10 How we manage risk and internal controls

1.10.1 We operate an effective internal controls structure which encompasses both external and internal auditors and a comprehensive Risk Management framework. The Risk Management framework includes a Risk Assessment Panel, strategic and operational risk maps and risk appetites and tolerances agreed by the Board. The Audit Committee has responsibility for overseeing that effective assurance is given to the Board that all internal controls, legal and other assurances are working adequately.

2.0 KEY PERFORMANCE INDICATORS

2.1 Our key performance indicator targets are set each year and cover the following areas. Generally, the targets are set to drive improvement in performance and take account of the external environment. The key targets set for 2017/18 are as follows and are likely to be the targets for the following five years.

AREA	TARGET 2017/18		AREA	TARGET 2017/18
Governance:			**Specialist Housing:**	
Board attendance	90%		Current rent arrears	3%
Board training attendance	90%		Rent collection	100%
Finance:			Voids	4%
Income v. budget	100% or more		Re-let time	21 days
Expenditure v. budget	100% or less		**Tenants:**	
Surplus v budgeted surplus	100% or more		Tenancy turnover	Below 3%
Debt per unit	£32,500		Re-let time	21 days
Liquidity ratio	1: 0.6 or more		Response to complaints	90%
Cash available	3 mths op. costs		Repair response times: Emergency Urgent Routine	 100% 90% 90%
Bad debts written off	1.5% of rent		Property surveys per annum	10% of total stock
General Needs:			**Health & Safety:**	
Current rent arrears	3%		Current gas safety certificates	100%
Rent collection	100%		Safe water	100%
Voids	1%		Asbestos	20% per annum
FTA recovery	20%		Fire	100%
Human Resources			**Reputation:**	
Staff attendance	95% +		Overall satisfaction	85% +
Staff retention	95%		Repair satisfaction	85% +
Staff appraisals	100%		Rents give VFM	85 %
Staff satisfaction level	75% +			

3.0 Corporate Plan 2017 - 2022		
Objectives	**Goals**	**Risk Tolerances**
1. To ensure that board and staff are adequately skilled and deliver effective governance and efficient operational performance	• To operate at a G1 standard of governance and thereby maintain good relations with the Regulator. • To ensure skills on the board are related to strategic activities and enhance skills through a programme of training. • To ensure a smooth succession for board members to broaden the diversity of outlook and experience and ensure on-going constructive challenge. • To ensure that all policies are regularly updated. • To ensure that the Internal Control processes such as annual internal audit programmes are working well. • To ensure that the position of the Company Secretary is satisfactorily delivered in accordance with agreed role. • To deliver an effective HR Strategy which ensures the wellbeing of staff and includes succession planning. • To embed a behavioural framework which is linked to Tuntum's Mission, Values and Business Objectives.	• Regulatory judgements must never be allowed to be non-compliant in future and all necessary steps taken to prevent this. • Substantial Assurance is provided by the internal auditors in all regards • Legal advice is received on all problematic HR matters. • Latest HR Strategy to be applied in all cases. • Board Policy on recruitment, training, development and succession planning to be followed
2. To deliver excellent standard of services to tenants, specialist schemes and leaseholders which achieve high levels of satisfaction and to maintain the	• To regularly update the IT Systems in order to make use of cutting edge technology particularly when communicating with customers. • To deliver KPIs targets which are within the top quartile of comparative housing associations and which show continuous improvement	• Where possible to compare with KPIs from other HAs of similar size and to be in top quartile as measured by VFM consultants. • Where KPIs fall to below 25% of norm, CEO reports to the Board on improvement action. • Where satisfaction levels fall below 80%, CEO

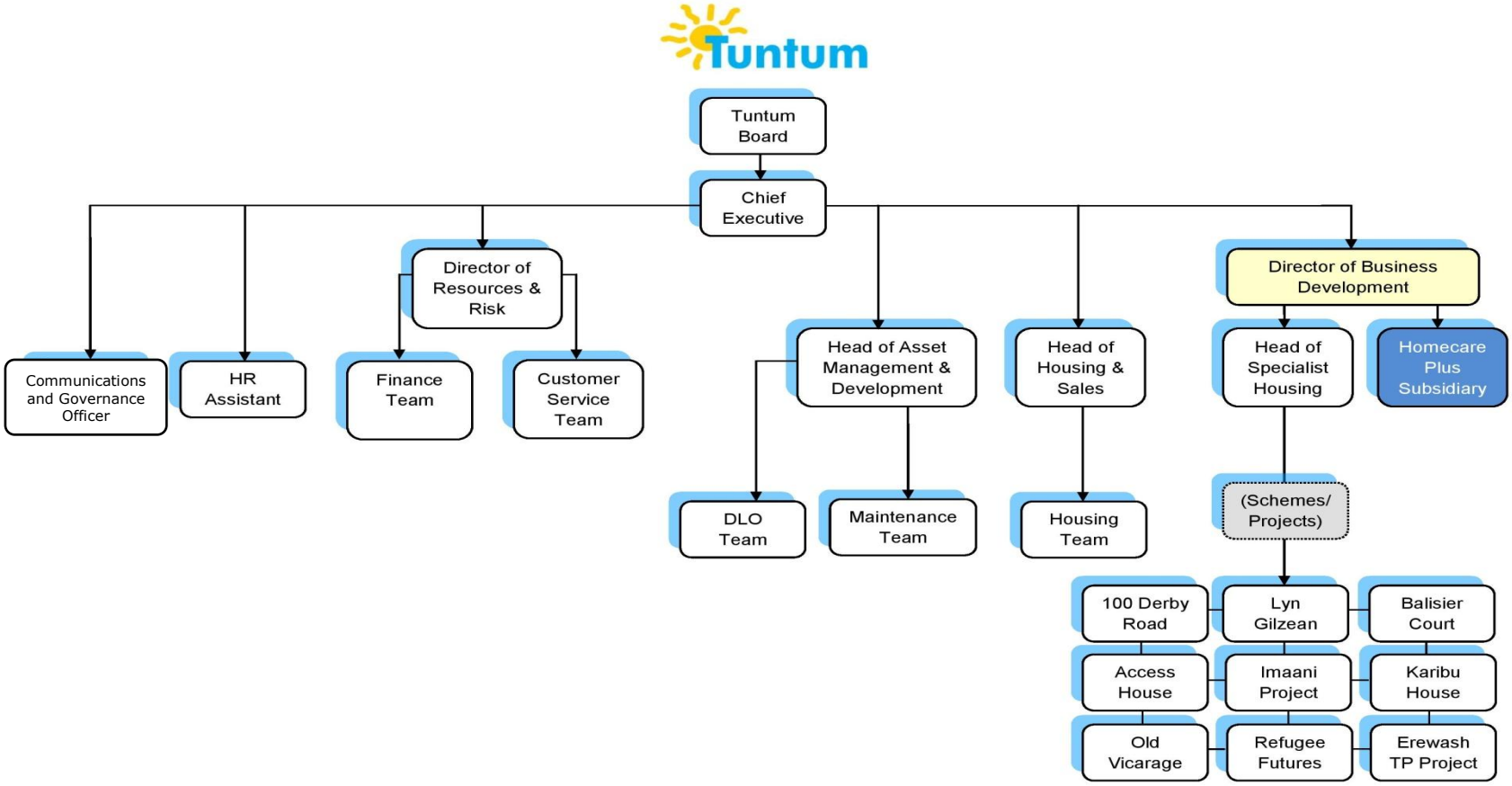
3.0 Corporate Plan 2017 - 2022		
Objectives	**Goals**	**Risk Tolerances**
Association's properties in good condition.	• To maintain customer satisfaction levels in excess of 85%for all categories. • To expand the DLO operation in order to improve efficiency and the quality of delivery. • To develop and maintain tenants scrutiny group Magnify to be an effective partner for co-regulation and to deliver the latest Co-regulation Strategy. • To deliver the Asset Management Strategy, maintaining a repairs programme of 60:40 split of planned/reactive	reports to the Board on specific improvement action. • 100% of properties to meet with decent homes standards and if not board to be given a separate report with recommended correction measures.
3. To develop more homes for people in housing need including specialist housing and homes for sale.	• Subject to funding, to develop up to 250 more homes to 2022 focussing in the City of Nottingham including for affordable rent, share ownership, rent to buy and specialist housing, • To explore stock transfer opportunities as part of a stock rationalisation programme. • To deliver the revised strategy for the new and future provision of specialist housing such as, for older people, refugees, ex-offenders and mental health customers and to raise new sources of funding. • To ensure that all scheme approvals go through the appropriate approval process.	• New growth should not take the gearing ratio agreed with lenders to within 5%. • No stock transfers to be acquired which require additional assets to be given to lenders due to asset cover test without a review by the RAP and approval by the board. • No new developments to be undertaken without proper risk analysis through the RAP and endorsed by the Board as part of the Association's Business Plan and Development Strategy. • All new developments to be delivered as part of the Blue Skies Consortium & POD.
4. To be more entrepreneurial by exploring new business opportunities which are non-housing but building on the good reputation and the	• To improve Tuntum's approach to new business through developing a culture of innovation and 'lessons learnt'. • To fund-raise from charities and other sources. • To obtain new funding streams in new areas of	• No new business to be taken on until it has gone through a thorough risk analysis by the Risk Assessment Panel and the Board which will demonstrate the projects: ➢ Long term Financial Viability

3.0 Corporate Plan 2017 - 2022		
Objectives	**Goals**	**Risk Tolerances**
existing skills of the Association's staff.	working by geography and need. • To maintain and enhance relations with key stakeholders through the Communications Strategy.	➢ Business Plan and Mission compatibility ➢ Long-term sustainability for at least 3 years.
5. To remain financially strong within a sound and embedded risk management and value for money frameworks.	• To maintain efficient and proactive treasury management strategies which include a private placement bond and/or re-negotiation of financial covenants (e.g. gearing) to free up more capacity. • To ensure that annual budget and business plan targets are met or exceeded. • To ensure that financial projections and modelling is put through appropriate sensitivity analysis. • To maintain an up to date Asset and Liability Register that is fit for purpose. • To maintain an effective Risk Management Framework and deliver the annual Risk Management Plan. • To deliver improved value for money strategies which are identifiable, effective and comparable with similar organisations. • To deliver the Action Plan for dealing with Universal Credit. .	• A budget deviation which may lead to a bottom line deviation of 20% will warrant a comprehensive budget and treasury review by the Board • Any loan covenant which encroaches to within 5% of its limits will require a specific review by the Audit Committee and/or Board. • 5% above budget limit for all repairs. HAMD to inform the RAP and the Board if necessary of improvement action being proposed and implemented • Overall improved value for money is to be achieved each year as per the Annual Strategy. • The Asset & Liability Register to be maintained and kept up to date.
6. To deliver a viable and efficient care service.	• To ensure that HomeCare Plus (HCP) develops into a viable and effective business. • To ensure that HCP is maintained as 'good' by the Care and Quality Commission. • To grow the volume and viability of HCP business in keeping with the plans agreed by the	• HomeCare Plus operates under a 'good' assessment by the CQC. • HomeCare Plus does not operate at deficit levels not approved by the Board of Tuntum . • HomeCare Plus Business Plan and budget to be agreed by Tuntum Board and regular reports to be

3.0 Corporate Plan 2017 - 2022		
Objectives	**Goals**	**Risk Tolerances**
	board. • To explore and if appropriate deliver new diversified business opportunities such as, in hospital discharge, staff training and day care. • To explore charitable funding for associated activities.	made on HomeCare Plus's financial performance
7. To deliver initiatives which enhance the social, economic and environmental situations of local communities.	• To deliver social value though existing 'added value' projects of equivalent to no more than 15% of turnover and obtain valuation and validation using the HACT Social Value Calculator. • To deliver the annual 'social value day' delivered by each staff member as part of a strategy to embed the values and ethics of the Association. • To deliver the objectives within the policy for charitable donations. • To assist the Nottingham Carnival become a viable independent organisation. • To continue to deliver various non-housing initiatives such as; Social Worker trainees, HomeCare Plus Academy, Sound as a Pound, Karibu Food Bank & Refugee Futures.	• Monetary value of non-housing activities not to exceed 5% of turnover. • Not to exceed annual limit of generated surplus to be made available for non housing activities. Approved at £11k in 17/18 Budget. • Annual social value delivered using HACT calculation tool not to exceed 15% of annual turnover.

4.0 Appendices

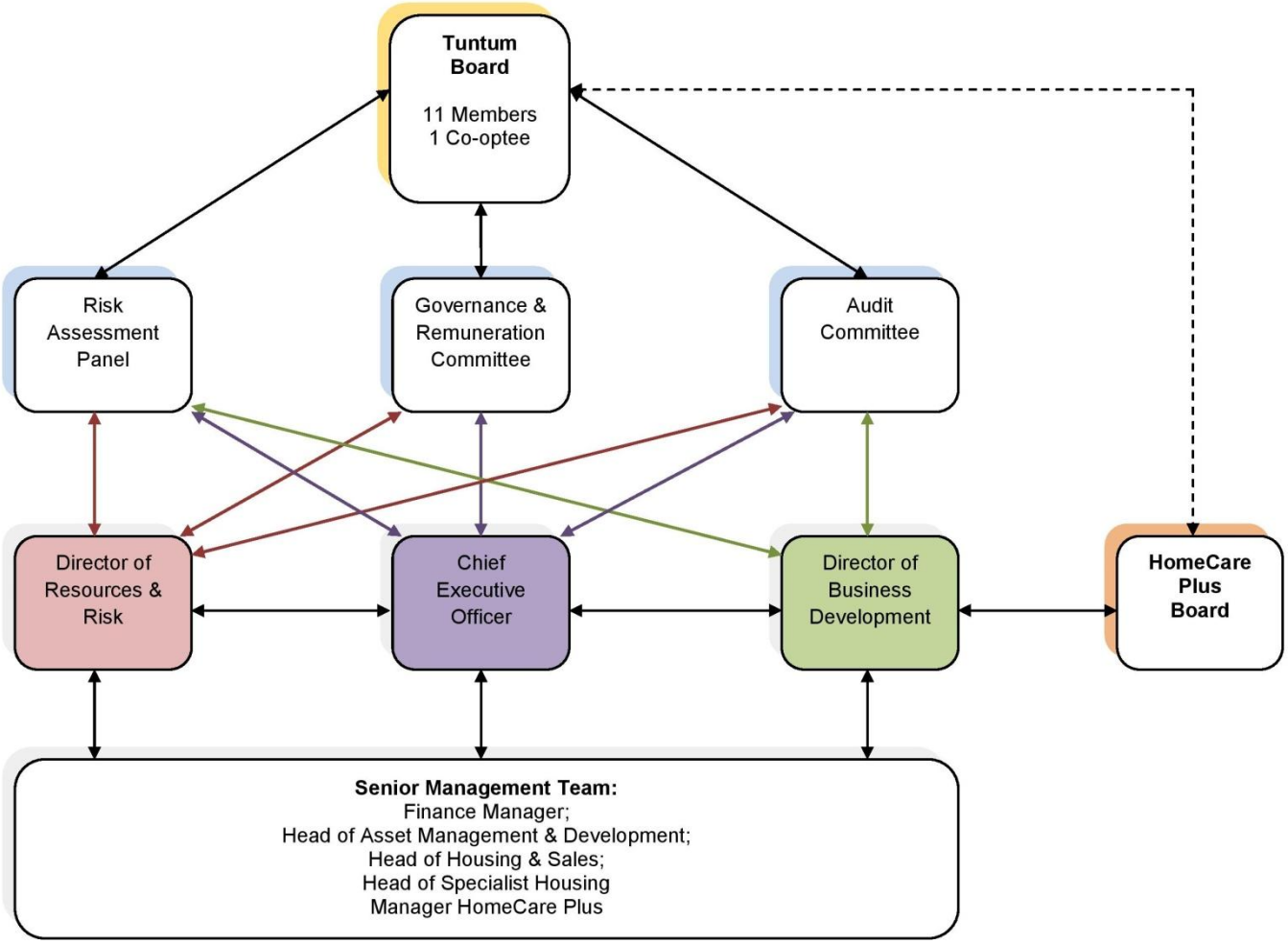
Appendix 1 - Staff Structure



Staff profile: 83 staff (66% BME; 75% women)

Appendix 2 – Board Structure

Board of Tuntum
Organisation Chart 2017



Board profile: 11 members (80% BME; 5 women 6 men)

Appendix 3 - Strategic Risk Map Summary

CURRENT STRATEGIC RISKS @ March 2017			
Key Strategic Risks	**Current Probability Score**	**Current Impact Score**	**Current Risk Score**
Poor governance	2	3	6
Poor financial performance	1	2	2
Lack of growth	2	2	4
Poor asset management	2	2	4
Poor customer services	2	2	4
Failure to recruit and retain skilled staff	2	1	2
Failure to comply with health and safety regulations	2	3	6
Wholescale Failure of IT system	2	2	4
Lack of viability at HomeCare Plus	3	5	15
Negative impact of welfare reform	2	3	6
Development projects unviable	3	3	9
Specialist housing unable to achieve its business objectives	3	3	9

Key: Probability/Impact

Almost Certain	5					
Likely	4					
Possible	3					
Unlikely	2					
Rare	1					
		1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Catastrophic

Tuntum

Appendix 4 – PESTEL REVIEW AS AT MAY 2016

As part of the exercise to analyse Tuntum's operating environment, the key political, economic, sociological, technological, environmental and legal factors affecting the Association were updated.

POLITICAL	ECONOMIC
Preference for large housing associations Encouragement for mergers LA priorities Different approach to regulation Nottingham's political landscape Discouraging attitude to specialist provision & social value projects National Political Landscape Legacy impact of Budget July 2015 Preference for home ownership and shared ownership – National Housing Strategy European Referendum CQC regulation and approach to grades NHS funding crisis Continued austerity and impact on local government Under funding of 'social care'	Rent reductions (-1% for 4 years) Government austerity measures & local authority budget cuts Rising property prices helping lenders asset covers Unaffordable house prices Increase in minimum wage Impact of Welfare Reform/Universal Credit New emerging sources of loan financing Drive for efficiency /partnerships /outsourcing – VFM agenda Pensions deficit The govt's drive to do more housing for sale Rising cost of house building Personalisation of care budgets BREXIT uncertainty – UK Growth prospects Financial markets Identifying Social Value Tenants Right to Buy
SOCIOLOGICAL	**TECHNOLOGICAL**
Growing poverty caused by welfare reform Demographic changes in areas of operation & emerging communities Ageing population Youth unemployment Disadvantages faced by customers – educational under achievement Polarisation of wealth Expectations of customers Greater need for community cohesion Impact of Welfare Reform and other changes in 9th July budget Housing & Health inequalities	Emerging Information technologies Need to be at the 'cutting edge' - mobility Staff IT skills Use of technology to drive efficiencies eco-Homes/carbon reduction/renewal energy Home working Cloud Technology Opportunities to improve communication with customers Social media Technologically and customers social exclusion Business continuity and disaster recovery Cost/benefit of IT
ENVIRONMENT	**LEGAL**
Carbon foot print Energy efficiency of properties Parking Levy in Nottingham	Human Rights Act Equalities Act Housing and Regeneration Act 2008

Alternative Energy	Localism Act 2011 Public Services (Social Value) Act . Housing and Planning Bill 2016 HCA Regulatory Framework & Legal Compliance CQC Essential Standards Data protection

Appendix 5 – SWOT REVIEW AS AT NOVEMBER 2016

STRENGTH	WEAKNESS
Experiences of integrating and enhancing services aimed at our community Charitable structure Stock condition Flexible and responsive BSC (not an OPP) Strong Board To keep as a strength Healthy financial position IIP – silver Diversity in services Strong community reputation Good relationship with HCA Increasing social value We know our community	Relationship building with potential stakeholders Staff development Data collection and analysis Older properties Size (but also a strength) Limited capacity HCP viability ICT processes Not promoting ourselves Partnership working Lack of knowledge of funding streams
OPPORTUNITY	**THREATS**
social media apprenticeship C & L Government partnerships Local media connections Partnering with other Has / care providers HCP as non-profit IIP – Gold BME specialism Efficiency from process mapping Life course approach New builds through Blue Skies & stock transfers	Inflation Large scale procurements Autumn Statement Hostile takeover Welfare reform – LHA CAP Political climate New regulation - IDA Contractor cost / availability Costs & income

Appendix 6 – Financial Projections – Income and Expenditure

Consolidated Statement of Comprehensive Income

Period: 01 April 2017 - 31 March 2022	2018	2019	2020	2021	2022
	£000's	£000's	£000's	£000's	£000's
Total Turnover	8,418.10	8,910.30	9,144.70	9,827.30	10,407.90
Operating Expenditure	-5,827.70	-6,264.90	-6,482.20	-6,893.30	-7,235.30
Other income					
Operating Surplus/(deficit)	**2,590.40**	**2,645.30**	**2,662.50**	**2,934.00**	**3,172.60**
Interest and financing costs	-1,942.40	-2,043.60	-2,231.40	-2,417.70	-2,910.70
Surplus before tax	**648**	**601.7**	**431.1**	**516.3**	**275.5**
Taxation					
Surplus after tax	**648**	**601.7**	**431.1**	**516.3**	**275.5**
Comprehensive Income for the year	**648**	**601.7**	**431.1**	**516.3**	**275.5**
Comprehensive Income Brought Forward	3,294.00				
Transfers (to)/from Reserves					
Statement of Comprehensive Income Accumulated	**3,942.00**	**4,543.70**	**4,974.70**	**5,491.00**	**5,766.50**
Interest Cover Covenant	**110%**	**110%**	**110%**	**110%**	**110%**
Actual Interest Cover	**173%**	**170%**	**161%**	**163%**	**147%**

Consolidated Statement of Financial Position

Period: 01 April 2017 - 31 March 2022	2018	2019	2020	2021	2022
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Fixed Assets					
Tangible fixed assets	80,027.60	85,216.80	91,752.10	96,814.60	98,445.60
Fixed Assets Total	**80,027.60**	**85,216.80**	**91,752.10**	**96,814.60**	**98,445.60**
Current Assets					
Stock	202.5	154.9	206.8	422.5	215.8
Trade and other debtors	384.7	384.7	384.7	384.7	384.7
Cash and cash equivalents	3,178.40	4,622.70	1,503.20	3,182.00	3,479.20
Current Assets Total	**3,765.60**	**5,162.30**	**2,094.70**	**3,989.20**	**4,079.80**
Less - Creditors - amounts falling due within one year	-2,210.20	-2,210.20	-2,210.20	-2,210.20	-2,210.20
Net current assets/liabilities	**1,555.30**	**2,952.10**	**-115.5**	**1,779.00**	**1,869.60**
Assets less current liabilities Total	**81,582.90**	**88,168.80**	**91,636.50**	**98,593.60**	**100,315.20**
Creditors - amounts falling due after more than one year	-76,832.90	-82,817.10	-85,853.80	-92,294.50	-93,740.60
Provisions for liabilities					
Pension provisions	-808	-808	-808	-808	-808
Net assets Total	**3,942.00**	**4,543.70**	**4,974.80**	**5,491.10**	**5,766.60**
Reserves					
Income and expenditure reserve	3,942.00	4,543.70	4,974.70	5,491.00	5,766.50
Total reserves	**3,942.00**	**4,543.70**	**4,974.80**	**5,491.10**	**5,766.60**
Gearing Covenant	**55%**	**55%**	**55%**	**55%**	**55%**
Gearing Actual	**46%**	**48%**	**46%**	**48%**	**48%**

Appendix 6 – Financial Projections – Cash Flow

Consolidated Statement of Cash Flow

Period: 01 April 2017 - 31 March 2057	2018	2019	2020	2021	2022
	£000's	£000's	£000's	£000's	£000's
Total Receipts	7,882.40	8,364.30	8,586.80	9,241.10	9,798.00
Total Payments	-4,729.10	-4,834.00	-5,054.40	-5,522.80	-5,346.80
Cash Paid To Employees					
Cash flow from Operating Activities	**3,153.20**	**3,530.30**	**3,532.50**	**3,718.30**	**4,451.20**
Provisions for tax					
Surplus for the year	**3,153.20**	**3,530.30**	**3,532.50**	**3,718.30**	**4,451.20**
Total Adjustments for invest or financing activities					
Net cash generated from operating activities	3,153.20	3,530.30	3,532.50	3,718.30	4,451.20
Cash flow from investing activities					
Purchase of tangible fixed assets	-4,457.70	-6,411.80	-7,851.90	-6,435.30	-3,124.80
Proceeds from sale of tangible fixed assets					
Grants received	884.7	869.8	2,106.30	1,785.60	727.3
Interest Received					13.5
Total Cash flow from investing activities	**-3,573.00**	**-5,542.00**	**-5,745.60**	**-4,649.70**	**-2,383.90**
Cash flow from financing activities					
Interest paid	-1,953.10	-2,049.90	-2,363.10	-2,437.10	-3,141.80
Interest element of finance lease rental payment					
New secured loans	19,000.00	6,000.00	2,000.00	6,000.00	25,000.00
Repayment of borrowings	-15,198.90	-494.00	-543.3	-952.7	-23,628.30
Capital element of finance lease rental payments					
Withdrawal from deposits					
Total Cash flow from financing activities	**1,847.90**	**3,456.10**	**-906.3**	**2,610.20**	**-1,770.00**
Cash & cash equivalents at the beginning of year	**1,750.20**	**3,178.40**	**4,622.70**	**1,503.20**	**3,182.00**
Net Change in Cash & cash equivalents	**1,428.20**	**1,444.40**	**-3,119.50**	**1,678.80**	**297.2**
Cash & cash equivalents at the end of year	**3,178.40**	**4,622.70**	**1,503.20**	**3,182.00**	**3,479.20**